

# **VENTURA TEXTILES LIMITED**

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**ANNUAL REPORT**  
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## VENTURA TEXTILES LIMITED

### 49<sup>th</sup> Annual Report 2018-2019

#### BOARD OF DIRECTORS

<b>Mr. P. M. Rao</b>	<i>Chairman &amp; Managing Director</i>
<b>Mr. Abhijit Rao</b>	<i>Whole-Time Director &amp; CFO</i>
<b>Mr. Shyam Karmarkar</b>	<i>Director (Independent)</i>
<b>Mr. Prakash Bhargava</b>	<i>Director (Independent)</i> <i>(upto 14/01/2019)</i>
<b>Mrs. Ratnakumari Girija Maganti</b>	<i>Director (Independent)</i> <i>(w.e.f. 19/10/2018)</i>

#### REGISTERED OFFICE

Unit No. 121, Midas, Sahar Plaza, J. B. Nagar,  
Andheri (East), Mumbai – 400 059.

#### PLANT

Gonde, Nashik District, Maharashtra.

#### AUDITORS

**Govind Prasad & Co.**  
Chartered Accountants

#### BANKERS

**Janakalyan Sahakari Bank Ltd.**  
**Corporation Bank**

#### SOLICITORS

**M/s. Bharucha & Partners**

#### REGISTRARS & SHARE TRANSFER AGENT

**Link Intime India Pvt. Ltd.**  
C-101, 01<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai-400083.

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**NOTICE**

**NOTICE** is hereby given that the **49<sup>th</sup> Annual General Meeting** of **Ventura Textiles Limited** will be held on **Monday, 30<sup>th</sup> September, 2019** at the Registered Office of the Company at Unit No. 121, Midas, Sahar Plaza, J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059 at 10.00A.M.to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019, along with the reports of the Board of Directors and Auditors thereon and in this regard to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2019 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Abhijit Rao (DIN: 00189126), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution, as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Abhijit Rao (DIN: 00189126), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director, liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the re-appointment of Mr. Abhijit Rao (DIN: 00189126), as a Director liable to retire by rotation shall not in any way constitute a break in his existing office as the Whole Time Director of the Company.”

**SPECIAL BUSINESS:**

3. **APPOINTMENT OF MRS. RATNAKUMARI GIRIJA MAGANTI (DIN:08259159) AS AN INDEPENDENT DIRECTOR:**  
To consider and approve the appointment of Mrs. Ratnakumari Girija Maganti (DIN:08259159) as an Non-Executive Independent Director and in this regard, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mrs. Ratnakumari Girija Maganti (DIN:08259159), who has been appointed as an additional Director (Independent) of the Company with effect from 19<sup>th</sup> October, 2018, and in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013 signifying intention to propose Mrs. Ratnakumari Girija Maganti (DIN:08259159), as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (Five) consecutive years up to 18<sup>th</sup> October, 2023, and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1A) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, approval of the Members of the Company be and is hereby also accorded to Mrs. Ratnakumari Girija Maganti (DIN:08259159), to continue to hold the office of Independent Director on attaining age of 75 years during the tenure of Independent and Non-Executive Director of the Company.

**RESOLVED FURTHER THAT** the Board (including a Committee) be and is hereby authorized to do all such acts, deeds, matters and things as, in its absolute discretion, it may think necessary, expedient or desirable as may be required in this regard."

**4. RE-APPOINTMENT OF MR. SHYAM RAGHUNATH KARMARKAR (DIN: 01365616) AS NON-EXECUTIVE & INDEPENDENT DIRECTOR FOR A SECOND (2<sup>ND</sup>) TERM OF CONSECUTIVE FIVE YEARS:**

To consider the re-appointment of Mr. Shyam Raghunath Karmarkar (DIN: 01365616) as Non-Executive & Independent Director for a Second (2<sup>nd</sup>) term of consecutive five years and in this regard to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on there commendation of the Nomination and Remuneration Committee, Mr. Shyam Raghunath Karmarkar (DIN: 01365616), who has been appointed as an additional Director (Independent) of the Company with effect from 01<sup>st</sup> April, 2019, and in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013 signifying intention to propose Mr. Shyam Raghunath Karmarkar (DIN: 01365616), as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of 5 (Five) consecutive years up to 31<sup>st</sup> March, 2024, and whose office shall not be liable to retire by rotation."

**"RESOLVED FURTHER THAT** pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1A) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, approval of the Members of the Company be and is hereby also accorded to Mr. Shyam Raghunath Karmarkar (DIN: 01365616) to continue to hold the office of Independent Director on attaining age of 75 during the tenure of his re-appointment as an Independent and Non-Executive Director of the Company."

**5. RATIFICATION OF REMUNERATION TO MR. P. M. RAO (DIN: 00197973), CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:**

To consider and ratify the remuneration payable to Mr. P.M. Rao (DIN: 00197973), Chairman & Managing Director of the Company and in this regard, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in partial modification to the special resolution passed at the 48<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2018 and pursuant to the provisions of Sections 196, 197, and 203 of the Companies Act, 2013 (The Act) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force) and such other approvals, if any, required, consent / ratification by the Members of the Company be and is hereby accorded for the remuneration (as detailed in the Explanatory Statement) paid to Mr. P.M. Rao (DIN: 00197973), Chairman & Managing Director for the Financial Year 2018-19 within the maximum ceiling and in accordance with the provisions of the Act and the rules made thereunder."

**"RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby also accorded to the Board of Directors of the Company to revise the remuneration to Mr. P.M. Rao (DIN: 00197973), Chairman & Managing Director of the Company, for the period from 01<sup>st</sup> April, 2019 till the tenure of his existing appointment viz.: up to June 30, 2020, within the maximum ceiling in accordance with the provisions of the Act and on the terms and conditions as per the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary,

amend or revise the remuneration within the maximum ceiling in accordance with the provisions of the Act based on the recommendations of the Nomination and Remuneration Committee and as may be agreed to between the Board of Directors and Mr. P.M. Rao."

**6. APPROVAL OF REMUNERATION PAYABLE TO MR. ABHIJIT RAO (DIN: 00189126), WHOLE-TIME DIRECTOR OF THE COMPANY:**

To consider and ratify the remuneration payable to Mr. Abhijit Rao (DIN: 00189126), Whole-time Director of the Company and in this regard, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in partial modification to the special resolution passed at the 48<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2018 with respect to revision of the remuneration payable to Mr. Abhijit Rao (DIN: 00189126), Whole-time Director and pursuant to the provisions of Sections 196, 197, and 203 of the Companies Act, 2013 (The Act) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force) and pursuant to recommendations of the Nomination and Remuneration Committee and Audit Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to revise the remuneration to Mr. Abhijit Rao Penugonda, Whole-Time Director (DIN:00189126), for the period from 01<sup>st</sup> April, 2019 till the tenure of his existing appointment viz.: up to 31<sup>st</sup> October, 2021, within the overall maximum ceiling in accordance with the provisions of the Act and on the terms and conditions as per the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary, amend or revise the remuneration within the maximum ceiling in accordance with the provisions of the Act based on the recommendations of the Nomination and Remuneration Committee and as may be agreed to between the Board of Directors and Mr. Abhijit Rao Penugonda."

On behalf of Board of Directors of  
Ventura Textiles Limited

Sd/-  
P. M. Rao

Chairman & Managing Director  
DIN: 00197973

Date: 14<sup>th</sup> August, 2019  
Place: Mumbai

**Registered Office:**

Unit No.121, Midas, Sahar Plaza  
J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059

**CIN: L21091MH1970PLC014865**

**Tel No: 022- 2834 4453 Fax No.: 022-2835 1974**

**email-id: pmrao@venturatextiles.com**

**Website: www.venturatextiles.com**

**NOTES:**

1. Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business under Item No. 3 to 6 is attached and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY STAMPED AND EXECUTED IN ORDER TO BE EFFECTIVE, MUST REACH THE REGISTERED OFFICE/CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING (AGM). A PROXY FORM IS ENCLOSED.**
3. Pursuant to Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (Ten) per cent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. In term of Section 152 of the Companies Act, 2013, Mr. Abhijit Rao (DIN: 00189126), Director, retires by rotation at the Meeting and being eligible, offers himself for re-appointment.  
  
Details of Directors seeking appointment / re-appointment as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with applicable Secretarial Standard is given in **Annexure-A**, which forms part of this Annual Report.
5. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member entitled to vote at a meeting of the Company, would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days notice in writing is given to the Company.
7. The Share Transfer Books and Register of Members of the Company will remain closed from Tuesday, 24<sup>th</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive).
8. Pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit details to the Registrar and Transfer Agent of the Company, in the prescribed Form SH -13. The Members holding shares in demat form may contact their respective DP for recording of nomination.
9. Members, Proxies and Authorized Representatives are requested to bring the attendance slip enclosed herewith duly completed and signed along with their copy of Annual Report to the AGM. Only registered Members carrying the attendance slip and the holders of valid proxies registered with the Company will be permitted to attend the AGM. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID details for identification.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Members are requested to notify immediately the change in their address/Bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and in respect of their physical share folios to the

Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, C-101, 01<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083.

12. Members are requested to quote their Ledger Folio Number/Client ID Number in all their future correspondences.
13. Non-Resident Indian members are requested to inform M/s Link Intime India Private Limited immediately of :
  - a) Change in their residential status on return to India for permanent settlement; and
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account no. and address of the bank with PIN Code No., if not furnished earlier.
14. Members are requested to register / update their bank details with their Depository Participants as well as the Company to enable expeditious credit of the dividend to their bank accounts electronically.
15. Members desiring any information with regard to Accounts/Reports are requested to write to the Company at least ten days before the Annual General Meeting, so as to enable the Management to keep the information ready at the meeting.
16. The Register of Directors and Key Managerial Personnel and their Shareholding in the Company maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts maintained by the Company under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
17. The Annual Report is being sent through electronic mode only to the Members whose e-mail addresses are registered with the Company/Depository Participant (s) unless any Member has requested for physical copy of the Report. For Members who have not registered their email addresses, physical copies of the Annual Reports are being sent by permitted mode.
18. To support the green initiatives taken by Ministry of Corporate Affairs, Members are requested to register their e-mail Address with Depository Participant only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the Depository Participant will automatically reflect in the Company's subsequent records.
19. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours between 11 a.m. to 1.00 p.m up to the date of the Annual General Meeting.
20. There is no amount outstanding or due for a period of more than seven years, which the Company is required to transfer to the Investor Education and Protection Fund of the Central Government as required under Section 124 of the Companies Act, 2013.
21. Members who still hold share certificates in physical form are advised to dematerialize their shareholding, in terms of the SEBI directions not to allow physical Transfers of Share Certificates, and to avail the benefits of dematerialization, which include easy liquidity (trading is permitted in dematerialized form only), electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
22. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.venturatextiles.com](http://www.venturatextiles.com)
23. M/s. Govind Prasad & Co., Chartered Accountants (Firm Registration No. 114360W) have been appointed as the Statutory Auditors of the Company since the conclusion the 47th Annual General Meeting (AGM) held on September, 2017. They were appointed for a period of five consecutive years commencing from the conclusion of the 47<sup>th</sup> Annual General Meeting till the conclusion 52nd Annual General Meeting, subject to ratification by the members of the Company at every Annual General Meeting. The requirement of ratification of auditors by the members is no longer required. However, M/s. Govind Prasad & Co., Chartered Accountants have confirmed that they are not disqualified to continue as the Statutory Auditors of the Company.

24. A roadmap showing directions to reach the venue of the AGM is given at the end of this Notice.

25. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) and Regulation 44(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. The facility for voting, through Ballot Paper, will be also made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. The Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

In compliance with section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulation, the Company is pleased to provide remote e-voting facility to the members to cast their votes from a place other than the venue of the Annual General Meeting. Further, the Company is also providing Postal Ballot Forms to the members attached to the Notice to exercise their voting rights.

The e-voting period commences on Friday, 27<sup>th</sup> September, 2019 (9.00 a.m.) and ends on Sunday, 29<sup>th</sup> September, 2019 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM, who have not already cast their votes by e-voting, shall be able to exercise their rights at the AGM through Ballot Paper.

The Company has appointed M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

**The instructions for shareholders voting electronically are as under:**

- i) Any person, who acquires shares of the Company and become member of the Company after the dispatch of the notice and holding shares as on the cut-off date i.e. Monday, 30<sup>th</sup> August, 2019 may obtain login Id and password by sending a request to the Compliance Officer.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- iii) Click on Shareholders.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 digits client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for “Ventura Textiles Limited”.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- xviii) Note for Non – Individual Shareholders and Custodians.
  - xix) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - xx) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - xxi) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - xxii) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - xxiii) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - xxiv) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
1. a) M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai have been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- b) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- c) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.venturatextiles.com](http://www.venturatextiles.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

**IMPORTANT COMMUNICATION TO MEMBERS:**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, **M/s. Link Intime India Private Limited** Email: [jiny.elizabeth@linkintime.co.in](mailto:jiny.elizabeth@linkintime.co.in)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3.: APPOINTMENT OF MRS. RATNAKUMARI GIRIJA MAGANTI (DIN:08259159) AS AN INDEPENDENT DIRECTOR:**

The Board of Directors ("Board"), upon recommendation of the Nomination and Remuneration Committee, appointed Mrs. Ratnakumari Girija Maganti (DIN:08259159) as an Additional (Independent) Director of the Company, not liable to retire by rotation, effective October 19, 2018. Pursuant to the provisions of Section 161 of the Act and applicable provisions of the Articles of Association of the Company, Mrs. Ratnakumari Girija Maganti will hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, proposing her candidature for the office of Director.

The Company has received from Mrs. Ratnakumari Girija Maganti

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act; and
- (iii) a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Mrs. Ratnakumari Girija Maganti (DIN:08259159) as an Independent Director of the Company upto October 18, 2023.

Mrs. Ratnakumari Girija Maganti, once appointed, will not be liable to retire by rotation. In the opinion of the Board, she is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the Management of the Company. A copy of the letter of appointment of Mrs. Ratnakumari Girija Maganti as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the AGM. The profile and specific areas of expertise of Mrs. Ratnakumari Girija Maganti are provided as annexure to this Notice.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mrs. Ratnakumari Girija Maganti, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice. The Board recommends the resolution set forth in Item No. 3 for the approval of the Members as a Special Resolution.

Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours between 11 a.m. to 1.00 p.m up to the date of the Annual General Meeting.

**Item No. 4.: RE-APPOINTMENT OF MR. SHYAM RAGHUNATH KARMAKAR (DIN: 01365616) AS INDEPENDENT DIRECTOR FOR A FURTHER TERM OF FIVE YEARS:**

Mr. Shyam Raghunath Karmarkar (DIN: 01365616) was appointed as an Independent Non-Executive Director of the Company by the members at the (44th) Annual General Meeting of the Company held on 30th day of September, 2014, for a period of five consecutive years commencing from 1st April, 2014 upto 31st March, 2019. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shyam Raghunath Karmarkar (DIN: 01365616), being eligible for re-appointment as an Independent Director and offering himself for re-appointment, has been re-appointed as an Additional Director and the Board recommends his re-appointment at the ensuing Annual General Meeting, subject to approval of the Members as an Independent Director for second term of five consecutive years to hold office upto 31st March, 2024.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. In the opinion of the Board, Mr. Shyam Raghunath Karmarkar fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Further during his tenure as an Independent and Non-Executive Director of the Company, he will attain the age of 75. The members are also recommended to pass the resolution in terms of Regulation 17(1A) of SEBI LODR, approving his continuation as an Independent Director, on the Board of Directors of the Company.

Copy of the draft letter for appointment of Mr. Shyam Raghunath Karmarkar as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11:00 am to 1:00 pm) on any working day, except Saturday, upto and including the date of AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shyam Raghunath Karmarkar as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Shyam Raghunath Karmarkar as an Independent Director for another term of five consecutive years to hold office upto 31st March, 2024, for the approval by the shareholders of the Company .

Except Mr. Shyam Raghunath Karmarkar, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM. Mr. Shyam Raghunath Karmarkar is not related to any Director of the Company.

**Item No. 5 & 6:****A) RATIFICATION OF REMUNERATION TO MR. P.M. RAO (DIN: 00197973), CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:**

The members of the Company at its Annual General Meeting held on 30th September, 2015, had re-appointed Mr. Penugonda Mohan Rao, as the Chairman and Managing Director of the Company, for a period of 5 years commencing from July 01, 2015 to June 30, 2020. However, the remuneration was fixed only for a period of 3 years and at the 48th Annual General Meeting the remuneration payable was revised up to an amount of Rs.30Lakhs per annum.

During the financial year 2018-19, the Company had paid / reimbursed medical allowance to Mr. Penugonda Mohan Rao, Rs.6,29,000/- in addition to the payment of Rs.30 lakhs as remuneration. The Nomination and Remuneration Committee and the Board of Directors in its respective meetings held on 14th August, 2019, have approved the reimbursement of the medical expenses for ratification and also approved the revision of the remuneration, subject to approval of the shareholders by way of special resolution, up to a maximum ceiling amount as provided under Schedule V to the Act , with effect from 01st April,2019 to June 30, 2020.

Mr. P. M. Rao is associated with the Company for more than 3 decades. Due to his hard work and belief, the Company is reviving and is expected to turnaround in years to come. Mr. P. M. Rao has business experience of decades and has a rich and vast all-round knowledge and experience in the business of Textiles Industry. Moreover he attends to the day to day affairs of Company and also actively involved in operations concerning revival of Company through financial restructuring and other required efforts.

None of the Directors and Key Managerial Persons and their relatives are in any way concerned or interested financially or otherwise, except Mr. Abhijit Rao, Mr. P. M. Rao and their relatives to the extent of their shareholding Company, as given in Annexure A.

Copy of all the documents mentioned herein above would be available for inspection by the shareholders at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days from the date hereof up to the date of the AGM.

The Board recommends the resolution mentioned at Item No. 5 for approval by the members as Special Resolution.

**B) REVISION OF THE REMUNERATION TO MR. ABHIJIT RAO, WHOLE-TIME DIRECTOR**

The members of the Company at the Annual General Meeting held on 30th September, 2016, appointed Mr. Abhijit Rao, as Whole-Time Director for a period of 5 years, w.e.f. 01st November, 2016. At the Annual General Meeting held on 30th September, 2018, the remuneration payable to Mr. Abhijit Rao was fixed up to Rs.30 Lakhs per annum for the remaining period of 3 years, with the liberty to the Board of Directors of the Company to vary, amend or revise the remuneration within the maximum ceiling in accordance with the provisions of the Act.

The Nomination and Remuneration Committee and the Board of Directors in its respective meetings held on 14th August, 2019, have approved the revision of the remuneration, Mr. Abhijit Rao subject to approval of the shareholders by way of special resolution, up to the maximum ceiling as per Schedule V to the Act, with effect from 01st April, 2019 to 31st October, 2021.

**The terms and conditions of Managerial Remuneration payable to Mr. Penugonda Mohan Rao, Managing Director, and Mr. Abhijit Rao for the remaining tenure of their appointment are as follows:**

**Option A**

In case of the Company having adequate profits, the managerial persons will be paid such remuneration, within the limits specified from time to time under Section 197, read with Section I of Part II of Schedule V to the Act viz. The total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven per cent of the net profits of that company for that financial year computed in the manner laid down in section 198, except that the remuneration of the directors shall not be deducted from the gross profits;

**Perquisites & Allowances:**

No other perquisites, until and unless otherwise decided by the Board of Directors of the Company within the ceilings of the remuneration under Section I of Part II of Schedule V to the Companies Act, 2013. Provided further that, except with the approval of the company in general meeting, the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together.

**Option B: (Subject to approval, if any, of the Central Government)**

In case of the Company having inadequate profit / incurred Loss

## VENTURA TEXTILES LIMITED



Name of the Director	Mr. Mohan Rao Penugonda	Mr. Abhijit Rao Penugonda
Designation	Chairman & Managing Director	Whole-Time Director & CFO
<b>I. Remuneration</b>		
<b>a) Basic Salary:</b>	Maximum ceiling as per Schedule V to the Act, from time to time	Maximum ceiling as per Schedule V to the Act, from time to time
<b>b) Incentive / Annual Increment</b>	As may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors within the maximum ceilings under Schedule V to the Companies Act, 2013.	As may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors within the maximum ceilings under Schedule V to the Companies Act, 2013.
<b>c) Allowance</b>	As mentioned below	As mentioned below
<b>1. Rent Free Accommodation</b>	Not Exceeding One month salary in a year or three month salary in a block of three years.	Not Exceeding One month salary in a year or three month salary in a block of three years.
<b>2. *Medical Expenses</b>		
<b>3. Leave travel assistance</b>	Expenses incurred for self and family in accordance with the Rules of the Company.	Expenses incurred for self and family in accordance with the Rules of the Company.
<b>4. Club Fees</b>	subject to a maximum of two clubs	Subject to a maximum of two clubs
<b>5. Personal accident insurance premium</b>	Not exceeding Rs.8,000/- p.a.	Not exceeding Rs.8,000/- p.a.

\*Payment towards medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family.

Commission: Such amount subject to the overall limits pertaining to the managerial remuneration laid down under Section 197 of the Companies Act, 2013, however, such commission shall not exceed 1% of the net profit.

Other Terms and Conditions: He shall be entitled to 30 days leave with full salary for every 12 months of service or part thereof, encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

The above Remuneration can be doubled as approval of the Shareholders is taken by way of Special Resolution.

**Minimum Remuneration:**

In the event of loss or inadequacy of profits in any financial year, remuneration payable to the Managerial Personnel shall be subject to the approval, if any required, of the Central Government and within a maximum ceiling limit per month which shall not exceed the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force. Where in any financial year during the currency of the term of the Managerial Personnel, the Company has no profits or its profits are inadequate, the Company will pay remuneration within the maximum ceiling per annum viz. Rs.60 Lakhs per annum (double the maximum ceiling as Special Resolution is proposed), considering the effective capital of the Company is less than Rs.5 Crore as per Balance sheet dated March 31, 2018, subject to the approval of the Nomination and Remuneration Committee and the Board of Directors of the Company.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

**I. General Information:**

1) **Nature of Industry:** Textile Industry

2) **Date or expected date of Commencement of Commercial production:**

The Company was incorporated on 03<sup>rd</sup> November, 1970 and commenced its commercial production in the same financial year.

3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

4) **Financial performance based on given indicators - as per audited financial results for the year ended 31<sup>st</sup> March, 2019:**

Particulars	Amount in Rupees
Income from Sales	1,29,43,467
Other Income	62,57,092
Total Income	19,200,559
Total Expenses	69,918,475
Net Profit as per Statement of Profit & Loss Account (after tax)	(50,717,916)

5) **Foreign Investment or collaborations, if any:**

There is no Foreign investment or collaboration by the Company during the year.

**II. Information about the appointee:**

Name	Mr. Mohan Rao Penugonda	Mr. Abhijit Rao
Designation	Chairman & Managing Director	Whole-Time Director & CFO
Background Details	He is the Chairman of the Company. He holds a degree in Bachelor of Commerce. He has a experience of more than 48 years in Textiles Business. He looks after the entire management of the Company.	He is a graduate from American International University; London, with specialization in 'Marketing', and had joined the Company in July, 2004 as General Manager (Operations). Currently he is overseeing our Company's finance. He is also designated as Chief Financial Officer of the Company
Past Remuneration	Rs.33.29 Lakhs	Rs.26.52 Lakhs
Job profile and his suitability	He is responsible for day-to-day management of the Company. Taking into consideration his qualifications, experience and expertise, he is best suited for the responsibilities of current assigned role	He is handling all the corporate matters in addition to the marketing of Bed sheets for USA.
Remuneration proposed	Maximum ceiling as per Schedule V to the Act, from time to time (Double the maximum ceiling, as Special Resolution is proposed)	Maximum ceiling as per Schedule V to the Act, from time to time (Double the maximum ceiling, as Special Resolution is proposed)
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	Taking into consideration the size of the Company, the qualifications, experience and expertise of Mr. Mohan Rao Penugonda and the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.	Taking into consideration the size of the Company, the qualifications, experience and expertise of Mr. Abhijit Rao, and the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:	Mr. Mohan Rao Penugonda is the Father of Mr. Abhijit Rao (Whole Time Director & CFO) of the Company	Mr. Abhijit Rao is the son of Mr. Mohan Rao Penugonda (Chairman & Managing Director) of the Company

**III. Other Information**
**i) Reasons for loss or inadequate profits:**

The performance of the Company was affected on-account of weak financial position.

Despite all odds and tough situations being in Textile Industry, both macro and micro, the Managerial personnel have brought the Company out of sickness and started its commercial production in the month of January, 2018. Further, The Company is pursuing to stabilize the operation for sustainable growth / to achieve its growth plan.



**i. Steps taken or proposed to be taken for improvement:**

The Company is modernizing its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. The Company is hopeful of implementing the business plan in the current year.

**ii. Expected increase in productivity and profits in measurable terms:**

After taking improvement steps as stated above, the Company shall be in a position to strengthen its capabilities, as well as address future opportunities in India and other markets of choice. The above measures undertaken are expected to yield positive results and improve the financial performance of the Company in the coming years.

None of the Directors and Key Managerial Persons and their relatives are in any way concerned or interested financially or otherwise, except Mr. Abhijit Rao, Mr. P. M. Rao and their relatives to the extent of their shareholding Company, as given in Annexure A.

Copy of all the documents mentioned herein above would be available for inspection by the shareholders at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days from the date hereof up to the date of the AGM.

**The Board recommends the resolution mentioned at Item No. 5 & 6, for approval by the members as Special Resolutions.**

## Annexure A

The Shareholding of Mr. Mohan Rao Penugonda, Mr. Abhijit Rao, and their Relatives in the Body Corporates (promoters) which are holding the shares in Ventura Textiles Limited are mentioned below:

Name of Shareholders	Ventura Texports Private Limited (holding 11,31,915 Equity Shares – 5.82%) in Ventura Textiles Limited	Penny Securities & Investments Private Limited (holding 73,36,858 Equity Shares – 37.72%) in Ventura Textiles Limited	Indo-Gulf Financials Limited (holding 32,85,000 Equity Shares – 16.89%) in Ventura Textiles Limited
	Number of Shares held in the Company by Directors and their relatives		
Mr. Mohan Rao Penugonda	49,997 (9.51)	60,000 (8.65%)	100 (0.01%)
Mr. Abhijit Rao Penugonda	55,000 (10.47%)	60,000 (8.65%)	100 (0.01%)
Mr. Abhinay Rao Penugonda	55,000 (10.47%)	60,000 (8.65%)	14,89,652 (74.87)
Mrs. Lakshmimani Penugonda	3,50,000 (66.60%)	1,50,000 (21.61%)	100 (0.01%)

**ANNEXURE-A**

**ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS & SECRETARIAL STANDARD 2 (SS-2) IN RESPECT OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT IN THE 48TH ANNUAL GENERAL MEETING:**

<b>1. Name of the Director</b>	Mr. Abhijit Rao	Mrs. Ratnakumari Girija Maganti	Mr. Shyam Raghunath Karmarkar
<b>2. Director Identification Number (DIN)</b>	DIN: 00189126	DIN:08259159	DIN: 01365616
<b>3. Date of Birth/Age</b>	2nd July, 1980 /37 Years	25th December 1947/ 72 years	26th March 1949/ 70 Years
<b>4. Date of appointment</b>	01/11/2006	19/10/2018	29/06/2001
<b>5. Qualifications &amp; Expertise in specific functional area</b>	Graduate from American International University; London, with specialization in Marketing	BA, M.Ed.In the Field of Education and Sociology	B. Com, FCA and Associate Member of Institute of Internal Auditors. Finance and Taxation
<b>6. Relationship with other Directors inter-se</b>	Mr. Abhijit Rao is the son of Mr. Mohan Rao Penugonda (Managing Director of the company).	Not Applicable	Not Applicable
<b>7. Remuneration last drawn</b>	Rs.26.52 Lakhs per annum (Eligible for 5% of the net profit as per Section 1 or (in case of loss) within the maximum ceiling of Part II of Schedule V to the Companies Act, 2013	Nil	Nil
<b>8. Directorships in other Public Companies as on the date of appointment</b>	Nil	Nil	Nil
<b>9. Member of the committees of Director of the Company</b>	Audit Committee, Nomination and Remuneration Committee	Stakeholders Relationship committee, Nomination and Remuneration Committee, Audit committee	Audit committee, Nomination and Remuneration Committee, Audit Committee
<b>10. Chairman/Member of the Committees of other Companies as on the date of appointment</b>	Nil	Nil	Nil

## VENTURA TEXTILES LIMITED



11. No. of Meetings of the Board attended during the year	5	2	5
12. Shareholding, if any, in the Company as on the date of appointment as required under Regulation 36 (3) (e)	Nil	Nil	Nil

On behalf of Board of Directors  
**VENTURA TEXTILES LIMITED**

Date: 14th August, 2019  
Place: Mumbai

**Registered Office:**

Unit No.121, Midas, Sahar Plaza,  
J. B. Nagar, Andheri (East), Mumbai – 400 059.  
email-id:mkt2@venturatextiles.com  
CIN: L21091MH1970PLC014865

Sd/-  
**P. M. Rao**  
Chairman & Managing Director  
DIN: 00197973

**BOARD'S REPORT**

To  
The Members  
**VENTURA TEXTILES LIMITED**

Your Directors present the 49<sup>th</sup> Annual Report on the business & operations of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019. The summarized performance during the year is as under:

**FINANCIAL RESULTS:****(Amount in Rs.)**

<b>PARTICULARS</b>	<b>31<sup>st</sup> March, 2019</b>	<b>31<sup>st</sup> March, 2018</b>
Sales	1,29,43,467	2,18,87,928
Other Income	62,57,092	17,47,322
Total Income	1,92,00,559	2,36,35,250
Expenditure	6,67,31,544	3,48,97,804
Profit / (Loss) Before Interest, Depreciation & Tax	(4,75,30,985)	(1,12,62,554)
Interest	Nil	Nil
Depreciation	31,86,931	32,54,683
Profit / (Loss) Before Tax	(5,07,17,916)	(1,45,17,237)
Exceptional Income/Prior Period Adjustment	Nil	Nil
Profit / (Loss) After Tax	(5,07,17,916)	(1,45,17,237)

**STATE OF COMPANY AFFAIRS:**

The Company's modernization plan of Open End Spinning division has been successfully completed and the company started its commercial production in the month of January' 2018.

The Company is supplying high quality open end yarn to the fabric / denim manufacturer. The company is pursuing to stabilize the operation for sustainable growth / to achieve its growth plan.

**PERFORMANCE REVIEW:**

During the year under review, the Company has earned total income of Rs.1,92,00,559/- out of which income from operation is Rs.1,29,43,467/-and other income is Rs.62,57,092/- as compared to income from operation and total income of Rs.2,36,35,250/- in the previous year. The Company incurred loss after tax of Rs.5,07,17,916/- as compared to a loss after tax of Rs.1,45,17,237/- in the previous year.

The Company expects improved results in the coming years.

**DIVIDEND AND RESERVES:**

The Directors do not recommend any dividend on the Equity Share Capital of the Company for the Financial Year ended 2018-19 due to losses.

The Company has not transferred any amount to reserves for the Financial Year ended 2018-19.

**SHARE CAPITAL:**

The Paid-up share capital of the Company as on 31<sup>st</sup> March, 2019 was Rs. 19,44,06,890/- comprising of 1,94,40,689 Equity Shares of Rs.10/- each.

During the year under review, the Company did not issue any shares with differential voting rights and has not granted any Stock Option or Sweat Equity.

As on 31<sup>st</sup> March, 2019, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

### **BUSINESS OUTLOOK AND FUTURE PROSPECTS:**

The Company is planning to modernize its Open End Spinning Division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. The Company is hopeful of implementing the business plan in the current year.

### **CHANGE IN THE NATURE OF BUSINESS:**

During the Financial Year under review, there has been no change in the business of the Company or in the nature of business carried by the Company.

### **FIXED DEPOSITS:**

The Company has not accepted any deposit within the meaning of the provisions of Section 73 of the Companies Act, 2013 read with Chapter V of the Companies (Acceptance of Deposits) Rules, 2014.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

#### **a) Meetings of the Board of Directors held during the year 2018-19:**

During the year under review, 5 (Five) meetings of the Board of Directors took place details of which have been provided in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

#### **b) Declaration by Independent Directors:**

The Company has received necessary declaration from all the Independent Directors confirming that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "SEBI (LODR)."

Independent Directors are not liable to retire by rotation as per Section 152(6) of the Companies Act, 2013.

#### **c) Changes in the Board of Directors During the year 2018-19:**

Based on the recommendation of the Nomination & Remuneration Committee of the Company, the Board has appointed Mrs. Ratnakumari Girija Maganti (DIN: 08259159) as an additional director (Independent and Non-Executive category) . As per the applicable provisions of the Companies Act, 2013 & Rules made there under she holds the office as such upto the date of this Annual General Meeting of the Company. Your Directors recommend the appointment Mrs. Ratnakumari Maganti (DIN: 08259159) as an Independent Director (Non-Executive category) for a period of five years upto 18th October 2023, not liable to retire by rotation.

Based on the recommendation of the Nomination & Remuneration Committee of the Company, the Board has re-appointed Mr. Shyam Raghunath Karmarkar (DIN: 01365616) as an Independent Director of the Company for a second term w.e.f. April 01, 2019 to March 31, 2024, subject to approval of the members of the Company.

## VENTURA TEXTILES LIMITED



Mr. Abhijit Rao (DIN: 00189126), Director of the Company is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152(6)(d) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible has offered himself for re-appointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening 49<sup>th</sup> Annual General Meeting of the Company. Your Directors recommend his re-appointment.

Mr. Prakash R. Bhargava (DIN: 00763819), Independent Director (Non-Executive), has resigned w.e.f. 14<sup>th</sup> January, 2019.

In accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with Rule 8(A) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to have certain officers of the Company as Whole-time Key Managerial Personnel. Board of Directors has taken note of the existing office of Mr. Mohan Rao Penugonda, Managing Director and Mr. Abhijit Rao Penugonda, Whole-time Director and Chief Financial Officer as the Whole-time Key Managerial Personnel of the Company and has also appointed Mr. Abhijit Rao Penugonda as the Internal Auditor, as the Company is not having any other employee and not in a position to pay any outside professional, due to losses incurred by the Company.

The brief resume of the Directors seeking appointment / re-appointment and other related information has been detailed in the Notice convening 49<sup>th</sup> Annual General Meeting of the Company.

Due to weak financial position, the Company could not be successful in identifying willing candidate to be appointed a Whole-Time Company Secretary of the Company.

### **AUDIT COMMITTEE:**

The Company has constituted an Audit Committee pursuant to the provisions of Section 177(8) of the Companies Act, 2013, read with Rules 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Audit Committee of the Company was reconstituted in the Board meeting held on November 14, 2018 & February 14, 2019 to induct Mrs. Ratnakumari Girija Maganti (Non-Executive & Independent Director) as a member of the Committee and upon resignation of Mr. Prakash R. Bhargava (Non-Executive & Independent Director) as a Director of the Company effective January 14, 2019 respectively.

Following is the composition of the Audit Committee after induction of Mrs. Ratnakumari Girija Maganti & resignation of Mr. Prakash R. Bhargava:

Sr. No.	Name	Designation
1.	Mr. Shyam R. Karmarkar	Chairman (Independent Director)
2.	Mr. Prakash R. Bhargava (up to 14/01/2019)	Member (Independent Director)
3.	Mrs. Ratnakumari Girija Maganti (W.e.f 14/11/2018)	Member (Independent Director)
4.	Mr. Abhijit Rao	Member (Executive Director)

All the recommendations of the Audit Committee were accepted by the Board of Directors during the year.

The details with respect to meetings of the Audit Committee held during the year have been provided in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (LODR).

**FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

Pursuant to the provisions of Regulation 25(7) of the “SEBI (LODR)” the Company prepared and pursued the Familiarization Programmes for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The Familiarisation Programme for Independent Directors of the Company is hosted on Company’s website [www.venturatextiles.com](http://www.venturatextiles.com), during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**VIGIL MECHANISM:**

The Company has established a vigil mechanism as per Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations. Pursuant to the Notification No. SEBI/LAD/NRO/GN/2018/59 dated December 31, 2018 Securities and Exchange Board of India (“SEBI”) notified the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (‘the Amendment Regulations’) bringing amendment in the SEBI (Prohibition of Insider Trading), 2015 with effect from April 1, 2019. Pursuant to the Amendment Regulations, the Company revised its “Vigil Mechanism Policy”, the details of which have been provided in the Corporate Governance Report and also posted on the website of the Company at: [www.venturatextiles.com](http://www.venturatextiles.com).

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company was reconstituted in the Board meeting held on February 14, 2019 subsequent to the resignation of Mr. Prakash R. Bhargava - an Independent Director of the Company. Mrs. Ratnakumari Girija Maganti (Non-Executive & Independent Director) was appointed as Independent Director of company w.e.f. October 19, 2018 and she was inducted as a Member in the Committee on October 19, 2018. The Committee comprises of two (2) Independent Directors and one (1) is Executive Director.

Following is the composition of the Nomination and Remuneration Committee after reconstitution:

Sr. No.	Name	Designation
1.	Mr. Shyam R. Karmarkar	Chairman (Independent Director)
2.	Mr. Prakash R. Bhargava (up to 14/01/2019)	Member (Independent Director)
3.	Mrs. Ratnakumari Girija Maganti (W.e.f. 19/10/2018)	Member (Independent Director)
4.	Mr. Abhijit Rao	Member (Executive Director)

The Company is trying to revive itself and on the turnaround of the Company, the Composition of the Nomination and Remuneration Committee will be duly constituted as per Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, and Regulation 19 of SEBI (LODR).

The Amendment Regulations brought amendment in the Listing Regulations which became effective from April 1, 2019. Pursuant to the Amended Regulations, the Company revised its “Nomination & Remuneration Policy” wherein the terms of reference of the Nomination and Remuneration Committee were amended to include the recommendation to the Board by the Committee, all remuneration, in whatever form, payable to Senior management.

One (i) meeting of the Nomination & Remuneration Committee was held on August 14, 2018.

The details with respect to meetings of the Committee held during the year have been provided in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (LODR).

## VENTURA TEXTILES LIMITED



The revised Nomination & Remuneration Policy as approved by the Board is annexed to this Report as **Annexure – B** and is also uploaded on the Company's website at: [www.venturatextiles.com](http://www.venturatextiles.com).

### **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee of the Company was reconstituted in the Board meeting held on February 14, 2019 due to cessation of Mr. Prakash R. Bhargava - an Independent Director of the Company and Mrs. Ratnakumari Girija Maganti was appointed as a Member.

The Committee now comprises of two (2) Independent Directors and one (1) is Executive Director.

As at 31<sup>st</sup> March, 2019, the Stakeholders' Relationship Committee comprises of Mr. S. R. Karmarkar as Chairman of the Committee and Mr. P.M. Rao and Mrs. Ratnakumari Girija Maganti as Members of the Committee.

The details with respect to meetings of the Audit Committee held during the year have been provided in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (LODR).

One (1) meeting of the Committee was held during the year on February 14, 2019, where all the members on date were present.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls, to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively, to the extent possible considering the weak financial position and the Board of Directors are taking best efforts to turn-around the Company's operations and its financial stability.

### **CORPORATE GOVERNANCE:**

As per Regulation 34(3) read with Schedule V of SEBI (LODR), a separate section on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

### **PERFORMANCE EVALUATION:**

Pursuant to Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Regulation 4(2)(f)(ii)(9) read with Regulation 17(10) of the Listing Regulations, mandates that the Board shall monitor and review the Board evaluation framework and shall carry out performance evaluation of the Independent Directors. The Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of Independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.



The performance evaluation of the Directors, the Board and its Committees was accordingly carried out based on the criteria laid down under the SEBI Circular dated January 5, 2017, for Performance Evaluation in the Nomination & Remuneration Policy and approved by the Board of Directors. Further details in respect of the criteria of evaluation has been provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also assessed the quality, quantity and timelines of flow of information between the Company management and the Board. Your Directors express their satisfaction with the evaluation process.

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The provisions of Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as there is only one employee (excluding Executive Directors) in the Company.

The details of top ten employees (including Executive Directors) of the Company is annexed as **Annexure 1** to this Report pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**RELATED PARTY TRANSACTIONS:**

During the year under review, there was no transaction entered with any related parties pursuant to Section 188(1) and Section 134 (3) (h) of the Companies Act, 2013 read with Rules 6 A & 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (LODR) Regulations, 2015, except those mentioned in the notes to the financial statements.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [www.venturatextiles.com](http://www.venturatextiles.com).

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, no loans or guarantees were given or investments were made pursuant to the provisions of Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014.

**SIGNIFICANT AND MATERIAL ORDERS:**

Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, no significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

**RISK MANAGEMENT:**

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. The Board periodically reviews the risk, if any, and ensures to take necessary steps for its mitigation.

**STATUTORY AUDITORS:**

At the 47<sup>th</sup> Annual General Meeting (AGM) of the Company held on 23<sup>rd</sup> September, 2017, M/s Govind Prasad & Co., Chartered Accountants, (Firm Registration No. 114360W) were appointed as the Statutory Auditors of the Company for a period of five years to hold office from conclusion of the 47<sup>th</sup> AGM of the Company till the conclusion of the 52<sup>nd</sup> AGM of the Company to be held for the Financial Year 2022-2023.

M/s Govind Prasad & Co., Chartered Accountants, (Firm Registration No. 114360W) have confirmed that they are not disqualified from continuing as Auditors of the Company.

### **AUDITORS' REPORT:**

The Auditors' Report does not contain any qualifications, reservations or adverse remark, except disclaimer clause as stated at 'S.No. f' of 'Report on other Legal and Regulatory Requirements' forming part of Independent Auditors' Report viz.,

*With respect to the adequacy of the internal financial controls, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.*

**Management Reply:** The Management has devised proper systems to ensure compliance with the provisions of all applicable laws including adequacy of the internal financial controls and ensure such systems are adequate and operating effectively, to the extent possible considering the weak financial position of the Company.

The Board of Directors are taking best efforts to turn-around the Company's operations and its financial stability in near future.

With Respect to the observation made by the Auditors in its Annexure to Audit Report regarding the pending payment of Professional Tax of Rs. 1,96,670/- and Panchayat Tax of Rs. 7,85,711/-, the management is of the opinion that the same will be paid in due course of time.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

### **INTERNAL AUDITORS**

Pursuant to Section 138 and other applicable provisions of the Companies Act, 2013 read with Rule 13(1)(a) of the Companies (Accounts) Rules, 2014, Mr. Abhijit Rao, Executive-Chief Financial Officer (CFO) of the Company has been appointed as the Internal Auditor of the Company for the Financial Year 2019-2020 under the authority of the Board of Directors at its meeting held on 14.08.2018.

### **COST RECORDS**

The Company is not required to maintain the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is giving due consideration to the conservation of energy and all efforts are being made to properly utilize the energy resources.

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-2** to the Board Report.

### **EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return pursuant to the sub-section (3) of Section 92 & 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, of the Companies Act, 2013 prepared in Form MGT-9 is annexed herewith as **Annexure-3** to the Board's Report.

## SECRETARIAL AUDITORS:

Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company based on the recommendation of the Audit Committee, appointed M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai (LLP IN: AAH-8229) as the Secretarial Auditors of the Company on August 14, 2018 for the Financial Year 2018-19.

The Secretarial Audit report for financial year 2018-19 forms part of Annual Report as **Annexure -4** to the Board's Report.

Necessary explanations to each of the observations made in the Secretarial Audit Report are as given below:

- a) *The Company has not appointed a woman director till 18<sup>th</sup> October, 2018 and has therefore not been compliant with the Second Proviso of Section 149 (1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, till the date of appointment of a woman Director on 19<sup>th</sup> October, 2018:*

The Company appointed a woman Director on 19<sup>th</sup> October, 2018, despite the Company's weak financial position, BIFR history etc., and complied with requirements of the Act and the Rules thereunder.

- b) *The Company has not appointed Company Secretary (Key Managerial Personnel) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:*

The Company is not in a position to appoint the Company Secretary, due to its weak financial condition. No candidate is willing to join on account of the weak financial position of the Company. The Board assures that after the commencement of commercial production, the Company will appoint a Company Secretary and comply with the requirements specified under Section 203 of the Companies Act, 2013.

- c) *The Nomination and Remuneration Committee consists of Three (3) Members out of which 2 (Two) are Non-Executive and Independent Directors and 1 (one) is Executive and Non-Independent Directors:*

The Board of Directors will take necessary efforts to appoint one more Non- Executive and Independent Director to ensure the Nomination and Remuneration Committee would be duly constituted as required under Section 178 of the Companies Act, 2013.

- d) *The Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws.*

The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively, to the extent possible considering the weak financial position and the Board of Directors are taking best efforts to turn-around the Company's operations, its financial stability and to comply with all applicable laws.

- e) *The company has accumulated losses exceeding its net worth, which may adversely affect the future operations of the Company;*

The Net worth of the Company has been fully eroded. However this will not affect the future viability of the Company as the Company has started commercial production to increase turnover & improve profitability.

- f) *The Company has made equity investments of Rs.11,86,000/- during the year under review to obtain loans from the Co-operative banks;*

The Company has availed of Loan Rs.18.50 Crs ( Term Loan- Rs.12.00 Crs , Term Loan – Plant & Machinery – Rs.2.00 Crs and Working Capital Loan – Rs.4.50 Crs) from Janakalyan Sahakari Bank Ltd., and Rs.2.75 Cr from Mogaveera Co-operative bank Ltd., during the year under review. As a requirement for availing of the Loans, the Company has acquired by way of subscription / purchase or otherwise shares of Rs.5 Lakh in the share capital of the Janakalyan Sahakari Bank Ltd., on July 11,2018 and shares of Rs.6.86 Lakh in the share capital of the Mogaveera Co-operative bank Ltd., on March 26,2019. Thus the total equity investment amounting to Rs.11.86 Lakhs has been made at the instances & as per the policy of the respective Banks so as to enable the Company for availing of the said Loans.

- g) The company has not filed certain e-forms with MCA for Board Resolutions and there are delay in filing some e-forms.

The Company is in the process of filing the e-forms for some resolutions passed by the Board of Directors of the Company. The management has directed to take care of filing the e-forms in future in time. The management also directed to appoint Company Secretary at the earliest.

**SECRETARIAL STANDARD ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):**

The Company complies with the provisions of applicable Secretarial Standards issued by ICSI

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) & 34(3) of SEBI (LODR) is presented in a separate section forming part of the Annual Report.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):**

As per Section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every Company having Net Worth of Rupees five hundred crore or more, or Turnover of Rupees one thousand crore or more, or a Net Profit of Rupees five crore or more during any financial year shall constitute the CSR Committee.

Considering the above threshold limit specified above, the Company is not required to constitute the CSR Committee.

**DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

There are no women employees / outsiders associated with the Company and hence, no disclosure is required to be furnished under the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

**DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:**

The Management has devised proper systems to the extent possible to ensure compliance with the provisions of all applicable laws including adequacy of the internal financial controls and ensure such systems are adequate and operating effectively, considering the weak financial position of the Company.

The Board of Directors are taking best efforts to turn-around the Company's operations and its financial stability in near future.

**DISCLOSURE UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments have occurred between the end of the financial year of the Company and date of this report which can affect the financial position of the Company.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation to the Company's valued Investors, Banks, Central and State Governments, Stock Exchanges, Depositories, Business Associates, Statutory Authorities and all other Stakeholders for their continuous support and co-operation.

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 14<sup>th</sup> August, 2019

Sd/-  
P. M. Rao  
Chairman and Managing Director  
DIN: 00197973

## **CORPORATE GOVERNANCE REPORT**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI (LODR) Regulations, 2015").

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on Corporate Governance is to ensure that its obligations are discharged in a fair and transparent manner and to enhance the value of all its stakeholders and meet the aspiration of various sections of the society closely associated with.

In terms of Regulation 34(3) of the "SEBI (LODR) Regulations, 2015", the details in connection with Corporate Governance practiced by the Company are furnished herewith:

### **2. BOARD OF DIRECTORS:**

#### **Composition:**

As on March 31, 2019, the strength of the Board of Directors is 4 (four) Directors, comprising of two Executive Promoter Directors and two Independent Directors (including one Woman Director). The Company is in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") in respect of Corporate Governance.

<b>Category</b>	<b>No of Directors</b>	<b>% of Total No. of Directors</b>
Executive Directors	2	50%
Independent Directors	2	50%
<b>Total</b>	<b>4</b>	<b>100 %</b>

Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015 and Second Proviso to Section 149(1) of Companies Act, 2013.

The Company has appointed a Woman Director to comply with the requirements under Regulation 16(1)(b) and 25(8) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013.

#### **Meetings of the Board of Directors:**

The Board meets at least once in every quarter and the maximum interval between two meetings are within 120 days. During the financial year 2018-19, Five (5) meetings of the Board of Directors of your Company were held on May 30, 2018, July 11, 2018, August 14, 2018, November 14, 2018, and February 14, 2019.

#### **Directors Attendance Record and Directorships held:**

The composition and category of the Board of Directors during the financial year ended March 31, 2019, details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2018-19 along with the details in respect of Directorships and committee positions of each director in other Public Limited Companies where he/she is a member/ Chairperson are presented in the following table:

# VENTURA TEXTILES LIMITED



Name of the Director	Category	Attendance			Number of other directorship and Committee Membership/ Chairmanship		
		Board Meeting		Last AGM	#Other Directorship	Committee Membership@	Committee Chairmanship@
		Held	Attended	Attended			
Mr. P. M. Rao DIN: 00197973	Promoter, Chairman and Managing Director	5	5	Yes	1	–	–
Mr. Abhijit Rao DIN: 00189126	Executive Director & CFO	5	5	Yes	1	–	–
Mr. Shyam Raghunath Karmarkar DIN: 01365616	Independent (Non-Executive) Director	5	5	Yes	–	–	–
*Ratnakumari Girija Maganti DIN: 08259159	Additional Independent (Non-Executive) Director	2	2	No	–	–	–
**Prakash Radhavalabh Bhargava (DIN: 00763819)	Independent Director	1	1	Yes	1	–	–

# Excludes directorships in Foreign Companies and Section 8 Companies, but includes Private Limited Companies.

@This includes membership(s)/ Chairmanship(s) of only Audit Committee and Shareholders Relationship Committee.

\*appointed vide Circular Resolution dated 19/10/2018, as an Additional Independent Director (Non-Executive Category).

\*\* Ceased to be a Director w.e.f 14/01/2019.

There is no inter-se relationship among the Directors except Mr. P.M. Rao (Chairman & Managing Director) who is the father of Mr. Abhijit Rao (Whole-Time Director & C.F.O.) of the Company.

None of the Non-Executive Directors hold any share in the Company.

**Name of other listed entities where Directors of the company are Directors and the category of Directorship:**  
**None of the Directors of the Company are the Directors in any other listed entity.**

## Details of Board Meetings/ Annual General Meeting:

During the year, Five (5) Board Meetings were held and all the meetings were held at the Registered Office of the Company. The Annual General Meeting of the Financial Year ended on March 31, 2018 was held on 22<sup>nd</sup> September, 2018. Details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2018-19 are presented in the following table:

Name of the Director	Dates of Board Meetings held and attendance details of Directors					Whether AGM Attended (Yes/ No/N.A.)
	30/05/2018	11/07/2018	14/08/2018	14/11/2018	14/02/2019	
Mr. P. M. Rao	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Abhijit Rao	Yes	Yes	Yes	Yes	Yes	Yes
*Ratnakumari Girija Maganti (Appointed w.e.f. 19/10/2018)	NA	NA	NA	Yes	Yes	No
Mr. Shyam R. Karmarkar	Yes	Yes	Yes	Yes	Yes	Yes
**Mr. Prakash R. Bhargava	No	No	Yes	No	NA	Yes

**Directors' Particulars :**

Name of the Director	Qualifications
Mr. P. M. Rao	B.Com
Mr. Abhijit Rao	BBA - Graduate from American International University, London
Mrs. Ratnakumari Girija Maganti	BA, M.Ed.
Mr. Shyam R. Karmarkar	B.Com., FCA

**Independent Director's Meeting:**

Separate Meeting of the Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations was held on February 14, 2019 without the attendance of Non-Independent Directors and the members of the management, inter alia, to discuss the following::

- i) Review the performance of the Chairman;
- ii) Review the performance of Non- Independent Directors and the Board as a whole; and
- iii) Assess quality, quantity and timeliness of flow of information between the Company management and the Board that it is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting.

The Independent Directors fulfil the criteria of independence as given under Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and have given declaration of independence. The Draft Letter of Appointment of Independent Directors is available on the website of the Company [www.venturatextiles.com](http://www.venturatextiles.com).

The Board has confirmed that in its opinion, the independent directors fulfil the condition specified in the SEBI (LODR) Regulations, 2015 and are independent of the Management.

**Codes and Policies:**

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct;
- Code of Conduct for Prohibition of Insider Trading;
- Policy for Disclosure of Unpublished Price Sensitive information;
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions;
- Risk Management Policy;
- Internal Financial Control Policy;
- Nomination and Remuneration Policy;
- Policy for Determination of materiality of information;
- Policy for Preservation of Documents;
- Archival Policy;
- Vigil Mechanism/Whistle Blower policy and
- Policy on Diversity of Board.

## Company's Code of Conduct:

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website: [www.venturatextiles.com](http://www.venturatextiles.com).

All the Board Members and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended 31st March, 2019. A declaration by the Managing Director confirming that all the Board Members and Senior Management Personnel have affirmed compliance with the code of the Company and that they have not come across any instance of non-compliance of the Code during the year ended 31st March, 2019, is included in the certificate from the Managing Director on the financial statements and other matters of the Company for the Financial Year ended 31st March, 2019. A declaration to this effect as signed by the Managing Director is given below:

*This is to certify that in line with the requirement of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors of the Board and Senior Management Personnel have solemnly affirmed that to the best of their knowledge and belief, have complied with the provisions of the Code of Conduct during the financial year 2018-19.*

Sd/-

**P.M. Rao**

Managing Director

DIN: 00197973

## Skills/ Expertise/ Competence of the Board of Directors:

- Technical/ Professional skills and specialized knowledge in relation to Company's business.
- Knowledge of Company's business policies, major risks/ threats and potential business opportunities in the industry in which the Company operates.
- Financial and Management skills.
- Technical / professional skills and specialized knowledge of Company's business.
- Marketing Strategy, Competitive Analysis, Innovation and Research and Development.
- Corporate Governance, Human Resource Development, Administration.
- Behavioral skills, attributes and competencies to use their knowledge to contribute effectively to the growth of the Company

## 3. AUDIT COMMITTEE

### a) Brief Description and Terms of Reference:

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Through notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018, Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought several amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The Amendment Regulations required all the listed entities to amend the terms of reference of the committees of the Board of Directors of the Company, required to be mandatorily constituted. Hence, the terms of reference of Audit Committee were amended to give effect to the said amendment.

The amended terms of reference of the Audit Committee are stated below in brief:



- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees and confirm their independence.
- Approval of payment to statutory auditors for any other services rendered, if authorised by the Board.
- Review with the management, the quarterly financial statements before submission to the Board for approval and secure certificate from CFO in terms of Regulation 17(8) of the Listing Regulations.
- Evaluate internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the effective date of the Amendment Regulations.
- Any other terms of reference as may be included from time to time in the Listing Regulations.

**b) Composition and attendance of Audit Committee Meeting:**

The Audit Committee comprises of three members out of which two members are Independent Directors.

During the year under review, four (4) meetings of the Audit Committee were held on 30th May, 2018, 14th August, 2018, 14th November, 2018 and 14th February, 2019, and the time interval between two committee meetings were within 120 days.

The Composition of the Audit Committee as on 31st March, 2019 as reconstituted by the Board at its meeting held on 14/11/2018 and after resignation of Mr. P.R. Bhargava on 14/2/2019 and attendance of the members in the meetings held during the financial year 2018-19 are as under:

Name of Member	Category	Audit Committee Meetings held and attendance			
		30/05/2018	14/08/2018	14/11/2018	14/02/2019
Mr. Shyam R. Karmarkar	Chairman (Non-executive & Independent Director)	Yes	Yes	Yes	Yes
Mrs. Ratnakumari Girija Maganti	Member (Independent & Non executive) Member	NA	NA	No	Yes
Mr. P.R. Bhargava	(Non-Executive - Independent Director)	Yes	Yes	Yes	No
Mr. Abhijit Rao	Member (Executive Director)	Yes	Yes	Yes	Yes

The Managing Director and the representative of Statutory Auditors were invited to be present at the Audit Committee Meetings of the Company. The Compliance Officer of the Company co-ordinates with the requirements of the Committee.

Mr. Shyam R. Karmarkar, Chairman of the Audit Committee attended the last Annual General Meeting and responded to the queries raised by the shareholders.

In addition to above, the Committee also reviews other matters as may be required under the SEBI (LODR) Regulations, 2015 and other Laws, Rules and Regulations.

#### **4. NOMINATION AND REMUNERATION COMMITTEE:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee ("NRC").

Through notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018, Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought several amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The Amendment Regulations have now specified the requirement of quorum of the Nomination and Remuneration Committee meeting as well as about holding of at least one meeting in a financial year. Further, it required all the listed entities to amend the terms of reference of the committees of the Board of Directors of the Company, required to be mandatorily constituted. Hence, the terms of reference of Nomination and Remuneration Committee were amended to give effect to the said amendment.

The amended terms of reference of the Nomination & Remuneration are stated below in brief:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of Independent Directors and the Board;
- devising a policy on Board diversity;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

#### **Composition and attendance at Nomination & Remuneration Committee Meeting:**

The Company has constituted the Nomination and Remuneration Committee comprising of three (3) Members out of which two (2) are Independent Directors and one (1) is Executive Director. The Company is trying to revive itself and on the turnaround of the Company, the Composition of the Nomination and Remuneration Committee will be duly constituted as per Section 178 of the Companies Act, 2013.

One (1) meeting of the Nomination and Remuneration Committee was held on August 14, 2018. All the members were present at the meeting.

The Composition of the Nomination and Remuneration Committee during the financial year 2018-19, as reconstituted on 14/02/2019 due to resignation of Mr. P.R. Bhargava, and attendance are as under:

Name of the Member	Designation on Committee	Designation on Board	No of meetings attended
Mr. Shyam R. Karmarkar	Chairman	Non-Executive - Independent Director	1
Mr. P. R. Bhargava (upto 14/1/2019)	Member	Non-Executive - Independent Director	1
Mrs. Ratnakumari Girija Maganti (w.e.f. 14/2/2019)	Member	Non-Executive - Independent Director	Nil
Mr. Abhijit Rao	Member	Executive Director	1

The Managing Director and the representative of Statutory Auditors were invited to be present at the Audit Committee Meetings of the Company. The Compliance Officer of the Company co-ordinates with the requirements of the Committee.

#### **Nomination and Remuneration Policy:**

The Board of Directors of the Company has adopted a Nomination and Remuneration Policy in terms of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, and in order to harmonize the aspirations of human resources consistent with goals of the Company which inter alia includes Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria and determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors. The Nomination and Remuneration policy is placed on the website of the Company viz. [www.venturatextiles.com](http://www.venturatextiles.com)

#### **Remuneration to Directors:**

The Company pays remuneration by way of Salary, perquisites, allowances and commission to its Managing Director.

All the Independent Directors of the Company receive sitting fees for each meeting of Board and Committee thereof attended by them.

The detail of remuneration paid/payable to Directors of the Company during the financial year 2018-19 is as under:

**(Amount in Lakhs)**

Name of the Director	Sitting fees including fees for Committee Meetings	Salaries & Perks	Commission	Total Amount
Mr. Shyam R. Karmarkar	0.16	-	-	0.16
Mrs. Ratnakumari Girija Maganti	0.08	-	-	0.08
Mr. P. R. Bhargava	0.08	-	-	0.08
Mr. P.M. Rao	-	33.29	-	33.29
Mr. Abhijit Rao	-	26.52	-	26.52

None of the Directors has any pecuniary relationships or transactions with the Company except by way of remuneration paid to the Executive Director and sitting fees paid to Independent Directors.

Your Company presently does not have performance linked incentives for its Directors. No severance fees is payable.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**
**a) Brief Description and Terms of Reference:**

Stakeholders' Relationship Committee monitors redressal of complaints received from shareholders/investors with respect to transfer of shares, non-receipt of dividend, non-receipt of Annual Reports etc. The Committee also takes note of number of transfer processed, issue of fresh share certificates, top shareholders and Shareholding pattern.

Through notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018, Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought several amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The Amendment Regulations have now specified the requirement of holding at least one meeting in a financial year. Further, it required all the listed entities to amend the terms of reference of the committees of the Board of Directors of the Company, required to be mandatorily constituted. Hence, the terms of reference of Stakeholders' Relationship Committee were amended to give effect to the said amendment. The brief terms of reference of the Stakeholders' Relationship Committee are as follows:

- resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company

**b) Composition and attendance at the Stakeholders' Relationship Committee:**

The Stakeholders' Relationship Committee comprises of three members and two of them are Independent Directors. There was one meeting held on February 14, 2019 where all the members on date were present.

The Committee was reconstituted on 14/02/2019 due to resignation of Mr. P. R. Bhargava as director and the composition of the same as on 31<sup>st</sup> March, 2019 is as under:

Name of the Member	Designation	No of meetings attended
Mr. Shyam R. Karmarkar	Non-Executive - Independent Director, Chairperson	1
Mr. Mohan Rao Penugonda	Executive Director, Member	1
Mr. P.R. Bhargava (up to 14/01/2019)	Non-Executive - Independent Director, Member	Nil
Mrs. Ratnakumari Girija Maganti (W.e.f 14/02/2019)	Non-Executive - Independent Director, Member	1

The Stakeholders' Relationship Committee reviews and redresses all the grievances periodically and meets as and when required.

- (i) The Company has Share Transfer Agent, which looks after the Shareholders Correspondence, share transfers, transmissions, transpositions, issue of duplicate, split & consolidated share Certificates, which are approved by the Committee. The Company has connectivity with NSDL & CDSL for Dematerialization of Shares.

- (ii) Mr. Pravin Bhaskar Shetty is the Compliance Officer in terms of the requirement of the Stock Exchange who liaisons and monitors the activities of the Share Transfer Agent.
- (iii) Details of Complaints received/ resolved during the financial year 2018-19:

Sr. No.	Nature of Complaints	Received	Resolved	Pending
1	Non Receipt of Certificate	Nil	Nil	Nil
2	Non receipt of dividend	Nil	Nil	Nil
3	Non receipt of Demat credit/ Remat	Nil	Nil	Nil
4	Short receipt of dividend	Nil	Nil	Nil
5	Non receipt of reject DRF	Nil	Nil	Nil
6	Non receipt of exchange certificates	Nil	Nil	Nil
	<b>Total</b>	Nil	Nil	Nil

**SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned Company and online viewing by investors of action taken on the complaint and its current status.

Your Company has been registered on SCORES Portal and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

The Company reports that there are no Equity Shares lying in the Demat Suspense Account / Unclaimed Suspense Account.

**PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Performance Evaluation of the Directors, the Board and its Committees was carried out based on the criteria/ manner approved by the Nomination & Remuneration Committee and approved by the Board of Directors. The criteria/ manner for evaluation as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Company has in place Familiarisation Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarisation Programme and details of Familiarisation Programme imparted during 2018-19 are uploaded on the website of the Company and can be accessed through website [www.venturatextiles.com](http://www.venturatextiles.com).

**General body Meetings:**
**a) Details of the Annual General Meetings:**

The details of previous three Annual General Meetings of the Company are as follows:

Financial Year	Date	Time	Location	Special resolution passed
2017-18	22/09/2018	10.00 am	Unit No. 121, Midas, Sahar Plaza, J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai-400 059	1. To fix remuneration payable to Mr. P. M. Rao (DIN: 00197973), Chairman & Managing Director of the Company for the remaining tenure of his appointment upto June 30, 2020 2. To ratify the remuneration paid to Mr. Abhijit Rao (DIN: 00189126), Whole-time Director, for the F.Y. 2016-17 and 2017-18 and remaining tenure of appointment.
2016-17	23/09/2017	10.00 am	Unit No. 121, Midas, Sahar Plaza, J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059	1. Alteration of Main Object Clause in the Memorandum of Association of the Company. 2. Amendments to Clause III (B) and Clause III (C) of the Memorandum of Association of the Company. 3. Alteration of Articles of Association of the Company.
2015-16	30/09/2016	10.00 am	211/212, Midas, Sahar Plaza, J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai-400059	1. Re-appointment of Mr. Abhijit Rao Penugonda (DIN: 00189126) as the Whole-Time Director of the Company for a period of five years with effect from November 01, 2016. 2. Issue of 20,00,000 (Twenty Lakh) 0% Optionally Fully Convertible Debentures of face value of Rs. 10/- each to M/s Sai Creations [acting through its partners viz. Mr. Deepak Balkrishna Lokare & Mrs. Savita Deepak Lokare] on a Preferential Basis.

**b) Details of special resolution passed through postal ballot:**

During the F.Y. 2018-19, the Company has not passed any Special Resolution through Postal ballot.

**MEANS OF COMMUNICATION**

The Company's corporate website [www.venturatextiles.com](http://www.venturatextiles.com) consists of Investor Relations section, which provides comprehensive information to the Shareholders.

Quarterly and Annual Financial Results are published in Active Times in English and Mumbai Lakshadeep, a regional newspaper in vernacular language. The said results are also available on Company's website [www.venturatextiles.com](http://www.venturatextiles.com). There is hardly any official news required to be released on website or even in Press.

## VENTURA TEXTILES LIMITED



The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchange and also displayed on the Company's website [www.venturatextiles.com](http://www.venturatextiles.com)

### GENERAL SHAREHOLDER INFORMATION:

Day, Date and Time of AGM	Monday, September 30 2019 at 10.00a.m.
Venue	Unit No.121, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059
Financial Year	Financial Year is April 01 to March 31 of the following year
Quarterly results will be declared as per the following tentative schedule:	
Financial reporting for the quarter ending June 30, 2019	First fortnight of August, 2019
Financial reporting for the quarter ending September 30, 2019	First fortnight of November, 2019
Financial reporting for the quarter ending December 31, 2019	First fortnight of February, 2020
Financial reporting for the quarter ending March 31, 2020	Last fortnight of May, 2020
Date of Book Closure	Tuesday, September 24, 2019 to Monday, September 30, 2019

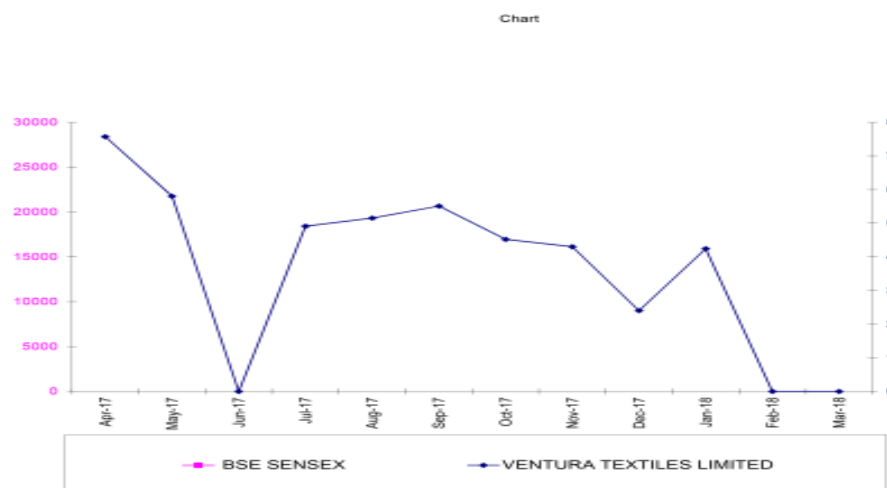
Listing on Stock Exchanges and Scrip Code:

The Company's shares have been listed on the following exchange:

- BSE Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.  
Scrip Code: 516098

The Annual Listing Fee has not been paid to the Stock Exchange for the Financial Year 2019-20

- Performance in comparison to broad based indices of BSE Sensex



## VENTURA TEXTILES LIMITED



- iii. **Market Price Data for 2018-19:** The monthly high and low quotations and volume of shares traded on BSE from 01st April, 2018 upto 31st March, 2019 is as follows:

Month	BSE	
	High Price (Rs.)	Low Price (Rs.)
April 2018	4.53	4.32
July 2018	4.53	4.53
August 2018	4.75	4.53
September 2018	4.75	4.75
October 2018	4.76	4.75
November 2018	6.13	4.75
December 2018	5.80	5.80
January 2019	5.51	5.51
February 2019	5.25	5.25

\*Note: Due to suspension of trading, the High and Low price for the Months of May, June 2018 & Mar, 2019 are not available on the BSE Website. However, the trading of the Shares of the Company are kept under Graded Surveillance Measures (GSM- Stage1)

### Registrar & Share Transfer Agent:

Link Intime (India) Pvt. Limited is the Registrar & Share Transfer Agent (RTA) of the Company in respect of the equity capital in demat and physical mode. They process share transfer and transmission on fortnightly basis. Their address is as follows:

Link Intime (India) Pvt. Limited.,  
C-101, 1st Floor, 24X7 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083.

### Share Transfer System:

Transfer in physical form has to be lodged with Registrar and Share Transfer Agents. All shares received for transfer were registered and dispatched within thirty days of receipt, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is ten days upon receipt of documents from Depository Participant.

### Shareholding pattern as on 31st March, 2019:

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	1,17,53,773	60.42
Clearing Members	5,906	0.03
Mutual Funds/UTI	43	0.00
Financial Institutions	9,87,325	5.08
Other Bodies Corporate	3,60,985	1.86
Foreign Company	1,25,000	0.64
Non Resident Indians	88,133	0.45
Public / Others	60,76,514	31.23
Hindu Undivided Family	26,768	0.14
Non Nationalised Banks	28,842	0.15
<b>Total</b>	<b>1,94,53,289</b>	<b>100</b>



**OTHER DISCLOSURES:****a) Materially Significant Related Party Transactions:**

All related party transactions forms part of the Notes to the Financial Statements. Saving those, there were no materially significant related party transactions with Company's promoters, directors or its management, their subsidiaries or relatives, etc. that had a potential conflict with the interest of the Company. The register of contracts containing transactions, in which Directors are interested, is placed before the Board regularly. The RPT Policy is placed on the Company's website i.e. [www.venturatextiles.com](http://www.venturatextiles.com).

**b) Policy For 'Material' Subsidiaries:**

There are no material subsidiaries of the Company; hence the Policy determining 'Material' Subsidiaries is not applicable to the Company.

**c) Accounting Treatment:**

No treatment different from that prescribed in an Accounting Standards has been followed by the Company.

**d) Statutory Compliance, Strictures and Penalties:**

The Company has complied with the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital market.

No penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

Your Company has complied with all the mandatory requirements under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent possible, considering the weak financial position of the Company.

**e) Share Capital Audit:**

Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges, certificates, on half-yearly basis have been issued by Mr. Ved Prakash, Practising Company Secretary (CP No. 16986) for due compliance of share transfer formalities by the Company.

Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, Mr. Ved Prakash, Practising Company Secretary (CP No. 16986) Designated Partner of M/s. S. Anantha & LLP, Company Secretaries carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") and the total issued and listed capital. The Audit confirms that the total issued/ paid-up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories).

**f) Vigil Mechanism:**

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. The Vigil Mechanism Policy of the Company is placed on Company's website i.e. [www.venturatextiles.com](http://www.venturatextiles.com).

**g) CEO/ CFO Certification:**

Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015, a Certificate from the Managing Director and the Chief Financial Officer, on the Financial Statements and other matters of the Company for the Financial Year ended 31st March, 2019 is provided as attachment to this Corporate Governance Report.

**h) Details of compliance with mandatory requirements and adoption of the non – mandatory requirements:**

The Company is in compliance with all mandatory requirements of the SEBI (LODR) Regulations, 2015 to the extent applicable.

The Company has adopted the following non-mandatory recommendations of Regulation 27 read with Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

**A. Shareholder Rights:**

The Company's half- yearly results are published in leading English and Marathi newspapers and also uploaded on the website of the Company, hence the same are not sent to the Shareholders of the Company.

**B. Modified opinion(s) in audit report:**

There are no qualifications in the Audit Report except following observations:

- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Goods and Service Tax and other statutory dues with the appropriate authorities during the period except for the following dues mention as under:

- i. Professional Tax: Rs. 1,96,670/-
- ii. Gram Panchayat Tax: Rs. 7,85,711/-

- (b) There are disputed dues of Sales Tax, Income Tax, Customs Duty, Service Tax, Excise Duty, Value Added Tax, Goods and Service Tax and any other statutory dues with the appropriate authorities during the period as under:

Sr. No.	Year	Type of Tax	Authority against which disputed	Amount in dispute (Rs.)
1	2002-03	Income Tax	High Court	24,99,000/-

**C. Reporting of internal auditor:**

The Internal Auditors of the Company are present in each Audit Committee Meeting and directly interact with Audit Committee Members.

**i) Commodity Price Risk and Commodity Hedging Activities:**

The Company has not yet commenced the Business operations, hence the disclosures with respect to commodity hedging activities are not applicable to the Company.

**ii) Disclosure of the compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, 2015:**

The Company has duly complied with the requirements of Corporate Governance specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of the SEBI (LODR) Regulations, 2015 to the extent applicable which forms part of this Annual Report.

**k) Distribution of Shareholding as on 31st March, 2019:**

Shareholding Class	No. of Shareholders	Percentage of Total Holders (%)	Total Holding in Shares (Amount)	Percentage of Total Shares (%)
1 - 5000	8866	96.9598	35,03,780	1.80
5001 – 10000	130	1.4217	9,26,880	0.48
10001- 20000	75	0.8202	10,38,770	0.53
20001- 30000	23	0.2515	5,68,020	0.29
30001- 40000	17	0.1859	5,52,820	0.28
40001- 50000	5	0.0547	2,14,770	0.11
50001-100000	11	0.1203	7,60,110	0.39
100001- above	17	0.1859	18,69,67,740	96.11
<b>TOTAL</b>	<b>9144</b>	<b>100.0000</b>	<b>19,45,32,890</b>	<b>100.00</b>

**l) Disclosure of non – compliance of any requirement of Corporate Governance Report with reasons thereof:**

The Company has duly complied with the requirements of Corporate Governance Report forming part of this Annual Report as per the provisions of Schedule V of Regulation 34(3) of the SEBI (LODR) Regulations, 2015.

**m) Dematerialization of shares and liquidity:**

99.14 % of shares of your Company are held in the electronic mode as on March 31, 2019.

**n) Outstanding GDR / Warrants or convertible bonds, conservation dates and likely impact on liquidity:**

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

**o) Details of unpaid or unclaimed dividend as on March 31, 2019:**

There are no dividend unclaimed / unpaid for a consecutive period of seven years or more alongwith underlying shares need to be transferred to IEPF Account.

**p) Corporate Identity Number (CIN):**

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L21091MH1970PLC014865

**q) Plant Location:**

Ventura Textiles Limited,  
 GAT No. 201, wadivarhe  
 Village Gonde, Taluka Igatpuri,  
 Nashik - 422 403

## VENTURA TEXTILES LIMITED



**r) Address for Correspondence:**

The Shareholders may address their queries and communications to:

**Registered Office:** Unit No. 121, Midas, Sahar Plaza, J. B. Nagar, Andheri – Kurla Road, Andheri (East),  
Mumbai 400-059 Ph: (022)2834 4453 Email: mkt2@venturatextiles.com

**Registered Office:**

Unit No.121, Midas, Sahar Plaza  
J. B. Nagar, Andheri – Kurla Road, Andheri (East),  
Mumbai 400-059

**CIN:** L21091MH1970PLC014865

**Tel No:** 022-2821 4225/39,

**Fax No.:** 022-2835 1974

**DIN:** 00197973

**email-id:** mkt2@venturatextiles.com

**Website:** www.venturatextiles.com

**For & on behalf of Board of Directors**

**Sd/-**  
**P.M. Rao**  
**Chairman & Managing Director**  
**DIN:00197973**

**Date:** 14th August, 2019

**DECLARATION**

**CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY:**

To,  
The Board of Directors  
Ventura Textiles Limited  
Mumbai

We, Mr. Mohan Rao Penugonda, Chairman & Managing Director and Mr. Abhijit Rao, CFO, of Ventura Textiles Limited, certify that:

- A. We have reviewed financial statements and the cash flow statement for year ended 31st March, 2019 and that to the best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement of fact or omit to state any material fact or contain any statement that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;
- C. All the Board members and Senior Management personnel have affirmed compliance with the Code of the Company and that they have not come across any instance of non-Compliance of the Code during the year ended 31st March, 2019.
- D. We accept responsibility for establishing and maintaining internal controls that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
- E. We have indicated to the Auditors and the Audit Committee-
- i) Significant changes, if any, in internal controls over financial reporting during the year;
  - ii) Significant changes, if any, in accounting policies during the period and that the same, if any, have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Mohan Rao Penugonda**  
Managing Director  
DIN: 00197973

Sd/-  
**Abhijit Rao Penugonda**  
Whole-Time Director & CFO  
DIN: 00189126

**Corporate Governance Certificate**

To  
The Members of  
Ventura Textiles Limited

We have examined the compliance of conditions of Corporate Governance by Ventura Textiles Limited ("Company") for the year ended March 31, 2019, as stipulated in SEBI(LODR) Regulation, 2015 of the said Company with the Stock Exchange in India.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulation, 2015 except the following Compliances viz:

1. *The Company has not appointed a Woman Director till 18th October, 2018 and has therefore not been compliant with the Second Proviso of Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (LODR) Regulations, 2015, during the period 01st April, 2018- 18th October, 2018;*
2. *The Company has not appointed Company Secretary (Key Managerial Personnel) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and accordingly there are non compliances with respect to signing of Financial Statements and other applicable laws:*
3. *The Nomination and Remuneration Committee consists of 3 (three) Members out of which 2 (two) are Non- Executive and Independent Director and 1 (one) is Executive and Non-Independent Director; and*
4. *Due to financial crisis, the Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs

**For Govind Prasad & Co.,**  
Chartered Accountants  
Firm Registration No: 114360W

Sd/-  
Govind Prasad  
(Proprietor)  
Membership No.047948  
Place: Mumbai  
Date: 14th August, 2019

## REMUNERATION POLICY

The Remuneration Policy (“Policy”) of Ventura Textiles Limited (the “Company”) is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company’s objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Policy applies to the Company’s Board of Directors, Senior Management, including its Key Managerial Person (“KMPs”).

### Guiding principles

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The Remuneration Policy for Executives reflects the overriding remuneration philosophy and principles of the Ventura Textiles Limited. When determining the remuneration policy and arrangements for Executive Directors / KMPs, the Nomination and Remuneration Committee (“Committee”) of the Board of Directors of the Company considers pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The said Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.

The said Committee while considering a remuneration package must ensure a balance between fixed pay and variable (incentive) pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### Reward principles and objectives

Our remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

### Reward policies

1. **Attract and retain:** Remuneration packages are designed to attract high calibre Executives in a competitive global market and remunerate Executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.
2. **Motivate and reward:** Remuneration is designed to motivate the Executives to deliver to the best of their skills, knowledge, create a strong performance-orientated environment and reward achievement of meaningful targets over the short and long term.
3. **The principal terms of non-monetary benefits:** The Executives will be entitled to customary non-monetary benefits which will be decided mutually in individual cases.

### Executive Remuneration – Board of Management

Executive remuneration is proposed by the Chairman/Managing Director to the said Committee and subsequently on the recommendation of the Committee; the same is approved by the Board of Directors of the Company. Executive remuneration is evaluated annually against performance and a benchmark of Peer Companies, which in size and complexity are similar

## VENTURA TEXTILES LIMITED



to Ventura Textiles Limited. Benchmarks may be decided in advance. The total remuneration shall have optimum mix of fixed base salary and a variable salary such as incentive as per prevailing market practices. The same shall be set at a level aimed to attract and retain Executives with professional and personal competences to drive the Company's performance.

**Pension contributions** made in accordance with applicable laws and employment agreements.

**Severance payments** in accordance with termination clauses in employment agreements. Severance payments shall comply with local legal framework.

### **Disclosure of Information**

Information on the total remuneration of members of the Company's Board of Directors, Executive Board of Management and Senior Management may be disclosed in the Company's Annual Financial Statements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

### **Approval of the Remuneration Policy**

This Remuneration Policy shall apply to all employment agreements of the Company's Senior Management including Executive Directors and Key Managerial Persons. The Remuneration Policy shall act as guidance for the Board.

### **Dissemination**

The Company's Remuneration Policy shall be published on its website i.e. [www.venturatextiles.com](http://www.venturatextiles.com)

**For and on behalf of the Board of Directors**

Sd/-  
**P. M. Rao**  
(Chairman & Managing Director)  
DIN: 00197973

Date: August 14, 2019  
Place: Mumbai



**Annexure 1 to the Board's Report**  
**Remuneration to Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No	Name of the Employee	Designation	Age	Nature of Employment	Nature of Duties	Qualification/ Experience	Date of Commencement of Employment	Last Employment of the Employees	% of Equity Shares held by Employee in the Company	Remuneration received during the year 18-19 (Rs in Lakhs)	Remarks
1	Mohan Rao Penugonda	Managing Director	69	Permanent	Responsible for day to day management of the Company.	B. Com	04-05-1993	N.A	Nil	33.29	Appointed w.e.f. 04-05-1993
2	Abhiji Rao	Whole-Time Director	38	Permanent	He is handling all the Corporate Matters in addition to the marketing of Bed Sheets for USA	MBA form American International University, London	11-01-2006	N.A	Nil	26.52	Appointed w.e.f. 11-01-2006
3	Pravin Bhaskar Shetty	Compliance Officer	45	Permanent	Responsible for Accounts & Financial Matters	B.Com	04-01-2000	N.A	Nil	4.80	Appointed w.e.f. 04-01-2000

**For and on behalf of the Board of Directors**

Sd/-  
**P. M. Rao**  
 Chairman and Managing Director  
 DIN: 00197973

**Place: Mumbai**  
**Date: 14<sup>th</sup> August, 2019**

**ANNEXURE -2 TO THE BOARD'S REPORT**

**Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the year ended March 31, 2019**

**a) Conservation of Energy:**

**(i) Steps taken or impact on conservation of energy:**

The planning and installation of equipment of the Company is done in a manner such that maximum energy is conserved. To the extent possible, energy efficient equipment and instruments are used.

**(ii) The Steps taken by the Company for Utilising alternate sources of energy:**

The Company continuously uses its best endeavors for identifying and utilizing alternate sources of energy.

**(iii) Capital Investment on energy conservation equipments: Nil**

**b) Technology Absorption:**

**(i) The efforts made towards technology absorption:** No efforts have been made during the year.

**(ii) The benefits derived like production improvement, cost reduction, product development or import substitution:** Nil

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –**

(a) The details of technology imported: NIL;

(b) The year of import: N.A.;

(c) Whether the technology has been fully absorbed: N.A.

Your Company does not carry out any manufacturing activity, hence the particulars regarding technology absorption and other particulars as required to be stated by the Companies Act, 2013 and rules made thereunder are not applicable.

**c) Foreign Exchange Earnings and Outflows (on Standalone basis):**

Foreign Exchange earned in terms of actual inflow during the year: Nil

Foreign Exchange Outgo during the year in terms of actual outflows: Nil

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 14<sup>th</sup> August, 2019

Sd/-  
P. M. Rao  
Chairman and Managing Director  
DIN: 00197973

**MGT-9**  
**EXTRACTS OF ANNUAL RETURN**  
**For the year ended March 31, 2019**

**Annexure 3**

*[Pursuant to section 92(3) of the Companies Act, 2013 & rule 12 (1) of the Companies (Management and Administration) Rules, 2014]*

**I REGISTRATION & OTHER DETAILS:**

i)	CIN	<b>L21091MH1970PLC014865</b>
ii)	Registration Date	November 3, 1970
iii)	Name of Company	<b>Ventura Textiles Limited</b>
iv)	Category of the Company	Company limited by shares / Non-Government Company
v)	Address of the Registered office and contact details	Unit No. 121, Midas Sahar Plaza, J.B. Nagar, Andheri Kurla Road, Andheri (E), Mumbai - 400 059. Tel.: 022-28214425 / 39
vi)	Whether listed company	Yes
vii)	Name and Address of Registrar & Transfer Agents ( RTA ):-	Link Intime India Private Limited, C-101, 1 <sup>st</sup> Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083 Contact Person : Manohar Shirwadkar Tel. No. 022 49186000 e-mail : mumbai@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% of total turnover of the company
1	Preparation and Spinning of Textile Fabrics	1311	Nil
2	Weaving of Textiles	1312	100%
3	Manufacture of Made-up Textile article, except apparel	1392	Nil

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/ GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
<b>Nil</b>					

# VENTURA TEXTILES LIMITED



## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF									
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	-
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	-
d) Bodies Corp.	1,17,53,773	0	1,17,53,773	60.42	1,17,53,773	0	1,17,53,773	60.42	-
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	-
f) Any Other									
i. Directors' Relatives	0	0	0	0.00	0	0	0	0.00	-
ii. Group Companies	0	0	0	0.00	0	0	0	0.00	-
iii. Trusts	0	0	0	0	0	0	0	0	-
<b>SUB-TOTAL (A)(1)</b>	<b>1,17,53,773</b>	<b>0</b>	<b>1,17,53,773</b>	<b>60.42</b>	<b>1,17,53,773</b>	<b>0</b>	<b>1,17,53,773</b>	<b>60.42</b>	<b>-</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	-
h) Other-Individuals	0	0	0	0.00	0	0	0	0.00	-
i) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	-
j) Banks / FI	0	0	0	0.00	0	0	0	0.00	-
k) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	-
l) Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	-
<b>SUB-TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>Total holding for promoters (A)=(A)(1) + (A)(2)</b>	<b>1,17,53,773</b>	<b>0</b>	<b>1,17,53,773</b>	<b>60.42</b>	<b>1,17,53,773</b>	<b>0</b>	<b>1,17,53,773</b>	<b>60.42</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	43	43	0.00	0	43	43	0.00	0.00
b) Banks / FI	10,16,167	0	10,16,167	5.22	10,16,167	0	10,16,167	5.22	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB-TOTAL (B)(1)</b>	<b>10,16,167</b>	<b>43</b>	<b>10,16,210</b>	<b>5.22</b>	<b>10,16,167</b>	<b>43</b>	<b>10,16,210</b>	<b>5.22</b>	<b>0.00</b>

# VENTURA TEXTILES LIMITED



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non Institutions</b>									
a) Bodies Corp.	3,58,457	3,853	3,62,310	1.86	3,57,132	3,853	3,60,985	1.86	0.00
b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 2 Lakh	6,88,651	24,356	7,13,007	3.67	6,80,849	24,701	7,05,550	3.63	0.04
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	53,70,899	-	53,70,899	27.61	53,70,899	-	53,70,899	27.61	0.00
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) NBFCs registered with RBI	-	-	-	-	65	-	65	0.00	0.00
e) Any others (Specify)	99,465	1,37,625	2,37,090	1.23	1,08,182	1,37,625	2,45,807	1.27	0.04
i) Foreign Companies	-	1,25,000	1,25,000	0.64	-	1,25,000	1,25,000	0.64	0.00
ii) HUF	10,384	0	10,384	0.05	26,768	0	26,768	0.14	0.09
iii) Clearing Member	13,931	-	13,931	0.07	5,906	-	5,906	0.03	0.04
iv) Directors Relatives	-	-	-	-	-	-	-	-	-
v) Employee	-	-	-	-	-	-	-	-	-
vi) N.R.I.	75,150	12,625	87,775	0.45	75,508	12,625	88,133	0.45	0.00
vi) Overseas Bodies Corporate	-	-	-	-	-	-	-	-	-
vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (B)(2)</b>	<b>65,17,472</b>	<b>1,65,834</b>	<b>66,83,306</b>	<b>34.35</b>	<b>65,17,062</b>	<b>1,66,179</b>	<b>66,83,306</b>	<b>34.36</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>75,33,639</b>	<b>1,65,877</b>	<b>76,99,516</b>	<b>39.57</b>	<b>75,33,229</b>	<b>1,66,222</b>	<b>76,99,516</b>	<b>39.58</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (C)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>1,92,87,412</b>	<b>1,65,877</b>	<b>1,94,53,289</b>	<b>100.0000</b>	<b>1,92,87,067</b>	<b>1,66,222</b>	<b>1,94,53,289</b>	<b>100.0000</b>	<b>-</b>

## ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Penny Securities and Investments Private limited	73,36,858	37.72	-	73,36,858	37.72	-	0.00
2.	Indo - Gulf Financials Limited	32,85,000	16.89	-	32,85,000	16.89	-	0.00
3.	Ventura Texperts Private Limited	11,31,915	5.82	-	11,31,915	5.82	-	0.00
	<b>Total</b>	<b>1,17,53,773</b>	<b>60.43</b>	<b>-</b>	<b>1,17,53,773</b>	<b>60.43</b>	<b>-</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding:**

*There is no any change in promoters shareholding during the year 2018-19.*

**(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs):**

Sl. No.	Name of Shareholders		Shareholding		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Rita J. Bhuta</b>					
		At the beginning of the Year	2000000	10.2810	2000000	10.2810
		Bought during the year	-	0	-	-
		Sold during the Year	-	0	-	-
		At the end of the Year	2000000	10.2810	2000000	10.2810
<b>2.</b>	<b>M/s. Sai Creations (Mr. Deepak Balkrishna Lokare &amp; Mrs. Savita Deepak Lokare, Partners of M/s. Sai Creations)</b>					
		At the beginning of the Year	2000000	10.2810	2000000	10.2810
		Bought during the year	-	0	-	-
		Sold during the Year	-	0	-	-
		At the end of the Year	2000000	10.2810	2000000	10.2810
<b>3.</b>	<b>Asha Umakant Vasaikar</b>					
		At the beginning of the Year	1000000	5.1405	1000000	5.1405
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	1000000	5.1405	1000000	5.1405
<b>4.</b>	<b>J.M. Financial Asset Reconstruction Co. Private Limited</b>					
		At the beginning of the Year	9,87,325	5.0754	9,87,325	5.0754
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	9,87,325	5.0754	9,87,325	5.0754
<b>5.</b>	<b>Meenakshi Maruti Deore</b>					
		At the beginning of the Year	350000	1.7992	350000	1.7992
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	350000	1.7992	350000	1.7992

## VENTURA TEXTILES LIMITED



Sl. No.	Name of Shareholders		Shareholding		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6. Reliance Spot Exchange Infrastructure Limited						
		At the beginning of the Year	321875	1.6546	321875	1.6546
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	321875	1.6546	321875	1.6546
7. Dome Investments Limited						
		At the beginning of the Year	125000	0.6426	125000	0.6426
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	125000	0.6426	125000	0.6426
8. Haragopal Kusuma Penugonda						
		At the beginning of the Year	43125	0.2217	43125	0.2217
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	43125	0.2217	43125	0.2217
9. IDBI Bank Limited						
		At the beginning of the Year	28842	0.1483	28842	0.1483
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	28842	0.1483	28842	0.1483
10. Chhotalal Ramjibhai Bhandari						
		At the beginning of the Year	20899	0.1074	20899	0.1074
		Bought during the year	-	-	-	-
		Sold during the Year	-	-	-	-
		At the end of the Year	20899	0.1074	20899	0.1074

## VENTURA TEXTILES LIMITED



### (v) Shareholding of Directors & Key Managerial Personnel:

Sl. No.	Shareholding of each directors and each key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shares during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1. Mr. P.M. Rao</b>					
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
<b>2. Mr. Abhijit Rao</b>					
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not	—	—	—	—
<b>Total (i+ii+iii)</b>	—	—	—	—
Change in Indebtedness during the financial year				
- Addition	17,84,67,491	0.00	0.00	17,84,67,491
- Reduction	000	0.00	0.00	000
<b>Net Change</b>	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	17,84,67,491	—	—	17,84,67,491
ii) Interest due but not paid	29,85,976	—	—	29,85,976
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>18,14,53,467</b>	—	—	<b>18,14,53,467</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount (in Rs.)
		Mr. P.M Rao	Mr. Abhijit Rao	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33,29,000	26,52,000	59,81,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify			
5	Others, please specify (Rent free accommodation)	Nil	Nil	Nil
	Total (A)	33,29,000	26,52,000	59,81,000

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (in Rs.)
		Mr. Shyam R. Karmarkar	Mr. P. R. Bhargava	
1	<b>Independent Directors</b>			
	Fee for attending board committee meetings	16000	8000	24000
	Commission	-	-	-
	Others, specify	-	-	-
	<b>Total (1)</b>	<b>16000</b>	<b>8000</b>	<b>24000</b>

# VENTURA TEXTILES LIMITED



## C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary*	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	Nil	Nil
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission -as % of profit -others, specify...	- NIL	- NIL	- NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

\*The Company is yet to appoint Company Secretary

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

\*There were no penalties/punishment imposed on company & none of the offenses were compounded.

For and on behalf of the Board of Directors

Sd/-  
P. M. Rao  
Chairman and  
Managing Director  
DIN: 00197973

Place: Mumbai  
Date: 14<sup>th</sup> August, 2019

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

To  
The Members  
Ventura Textiles Limited  
Unit No. 121, Midas, Sahar Plaza  
J.B. Nagar, Andheri-Kurla Road, Andheri (East)  
Mumbai – 400 059

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ventura Textiles Limited** (hereinafter called 'the Company') for the financial year ended March 31, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that compliance with the applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the company.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (There were no instances of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investments made during the year, hence compliance requirements for the same are '**Not Applicable**' for the year under review);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018 **(Not Applicable for the year under review)**;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable for the year under review)**;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the year under review)**;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable for the year under review)**; and
- The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 **(Not Applicable for the year under review)**.

(vi) **With respect to other laws applicable specifically to the Company viz.:**

- a) Water (Prevention and Control of Pollution) Act, 1974 and the Rules made thereunder;
- b) Air (Prevention and Control of Pollution) Act, 1981 and the Rules made thereunder;
- c) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008; and
- d) The Environment (Protection) Act, 1986 and the Rules made thereunder.

*(The compliance with respect to the above laws applicable to the Company could not be verified on account of non-operational status of the factory premises)*

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *The company has not appointed a women director till October 2018 and has therefore not been compliant with the Second Proviso of Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (LODR) Regulations, 2015;*
2. *The Company has not appointed Company Secretary (Key Managerial Personnel) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;*
3. *The Nomination and Remuneration Committee consist of Three (3) Members out of which 2 (Two) are Non-Executive and Independent Directors and 1 (one) is Executive and Non-Independent Director;*
4. *The Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws;*
5. *The company has accumulated losses exceeding its net worth, which may adversely affect the future operations of the Company;*
6. *The Company has made equity investments of Rs.11,86,000/- during the year under review to obtain loans from the Co-operative banks; and*

7. *The company has not filed certain e-forms with MCA for Board Resolutions and there are delay in filing some e-forms.*

**We further report that**

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by KMPs taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism is yet to be established in the Company to monitor and ensure compliance with applicable general laws like Labour Laws, Competition Law, Environmental Laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by various statutory / regulatory authorities and initiated actions for corrective measures and compliance thereof.

**We further report that** the compliance by the Company of applicable financial laws, like Direct and Indirect Tax Laws, and Labour Law Compliances have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the appointment of Woman Director. There were changes in the composition of the Board of Directors during the period under review.

We further report that adequate notice along with agenda was given seven days in advance to all directors to schedule the Board Meetings, and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that, there were no other major events during the year under review viz.:

- (i) Public/Right/sweat equity shares;
- (ii) Redemption / Buy-back of securities;
- (iii) Merger / amalgamation / reconstruction,
- (iv) Foreign technical collaborations;

or such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For **S. Anantha & Ved LLP,**  
**Company Secretaries**

Sd/-  
**Dilip Maharana**  
**Designated Partner**  
**ACS: 23014**  
**CP No.: 22057**

**Place: Mumbai**  
**Date: 14<sup>th</sup> August, 2019**

**Annexure**

To

**The Members**

**Ventura Textiles Limited**

Unit No. 121, Midas, Sahar Plaza

J.B. Nagar, Andheri-Kurla Road, Andheri (East)

Mumbai – 400 059

**Our report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S. Anantha & Ved LLP  
Company Secretaries**

Sd/-

**Dilip Maharana**

Designated Partner

Membership No.23014

CP No.: 22057

Place: Mumbai

Date: 14<sup>th</sup> August, 2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

The Members of  
Ventura Textiles Limited  
Unit no. 121, Midas, Sahar plaza,  
J.B. Nagar Andheri- Kurla Road,  
Andheri (east), Mumbai-400059

We have examined the relevant registers, records, forms, returns and disclosures relating to the Directors of Ventura Textiles Limited having CIN: L21091MH1970PLC014865 and having Registered Office at 101, 1<sup>st</sup> Floor, Shatrunjay Apartment, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai – 400 004(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Abhijit Penugonda Rao	00189126	01/11/2006
2.	Penugonda Mohan Rao	00197973	05/04/1993
3.	Shyam Raghunath Karmarkar	01365616	29/06/2001
4.	Ratnakumari Girija Maganti	08259159	19/10/2018

\*Mr. P R. Bhargava (DIN:00763819) has resigned w.e.f. 14/01/2019.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Anantha & Ved LLP**  
Company Secretaries

Place : Mumbai  
Date : 14 August, 2019.

Sd/-  
**Dilip Maharana**  
Designated Partner  
ACS: 23014  
CP No.: 22057

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **INDUSTRY STRUCTURE:**

The Cotton Textiles Industry continued to suffer on account of high volatile cotton prices, compared to International prices. Due to MSP prices on Cotton, the industry is unable to compete in the International market.

On the domestic front, there is no sign of improvement due to economic slowdown and competition from Imports from Bangladesh and China.

The Government of Maharashtra continued its support to the Textile Industry with incentives to promote Investments in the State.

### **OPPORTUNITIES & THREATS :**

The Promotional Incentive Schemes has been announced for the Manufacturing activity in the State of Maharashtra. It is bound to get a support and will augur well for the Textile Industry.

With E-commerce in place, offtake of various Textile product in the retail sector is spreading among the middle class that will spur further growth.

On the Export front, a favourable exchange rate and increased demand will encourage the Industry.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY:**

The Company has -Internal Controls in place for safeguarding all its assets from unauthorized use or disposal. Adherence to Internal Control Systems is ensured by detailed Internal Audit Program so that the assets are correctly accounted for and business operations as per laid down policies and procedures.

The Company has an Audit Committee of the Board of Directors, which meets regularly to review, inter alia, risk management policies, adequacies of internal controls and the audit findings on the various functions of different segments of the business.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

On the operational front, the Company has recorded revenue from operations of Rs.12,943,467/- Lakhs as compared to Rs. 21,887,928/- Lakhs in the previous year. The net loss before tax is Rs.50,717,916/-Lakhs as compared to previous year's net loss before tax of Rs.14,517,237/- Lakhs.

### **SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AS COMPARED TO THE PREVIOUS YEAR:**

1. Operating profit margin ratio stood at (-264.14)% as compared to (-613) % in the previous year.
2. Net profit / (loss) margin ratio stood at (-264.14)% as against (613)% for the previous year.
3. Inventory turnover ratio stood at 88.99 % for the year under report.
4. Current ratio for the year under report is 1.20 as against 2.01 for the previous year.
5. Debt equity ratio stood at 1.24 as compared to 8.55 in the previous year.



### HUMAN RESOURCES:

The Company is deliberating policies benefiting both workers as well as the stakeholders of the Company in the proposed modernization plan of spinning.

### HEALTH AND ENVIRONMENT:

Your Company recognizes environment protection and management as one of its highest priorities and every effort is made to conserve and protect the environment. The Company has been involved in ensuring green surroundings in its industrial location.

### CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

### Registered Office:

Unit No. 121, Midas, Sahar Plaza, J. B. Nagar  
Andheri (East), Mumbai – 400 059

**Date:** 14<sup>th</sup> August, 2019

**For and on behalf of Board of Directors**

Sd/-  
**P. M. Rao**  
**Chairman & Managing Director**  
**DIN: 00197973**

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

I, Mr. Abhijit Rao, the Chief Financial Officer of Ventura Textiles Limited, to the best of my knowledge and belief certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

I further confirm that all the Directors and senior management personnel of the Company have affirmed adherence to the Company's Code of Conduct for the year ending 31st March, 2019.

**Date: 14th August, 2019**  
**Place: Mumbai**

\_\_\_\_\_  
**Chief Financial Officer**

## **Independent Auditor's Report**

**To the Members of M/s. Ventura Textiles Limited**

**Report on the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of Ventura Textiles Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw your attention to Note no 21 of the financial statements, which describes the negative net worth of more than 50%. The accumulated losses of the company is 24,37,01,073 as on 31<sup>st</sup> March 2019, indicating the existence of company's ability to continue as going concern.

Considering the matters set out in that note, the financial statements are prepared on going concern basis. Our opinion is not qualified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, we have determined that there are no key audit matters to communicate in our report.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Report on Other Legal and Regulatory Requirements**

As required by the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure – A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Govind Prasad and Co**  
Chartered Accountants  
FRN: 114360W

**Govind Prasad**  
Partner  
M. No.: 047948

Place: Mumbai  
Date: 30th May 2019

**Annexure - 1**  
**Re: Ventura Textiles Ltd**  
(Annexure to Auditor's Report)

- (i) IN RESPECT OF ITS FIXED ASSETS:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has physically verified certain assets during the period in accord with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to no material discrepancies were noticed on such verification. In our opinion fixed assets have been properly dealt with in the books of accounts.
  - (c) In our opinion and according to the information and explanations given to us in our opinion and according to the information and explanations given to us, the title deed of the immovable properties of the company are held in the name of the company.
- (ii) In respect of its inventories, in our opinion and according to the information and explanations given to us, the management at reasonable intervals has physically verified the inventory and no material discrepancies were noticed on physical verifications.
- (iii) In respect of loans secured or unsecured granted to companies, firms or other parties covered by clause (76) of section 2 of the companies Act, 2013,
- (a) In our opinion the terms and conditions of grant of such loans are not prejudicial to the company's interest.
  - (b) The repayments of principal amount as well as interest are regular whichever applicable.
  - (c) There is no amount overdue which is more than Rs. 5 lakhs.
  - (iv) In respect of loans investments and guarantees, in our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- (vii) According to the information and explanation given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Goods and Service Tax and other statutory dues with the appropriate authorities during the period except for the following dues mention as under:
    - i. Professional Tax: Rs. 1,96,670/-
    - ii. Gram Panchayat Tax: Rs. 7,85,711/-
  - (b) There are disputed dues of Sales Tax, Income Tax, Customs Duty, Service Tax, Excise Duty, Value Added Tax, Goods and Service Tax and any other statutory dues with the appropriate authorities during the period as under:

## VENTURA TEXTILES LIMITED



Sr.No.	Year	Type of Tax	Authority against which disputed	Amount in dispute (Rs.)
1	2002-03	Income Tax	High Court	24,99,000

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to its bankers or financial institutions or debentureholders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public issue/follow-on offer and the company has not availed any term loan, clause (ix) is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) Since the company is not a Nidhi Company, clause xii is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statement etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment/private placement of shares or fully paid up shares during the year under review hence this clause is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the non-cash transactions with directors or persons connected with them, in our opinion, provisions of Section 192 have been complied with.
- (xvi) Since the company is not a banking company, clause xvi is not applicable.

For **Govind Prasad and Co**  
Chartered Accountants  
FRN: 114360W

Place: Mumbai  
Date: 30<sup>th</sup> May 2019

**Govind Prasad**  
Partner  
M. No.: 047948

# VENTURA TEXTILES LIMITED



## BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Rupees )

Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
<b>I Assets</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	2	6,05,69,813	6,31,78,506
(b) Capital Work In Progress	2	7,18,29,109	4,55,84,556
(c) Intangible Assets		-	-
(d) Investments	3	11,86,500	-
		<u>13,35,85,422</u>	<u>10,87,63,062</u>
<b>2 Current assets</b>			
(a) Inventories	4	2,12,41,028	1,12,39,518
(b) Financial Assets			
i) Trade Receivables	5	51,45,456	1,06,15,176
ii) Cash and Bank Balances	6	2,64,656	10,66,340
Other Current Assets	7	3,28,41,645	3,57,38,139
		<u>5,94,92,784</u>	<u>5,86,59,173</u>
<b>Total</b>		<u><b>19,30,78,206</b></u>	<u><b>16,74,22,235</b></u>
<b>II Equity and liabilities</b>			
<b>1 Equity</b>			
Equity Share Capital	8	19,44,06,890	19,44,06,890
Other Equity	9	(24,37,01,073)	(19,29,83,157)
		<u>(4,92,94,183)</u>	<u>14,23,733</u>
<b>2 Non-current liabilities</b>			
Financial Liabilities			
Borrowings	10	16,51,94,323	-
Other Non Current Liabilities	11	4,55,55,414	14,24,80,494
		<u>21,07,49,737</u>	<u>14,24,80,494</u>
<b>3 Current liabilities</b>			
Financial Liabilities			
Borrowings	12	1,32,73,168	-
Total Outstanding dues of Micro and Small Enterprises		-	-
Total Outstanding dues of Creditors Other than Micro and Small Enterprises	13	1,05,64,114	2,12,91,776
Other Current Liabilities	14	77,85,371	22,26,232
		<u>3,16,22,652</u>	<u>2,35,18,008</u>
<b>Total</b>		<u><b>19,30,78,206</b></u>	<u><b>16,74,22,235</b></u>

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1-34

As per our Audit Report of even date  
For **Govind Prasad & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Govind Prasad**  
(Partner)  
M. No. 047948  
Firm Registration No: 114360W  
Place : Mumbai  
Date : 30th May, 2019

Sd/-  
**P. M. Rao**  
Chairman & Managing Director  
DIN: 00197973

Sd/-  
**Shyam R. Karmarkar**  
Director  
DIN: 01365616

# VENTURA TEXTILES LIMITED



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2019

(Amount in Rupees)

Particulars	Notes	For the Year ended 31st March 2019	For the Year ended 31st March 2018
<b>Revenue</b>			
Revenue from operations		1,29,43,467	2,18,87,928
Other income	15	62,57,092	17,47,322
<b>Total revenue</b>		<b>1,92,00,559</b>	<b>2,36,35,250</b>
<b>Expenses</b>			
Cost of Materials Consumed	16	75,69,906	2,39,45,873
Change in Inventories of Finished Goods & Stock in Process	17	21,71,155	(63,39,949)
Employee benefit expenses	18	31,59,377	28,03,512
Other expenses	20	2,03,79,457	1,44,82,087
Finance Cost	19	3,34,51,648	6,281
Depreciation and amortisation expense	2	31,86,931	32,54,683
<b>Total expenses</b>		<b>6,99,18,475</b>	<b>3,81,52,487</b>
<b>Profit / (loss) before exceptional and extraordinary items and tax</b>		<b>(5,07,17,916)</b>	<b>(1,45,17,237)</b>
Exceptional items		-	-
<b>Profit / (loss) before tax</b>		<b>(5,07,17,916)</b>	<b>(1,45,17,237)</b>
<b>Tax expense</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit / (loss) for the year</b>		<b>(5,07,17,916)</b>	<b>(1,45,17,237)</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the period (Not consider for EPS)</b>		<b>(5,07,17,916)</b>	<b>(1,45,17,237)</b>
Earning per Equity Share - Basic and diluted		(2.61)	(0.75)
Weighted average number of equity shares		1,94,40,689	1,94,40,689

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-34

As per our Audit Report of even date

For and on behalf of the Board of Directors

For **Govind Prasad & Co.**  
Chartered Accountants

Sd/-

**Govind Prasad**

(Proprietor)

M. No. 047948

Firm Registration No: 114360W

Place : Mumbai

Date : 30th May, 2018

Sd/-

**P. M. Rao**

Chairman & Managing Director

DIN: 00197973

Sd/-

**Shyam R. Karmarkar**

Director

DIN: 01365616



**VENTURA TEXTILES LIMITED****Cash Flow Statements for the period ended 31st March 2019** (Amount in Rupees)

	<b>For the year ended 31.03.2019</b>	<b>For the year ended 31.03.2018</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	(5,07,17,916)	(1,45,17,237)
Adjustments for :		
Depreciation and Amortization Expenses	31,86,931	32,54,683
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(4,75,30,985)</b>	<b>(1,12,62,554)</b>
Adjustments for :		
Trade Receivables, Loans & Advances and Other Assets	(28,21,796)	(2,45,16,255)
Trade Payables, Other Liabilities and Provisions	7,63,73,887	3,73,64,609
<b>CASH GENERATED FROM OPERATIONS</b>	<b>2,60,21,106</b>	<b>15,85,800</b>
Direct taxes paid (net of refunds)	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>2,60,21,106</b>	<b>15,85,800</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including CWIP)	2,68,22,790	1,13,94,828
Consideration towards Acquisition / Intangibles		
Deposits having original maturity over three months and restricted balance		
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>2,68,22,790</b>	<b>1,13,94,828</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short-Term Borrowings	-	-
Proceeds from issue of Share Capital (includes security premium)	-	1,00,00,000
Merger Consideration, pending allotment of shares		
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>1,00,00,000</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(8,01,684)</b>	<b>1,90,972</b>
<b>CASH &amp; CASH EQUIVALENTS (OPENING BALANCE)</b>	<b>10,66,340</b>	<b>8,75,368</b>
<b>CASH &amp; CASH EQUIVALENTS (CLOSING BALANCE) [Refer note no 5]</b>	<b>2,64,656</b>	<b>10,66,340</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	<b>1-34</b>	

As per our Audit Report of even date

For **Govind Prasad & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Govind Prasad**  
(Partner)  
M. No. 047948  
Firm Registration No: 114360W

Sd/-  
**P. M. Rao**  
Chairman & Managing Director  
DIN: 00197973

Sd/-  
**Shyam R. Karmarkar**  
Director  
DIN: 01365616

Place : Mumbai  
Date : 30th May, 2019

**Statement of Changes in Equity**
**A. EQUITY SHARE CAPITAL**
**Statement of Changes in Equity**

(Amount in Rupees)

Balance as at April 1, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018
18,44,06,890	1,00,00,000	19,44,06,890

(Amount in Rupees)

Balance as at April 1, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
19,44,06,890		19,44,06,890

**B. OTHER EQUITY**

(Amount in Rupees)

	Capital Reserve	Securities Premium	Retained Earnings
<b>Balance as at April 1, 2017</b>	-	1,66,55,183	(19,51,21,103)
Profit for the year	-	-	1,45,17,237
Other Comprehensive income	-	-	-
<b>Total Comprehensive income</b>	-	-	-
<b>Balance as at March 31, 2018</b>	-	<b>1,66,55,183</b>	<b>(20,96,38,340)</b>
<b>Balance as at April 1, 2018</b>	-	1,66,55,183	(20,96,38,340)
Profit for the year	-	-	(5,07,17,916)
Other Comprehensive income	-	-	-
<b>Total Comprehensive income</b>	-	-	-
<b>Balance as at March 31, 2019</b>	-	<b>1,66,55,183</b>	<b>(26,03,56,256)</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-34**

As per our Audit Report of even date

**For and on behalf of the Board of Directors**

 For **Govind Prasad & Co.**  
 Chartered Accountants

**Govind Prasad**  
 (Partner)  
 M.No.047948  
 Firm Registration No: 114360W

 Sd/-  
**P. M. Rao**  
 Chairman &  
 Managing Director  
 DIN: 00197973

 Sd/-  
 Shyam R. Karmarkar  
 Director  
 DIN: 01365616

 Place : Mumbai  
 Date : 30th May, 2019

**NOTES TO THE FINANCIAL STATEMENTS****NOTE 1****SIGNIFICANT ACCOUNTING POLICIES.****A. Basis of Accounting:**

- i) The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.
- ii) The Company adopts the accrual concept in the preparation of accounts unless otherwise stated

**B. Use of Estimates:**

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles require estimates and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between, the actual results and estimates are recognized in the period in which the results are known / materialized.

**C. PROPERTY, PLANT AND EQUIPMENT**

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use and net changes on foreign exchange contracts and adjustments arising from exchange rate variation attributable to assets, less recoverable taxes, trade discounts and rebate, accumulated depreciation and impairment loss except plant & machinery, which have revalued, are stated at revalued figure.

Depreciation is provided on the Straight-Line Method at the manner prescribed under schedule II of the companies Act, 2013.

The residual values, useful lives and methods of depreciation of Property, Plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or loss arising from derecognition of a Property, Plant and Equipment are measured as the difference between net disposal proceeds and the carrying amount.

**D. Impairment of NON-FINANCIAL Assets – PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

The company assesses at each reporting date as to whether there is any indication that Property, Plant and Equipment and intangible assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

Impairment loss is recognised in statement of profit and loss to the extent the carrying amounts of assets exceed their recoverable amount. Recoverable amount is the higher of an assets net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arms length transaction between knowledgeable, willing parties, less the costs of disposal.

The impairment loss recognised in prior accounting period is reversed if there has been change in estimate of recoverable amount.

**E. FINANCE COST**

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to statement of profit and loss for the period for which they are incurred.

**F. Inventories:**

- i) Raw materials, Consumable stores and Packing materials are valued at cost.
- ii) Finished goods are valued at sale price less gross margin or cost whichever is lower.
- iii) Stock-in-process is valued at lower of cost or net realizable value.

**G. Foreign Currency Transaction:**

Transactions in foreign currency are recorded at the original rate of exchange in force at the time the transactions are effected except export sales, which are recorded at a rate notified by the customs for invoice purposes. Such rate is notified in the last week of every month and is adopted for recording export sales of the next month. The exchange fluctuation arising as a result of negotiation of export bills is accounted for in the difference in exchange rate. Foreign Currency Assets and Liabilities other than for financing fixed assets are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognized in the Profit & Loss account except in cases covered by forward foreign exchange contracts in which case, these are translated at the contracted rates and the resultant gains/losses are recognized over the life of the contracts. Foreign Currency loans for financing fixed assets are stated at the contracted/prevaling rates of exchange at the yearend and the resultant gains/losses are adjusted to the cost of assets.

**H. Recognition of Income:**

Revenue from sale of goods is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the goods sold.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

**Interest and dividend:**

Interest income is recognized using effective interest method.

Dividend income is recognized when the right to receive payment is established.

**I. Provision for Taxation:**

In view of the losses the Company has not provided for taxation.

**J. Tax on Income:**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

**I. Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the income tax authorities, based on tax rates and laws that are enacted at balance sheet date.

**II. Deferred Tax**

Deferred tax is recognized on temporary differences between carrying amounts of assets and liabilities in financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities and assets are measured at tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**K. CASH AND CASH EQUIVALENTS**

The Company considers all highly liquid financial instruments, which are readily convertible into know amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawal and usage.

**L. EQUITY INSTRUMENTS**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities.

**M. Employee benefit expenses****Short Term Employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognized as an expense during the period when the employees render the services.

**Post-Employment Benefits**

Provident and other retirement benefits are not applicable to the company.

**N. Financial Instruments:****i. Financial Assets****Initial Recognition and measurement**

All financial instruments are initially recognized at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit and loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

**Subsequent Measurement****i. Financial Instruments measured at Amortised Cost (AC)**

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold asset the asset in order to collect contractual cash flow and the contractual terms of the financial asset gives rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

**ii. Financial Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI)**

A Financial asset is measured at FVTOCI if it is held within the business model whose objective is achieved by both contractual cash flows and selling of financial assets and contractual terms of financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

**iii. Financial Instruments measured at Fair Value through Profit or Loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL

**Other equity instruments**

All other equity investments are measured at fair value, with changes recognized in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in Other Comprehensive Income.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the company uses 'Expected Credit Loss (ECL)' model, for evaluating impairment of financial assets other than those measured at Fair value through Profit and Loss (FVTPL)

Expected credit loss are measured through loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

For trade receivables the company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of trade receivables. The company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed

For other assets, the company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii. Financial Liabilities****Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost

**Subsequent measurement**

Financial Liabilities are carried at amortized cost using effective interest method

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to short maturity of these instruments.

**Derecognition of Financial Instruments**

The company derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition as per IND AS 109.

Financial liability (or part of financial liability) is derecognized from the company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

**Offsetting**

Financial assets and Financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the company has legally enforceable right to set-off the amount and it intends, either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**O. Provision for Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Contingent Liability: For the Current Period is Rs.24,99,000/- (Previous Year Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

**Note 2**  
**PROPERTY, PLANT AND EQUIPMENT**

(Amount in Rs.)												
Particulars of Assets	GROSS BLOCK			DEPRECIATION					NET BLOCK			
	As at 01.04.2018	Additions/ Adjustments during the year	Sales / Transfer during the year	As at 31.03.2019	Depn Rate %	Upto 31.03.2018	Depreciation for the Earlier years (Excess)/Shortage (*)	For the Year	Sales / Adjustments	Upto 31.03.2018	As at 31.03.2019	As at 31.03.2018
Freehold Land	13,77,274	5,00,000	-	18,77,274	-	-	-	-	-	-	18,77,274	13,77,274
Buildings	11,04,24,084	-	-	11,04,24,084	3.17	6,31,82,068	-	30,11,245	-	6,61,93,313	4,42,30,771	4,72,42,016
Plant & Machinery	23,09,71,722	-	-	23,09,71,722	6.33	21,77,04,111	-	1,63,289	-	21,78,67,400	1,31,04,322	1,32,67,611
Furniture & Fixtures	24,00,008	-	-	24,00,008	9.50	22,80,008	-	-	-	22,80,008	1,20,000	1,20,000
Office Equipments	16,80,665	35,938	-	17,16,603	19.00	15,96,632	-	5,912	-	16,02,544	1,14,059	84,033
Electrical Installation	2,05,87,676	-	-	2,05,87,676	9.50	1,95,58,292	-	-	-	1,95,58,292	10,29,384	10,29,384
Computers	11,66,095	42,300	-	12,08,395	31.67	11,07,907	-	6,485	-	11,14,392	94,003	58,188
Current Year's Total	36,86,07,524	5,78,238	-	36,91,85,762		30,54,29,018	-	31,86,931	-	30,86,15,949	6,05,69,813	6,31,78,506
Previous Year's Total	36,86,07,524	-	-	36,86,07,524		30,21,74,335	-	32,54,683	-	30,54,29,018	6,31,78,506	6,64,33,189
Capital Work in Progress						4,55,84,556				7,18,29,109		

# VENTURA TEXTILES LIMITED



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rupees)

Note No.	As at 31st March 2019	As at 31st March, 2018
<b>3 Investments</b>		
In Equity Instrument	11,86,500	-
	<b>11,86,500</b>	-
<b>4 Inventories</b>		
Raw Materials	1,66,91,063	47,10,007
Work in Progress	6,46,016	35,48,220
Finished Good	35,22,778	27,91,729
Stores, Spares & Packing Material	3,81,171	1,89,562
<b>Total</b>	<b>2,12,41,028</b>	<b>1,12,39,518</b>
<b>5 Trade receivables (Unsecured)</b>		
Others (Considered Good)	51,45,456	1,06,15,176
	<b>51,45,456</b>	<b>1,06,15,176</b>
<b>6 Cash and bank balances</b>		
Cash on hand	1,24,332	90,158
Balances with banks	1,40,324	9,76,182
- in current accounts		
	<b>2,64,656</b>	<b>10,66,340</b>
<b>7 Other Current Assets</b>		
Advances other than Capital Advances		
Other Loans & Advances	75,04,313	1,59,37,430
Advances to Suppliers	1,30,68,627	1,48,38,700
Security Deposits	49,62,009	49,62,009
Balances from Revenue Authority	73,06,696	-
	<b>3,28,41,645</b>	<b>3,57,38,139</b>



# VENTURA TEXTILES LIMITED



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rupees)

Note No.	As at 31st March 2019	As at 31st March, 2018
<b>8 Share capital</b>		
<b>Authorised share capital</b>		
400,00,000 (Previous Year-400,00,000) Equity Shares of Rs.10 each	40,00,00,000	40,00,00,000
10,00,000 (Previous Year-10,00,000) Preference Shares of Rs.100 each	10,00,00,000	10,00,00,000
	<u>50,00,00,000</u>	<u>50,00,00,000</u>
<b>Issued, subscribed and fully paid up</b>		
194,53,289 (Previous Year 194,53,289) Equity Shares of Rs.10 each fully paid up.-	19,45,32,890	18,45,32,890
Less: Call Money Receivable (Receivable from Directors- NIL)	1,26,000	1,26,000
Add: Capital Issued during the year	-	1,00,00,000
<b>Total</b>	<u>19,44,06,890</u>	<u>19,44,06,890</u>
<b>9 Other Equity</b>		
<b>a. Security Premium Account</b>		
Balance at the beginning of the year	1,66,55,183	1,66,55,183
Add :	-	-
Less :	-	-
<b>Balance at the end of the year</b>	<u>1,66,55,183</u>	<u>1,66,55,183</u>
<b>a. Retained Earnings</b>		
Balance at the beginning of the year	(20,96,38,340)	(19,51,21,103)
Add : Transferred from statement of profit and loss	(5,07,17,916)	(1,45,17,237)
Balance at the end of the year	<u>(26,03,56,256)</u>	<u>(20,96,38,340)</u>
<b>b. Other comprehensive income</b>		
<b>Remeasurement (loss) / gain</b>		
Balance at the beginning of the year	-	-
Remeasurement of the net defined benefit liability	-	-
Deferred tax on above	-	-
<b>Balance at the end of the year</b>	-	-
	<u>(24,37,01,073)</u>	<u>(19,29,83,157)</u>

# VENTURA TEXTILES LIMITED



## a) Reconciliation of share capital

Name of the Shareholder	As At 31.03.2019		As At 31.03.2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,94,53,289	19,45,32,890	1,84,53,289	18,45,32,890
Add : Issued during the year	-	-	10,00,000	1,00,00,000
Add : Bonus issues made during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Balance at the end of the year	1,94,53,289	19,45,32,890	1,94,53,289	19,45,32,890

Name of the Shareholder	As At 31.03.2019		As At 31.03.2018	
	No. of Shares	% held	No. of Shares	% held
Penny Securities & Investments Pvt Ltd	73,36,858	37.72	73,36,858	37.72
Indo Gulf Financials Ltd	32,85,000	16.89	32,85,000	16.89
Ventura Texperts Pvt Ltd	11,31,915	5.82	11,31,915	5.82
JM Financials Asset Reconstruction Company Pvt Ltd	9,87,325	5.08	9,87,325	5.08
Rita J Bhuta	20,00,000	10.28	20,00,000	10.28
Deepak Balkrishna Lokare	20,00,000	10.28	20,00,000	10.28
Asha Umakant Vasaikar	10,00,000	5.14	10,00,000	5.14

(Amount in Rupees)

Note No.	As at 31st March 2019	As at 31st March, 2018
<b>10 Non Current Borrowings</b>		
<b>Term Loans from Bank</b>		
Janakalyan Bank- Term Loan	12,00,00,000	-
<i>The Term Loan is Secured by Hypothecation of Land &amp; Building</i>		
Janakalyan Bank- Plant & Machinery	1,76,58,159	-
<i>The Term Loan is Secured by Hypothecation of Plant &amp; Machinery</i>		
Mogaveera Co-operative Bank	2,75,36,164	-
<i>The Term Loan is Secured by Hypothecation of Residential House Property of Promoter</i>		
	<b>16,51,94,323</b>	
<b>11 Other Non Current Liabilities</b>		
From Promoter	1,71,96,097	51,50,000
Other Liabilities	2,83,59,317	13,73,30,494
	<b>4,55,55,414</b>	<b>14,24,80,494</b>
<b>12 Borrowings</b>		
Janakalyan Sahakari Bank	<b>1,32,73,168</b>	-
<i>Working Capital Borrowings are secured by way of hypothecation of Inventories, Book Debts and Receivables, both present and future</i>		

# VENTURA TEXTILES LIMITED



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rupees)

Note No.	As at 31st March 2019	As at 31st March, 2018
<b>13 Trade Payables</b>		
Total Outstanding dues of Micro and Small Enterprises	-	-
Total Outstanding dues of Creditors Other than Micro and Small Enterprises	1,05,64,114	2,12,91,776
	<u>1,05,64,114</u>	<u>2,12,91,776</u>
<b>14 Other Current Liabilities</b>		
Goods & Service Tax (GST)	-	12,38,450
Duties & Taxes	21,39,008	9,87,782
Advances from Supplier	7,51,000	-
Outstanding Liabilities	48,95,363	-
	<u>77,85,371</u>	<u>22,26,232</u>

(Amount in Rupees)

Note No.	For the Period ended 31st March 2019	For the Year ended 31st March 2018
<b>15 Other income</b>		
Rent Income	58,38,760	13,50,000
Interest Income	4,18,126	3,95,321
Miscellaneous Income	206	2,001
	<u>62,57,092</u>	<u>17,47,322</u>
<b>16 Cost of Materials Consumed</b>		
Opening Stock of Raw Materials	47,10,007	-
Add: Purchases	1,94,44,697	2,82,01,851
Less: Closing Stock of Raw-Material	1,69,48,932	47,10,007
Cost of Material Consumed	72,05,772	2,34,91,844
Cost of Packing Material Consumed	3,64,134	4,54,029
	<u>75,69,906</u>	<u>2,39,45,873</u>

# VENTURA TEXTILES LIMITED



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rupees)

Note No.	For the Period ended 31st March 2019	For the Year ended 31st March 2018
<b>17 Change in Inventories of Finished Goods Stock-In-Process and Stock in Trade</b>		
Opening Stock	-	-
Finished Goods	27,91,729	-
Stock-In-Process	35,48,220	-
	<b>63,39,949</b>	-
<b>Less: Closing Stock</b>		
Finished Goods	35,22,778	27,91,729
Stock-In-Process	6,46,016	35,48,220
	<b>41,68,794</b>	<b>63,39,949</b>
<b>(Increased)/ Decrease in Stocks</b>	<b>21,71,155</b>	<b>(63,39,949)</b>
<b>18 Employee benefit expense</b>		
Salaries, wages and bonus	23,22,275	24,42,318
Staff welfare expenses	8,37,102	3,61,194
	<b>31,59,377</b>	<b>28,03,512</b>
<b>19 Finance Cost</b>		
Interest Expense	3,23,28,178	6,281
Other Borrowing Cost	11,23,470	-
	<b>3,34,51,648</b>	<b>6,281</b>
<b>20 Other Expenses</b>		
Power Fuel & Water Charges	21,54,368	21,06,543
Repairs & Maintenance	1,80,291	-
Selling Expense	1,75,300	3,03,000
Insurance	1,12,602	1,97,231
Travelling & Conveyance	6,95,785	4,33,211
Motor Car Expense	6,50,363	4,86,722
Postage & Telephone	1,15,383	2,12,600
Director's Remuneration	36,00,000	29,25,000
House Rent Allowance	17,52,250	15,36,150
Legal & Professional Fees	36,38,064	14,16,234
Printing & Stationary	63,094	1,24,574
Rent, Rates & Taxes	29,53,685	10,15,408
Payment to Auditors	1,00,000	1,00,000
Transportation Charges	4,95,843	1,63,666
Miscellaneous Expenses	36,92,431	34,61,748
	<b>2,03,79,457</b>	<b>1,44,82,087</b>

## VENTURA TEXTILES LIMITED



21. The Company has accumulated losses amounting to Rs.24,37,01,073/-, which is more than 50% of its Net Worth, which may adversely affect the future operation of the Company.
22. Estimated amount of Contracts remaining to be executed on Capital account and not provided for Rs. NIL (Previous Year Rs. NIL).
23. Letters of confirmation of balances have been sent to suppliers and debtors. Adjustments, if any, shall be made on receipt of confirmation and reconciliation thereof.
24. Sundry Loans and Advances and other assets are, in the opinion of management, stated at the amount realizable in the ordinary course of business and provision for all known liabilities has been made.
25. The Company during the year under review, paid Rs.12.00 Crs to M/s. Sri Sarathi Studios Pvt Ltd on account, pending settlement of their loan dues of Rs.10.00 Crs.

Accordingly, the payment of Rs.2.00 Crs has been provided towards interest on provisional basis, which is subject to settlement.

26. The Company has not provided for Deferred Tax Asset / Liabilities as the Company's policy to recognize the asset is only when there is a reasonable certainty that sufficient future taxable income will be available.
27. In view of the Losses, the Company has not made any provision for taxes.
28. The Company is engaged mainly in the business of manufacturing of Textiles consisting of Fabric and Yarn. Considering the nature of financial reporting the Company has only one reportable segment.

### 29. Value of Imports on CIF Basis in Respect of :

		Current Year		Previous Year	
		Rs. In Lakhs	%	Rs. In Lakhs	%
a)	<b>Value of Imports on CIF Basis: (excluding through agency)</b>				
	i. Capital Goods	Nil	-	Nil	-
	ii. Stores & Spares	Nil	-	Nil	-
b)	<b>Expenditure in Foreign Currency</b>				
	i. Travelling	Nil	-	Nil	-
	ii. Commission on Sales	Nil	-	Nil	-
c)	<b>Earnings in Foreign Currency</b> F.O.B Value of Exports	Nil	-	Nil	-
d)	<b>Exchange Difference Gain /(Loss) charged to P&amp;L A/c.</b>	Nil	-	Nil	-

## VENTURA TEXTILES LIMITED



### 30. Auditors' Remuneration:

		Current Year Rs.	Previous Year Rs.
a)	Audit Fees	1,00,000	1,00,000
b)	Tax Audit		
c)	Certification, Taxation & Others	—	—
	<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

### 31. Managerial Remuneration :

		Current Year Rs.	Previous Year Rs.
a)	Salary	36,00,000	29,25,000
b)	Perquisites	23,81,478	15,36,000
c)	Contribution to P.F. and Other Funds	—	—
	<b>Total</b>	<b>59,81,478</b>	<b>44,61,000</b>

32. The disclosure of transactions with the related parties, as described in the Accounting Standard-18 issued by the Institute of Chartered Accountants of India, are given below :

#### A. Name of the related parties

Ventura Texports Pvt. Ltd.  
Penny Securities & Investments Pvt. Ltd.  
Indo Gulf Financials Ltd.  
Mr. P. M. Rao  
Mr. Abhijit Rao

#### Relationship

An Associate  
An Associate  
An Associate  
Key Management Personnel –1  
Key Management Personnel –2

(Rs. in lakhs)

B. Transactions with related parties	Associate		Key Management Personnel -1		Key Management Personnel –2	
<b>Loans Income :</b>	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Sale of Goods	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Expenses :</b>						
Medical Exp	Nil	(Nil)	6.29	(Nil)	Nil	(Nil)
Rent	Nil	(Nil)	Nil	(Nil)	17.52	(15.36)
Remuneration Paid	Nil	(Nil)	27.00	(21.75)	9.00	(7.50)
<b>Sundry Debtors :</b>						
Balance as on 31 <sup>st</sup> March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Sundry Creditors :</b>						
Balance as on 31 <sup>st</sup> March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Loans and Advances :</b>						
Balance as on 31 <sup>st</sup> March	120.46 (NIL)	51.50 (51.50)	Nil	(Nil)	Nil	(Nil)

**Notes :** 1) Related party relationship is as identified by the Company and relied upon by the auditors.  
2) Previous year's figures are given in brackets.

## VENTURA TEXTILES LIMITED



### 33. Earning per Share (EPS) - Basic & Diluted:

The Earning per Share as per the requirement of Accounting Standard (AS)-20 issued by The Institute of Chartered Accountants of India is computed as follows:

	Current Year	Previous Year
Profit/(Loss) after tax before exceptional/extra-ordinary item	(Rs.50,717,916)	( Rs.14,517,238)
Add: Extraordinary items	—	—
Profit / (Loss) after exceptional/extra-ordinary items	(Rs.50,717,916)	(Rs.14,517,238)
<b>Weighted Average number of Equity Shares</b>	<b>194,40,689</b>	<b>194,40,689</b>
Nominal value of Equity Shares	Re. 10/- each	Re. 10/- each
Basic and Diluted Earning per Equity Share before Exceptional / Extra-ordinary item (Annualized)	(Rs. 2.61)	( Rs. 0.75)
Basic and Diluted Earning per Equity Share after Exceptional / extra-ordinary item (Annualized)	(Rs. 2.61)	(Rs. 0.75)

34. Previous Years figures have been re-arranged and re-grouped wherever necessary

35. Note 1 to 34 forms an integral part of the accounts and have been duly authenticated.

For **Govind Prasad & Co.**  
Chartered Accountants

Sd/-  
**Govind Prasad**  
Partner  
Membership No. 047948  
Firm Registration No: 114360W

Place: Mumbai  
Date : 30th May, 2019

For and on behalf of the Board of Directors

Sd/-  
**P. M. Rao**  
Chairman & Managing Director  
DIN: 00197973

Sd/-  
**Shyam R. Karmarkar**  
Director  
DIN: 01365616

# VENTURA TEXTILES LIMITED



## ATTENDANCE SLIP

### VENTURA TEXTILES LIMITED

CIN: L21091MH1970PLC014865

**Regd. Office:** Unit No. 121, Midas, Sahar Plaza, J. B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the venue of the meeting.

DP Id\* \_\_\_\_\_

Folio No. \_\_\_\_\_

Client Id\* \_\_\_\_\_

No. of Shares \_\_\_\_\_

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 49th Annual General Meeting of Ventura Textiles Limited of the Company held on **Monday, the 30th Day of September, 2019 at 10.00 a.m.** at Unit No. 121, MIDAS, Sahar Plaza, J.B. Nagar, Andheri Kurla Road, Andheri (East), Mumbai – 400 059.

\*Applicable for investors holding shares in electronic form.

FORM NO.MGT-11

## PROXY FORM

### VENTURA TEXTILES LIMITED

CIN: L21091MH1970PLC014865

**Regd. Office:** Unit No.121, MIDAS, Sahar Plaza, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai– 400 059

**[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s)	E-mail Id:
	Folio No./ *Client ID
Registered Address	*DP ID

I/We, being the holder/s of \_\_\_\_\_ equity shares of Ventura Textiles Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **49th Annual General Meeting of Ventura Textiles Limited** will be held on Monday, the 30th September, 2019 at 10.00 a.m. at Unit No. 121, MIDAS, Sahar Plaza, J.B. Nagar, Andheri Kurla Road, Andheri (East), Mumbai – 400 059 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:



## VENTURA TEXTILES LIMITED



Particulars	Type of Resolution	For	Against
1 Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2019 along with the reports of the Board of Directors and the Auditors thereon.	Ordinary		
2 Appointment of Director in place of Mr. Abhijit Rao (DIN: 00189126), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary		
3 Appointment of Mrs. Ratnakumari Girija Maganti (DIN: 08259159) as an independent director.	Special		
4 Reappointment of Mr. Shyam Raghunath Karmarkar (DIN: 01365616) as an independent director for further term of five yers.	Special		
5 Ratification and approval of remuneration payable to Mr. Penugonda Mohan Rao (DIN: 00197973), as the Chairman & Managing Director of the Company for the remaining tenure of his appointment upto June 30, 2020.	Special		
6 Approval of remuneration payable to Mr. Abhijeet Rao Penugonda (DIN: 00189126), as whole time Director of the Company for the remaining tenure of his appointment upto October 31, 2021.	Special		

\*Applicable for investors holding shares in electronic form.

\*\* This is optional

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019

Affix  
Re.1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of the Proxy holder(s):

\_\_\_\_\_  
Signature of Shareholder

- 1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.***
- 2. It is optional to indicate your preference. If you leave for or against column blank against any or all of your resolutions, your proxy will be entitled to vote in the manner he / may deem appropriate.***

[illegible]

PRINTED MATTER

To,

*If undelivered, please return to:*

**VENTURA TEXTILES LIMITED**

**Regd. Office :**

Unit No 121, Midas, Sahar Plaza, J. B. Nagar, Andheri (East),  
Mumbai - 400 059.