

**VENTURA  
GUARANTY  
LIMITED  
ANNUAL REPORT  
2018-19**

## **BOARD OF DIRECTORS**

<b>Sajid Malik</b>	<b>Director</b>
<b>Saroja Malik</b>	<b>Director</b>
<b>Hemant Majethia</b>	<b>Whole Time Director</b>
<b>Kulinkumar Majethia</b>	<b>Director</b>
<b>Sandra Shroff</b>	<b>Director</b>
<b>Jaidev Shroff</b>	<b>Director</b>
<b>Ganesh Acharya</b>	<b>Independent Director</b>
<b>Ashish Nanda</b>	<b>Independent Director</b>
<b>Sridhar Vaidyanathan</b>	<b>Independent Director</b>

## **COMPANY SECRETARY & COMPLIANCE OFFICER**

**Sudha Ganapathy**

## **REGISTRAR & SHARE TRANSFER AGENT**

**Bigshare Services Private Limited**

Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis,  
Next to Keys Hotel, Makwana Road, Andheri - East,  
Mumbai - 400059, Maharashtra  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## **AUDITORS**

**CNK & Associates LLP, Chartered Accountants**

Narain Chambers, 5th Floor, M. G. Road,  
Vile Parle (East), Mumbai - 400057, Maharashtra  
Website: [www.cnkindia.com](http://www.cnkindia.com)

# **DIRECTORS' REPORT**

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## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Thirty Fifth Annual Report of VENTURA GUARANTY LIMITED along with the Audited Statements of Accounts and the Auditors' Report of the Company for the year ended March 31, 2019.

### FINANCIAL RESULTS

Summary of Standalone Financial Results for the year is as under: -

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Total Income	7,851,049	10,492,470
Total Expenditure	3,399,963	1,092,693
Profit before Tax	4,451,086	9,399,777
Less: Provision for Income Tax	-	(31,000)
Less: Deferred Tax	37,532	12,422
Profit after Tax	4,413,554	9,418,355

### DIVIDEND & TRANSFER TO RESERVE

The Directors recommend payment of final dividend for the year ended March 31, 2019 at Rs. 2.70/- per fully paid up equity share subject to the approval of Shareholders at the ensuing Annual General Meeting of the Company.

During the year under review, the Company has transferred Rs. 450,000/- to the General Reserve of the Company.

### BUSINESS REVIEW

During the year under review, the Company's Total Income decreased to Rs. 7,851,049/- from Rs. 10,492,470/- recorded in the previous year. The Profit after Tax was recorded at Rs. 4,413,554/- against a Profit after Tax of Rs. 9,418,355/- in the previous year.

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## SUBSIDIARY COMPANIES

The Company has two (2) subsidiaries and two (2) step down subsidiaries as on March 31, 2019.

Ventura Commodity Limited (Step down subsidiary, through Ventura Securities Limited) is in process of surrendering membership in MCX (Multi Commodity Exchange) and NCDEX (National Commodities and Derivatives Exchange) and is evaluating new avenues of business.

The Company has prepared a Consolidated Financial Statement of all its subsidiary companies.

Pursuant to provisions of Section 129 (3) of the Act, a statement containing salient features of the Financial Statements of the Company's subsidiaries in Form AOC-1, forms part of this report.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, including Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

## FINANCIAL RESULTS

The Audited Standalone and Consolidated Financial Statements of the Company are attached herewith and forms part of this Annual Report. These have been prepared in accordance with the provisions of the Companies Act, 2013; the Accounting Standard 21 (AS-21) on Consolidated Financial Statements read with Accounting Standard 23 (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements based on Audited Financial Results for the year ended March 31, 2019.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has Nine (9) Directors comprising of One (1) Whole Time Director, Three (3) Independent Directors and Five (5) Non-executive Directors including Two (2) Women Directors.

The members have, at the 30<sup>th</sup> Annual General Meeting held on Tuesday, September 30, 2014, appointed Mr. Ashish Nanda (DIN: 00584588), Mr. Ganesh Acharya (DIN: 00702346) and Mr. Sridhar Vaidyanathan (DIN: 05242265) as Independent Directors of the Company to hold office for a term of 5 (five) consecutive years with effect from that date. Accordingly, the current term of the said directors expires on Sunday, September 29, 2019. In terms of Section 149 of the Companies Act, 2013, they are eligible for being appointed as an Independent Director for another term of 5 (five) consecutive years effective Monday, September 30, 2019. The Company has

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received a Notice in writing from a member proposing their re-appointment as Independent Directors of the Company for another term of 5 (five) consecutive years effective Monday, September 30, 2019. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on September 03, 2019, approved, subject to the approval of the members at the ensuing Annual General Meeting, the re-appointment of the said

directors as Independent Directors for another term of five consecutive years commencing from Monday, September 30, 2019.

The Board recommends the re-appointment of the above directors for approval of the members.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Sandra Shroff and Mr. Hemant Majethia, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. A brief profile of Mrs. Sandra Shroff and Mr. Hemant Majethia is provided as an Annexure to the Notice which forms part of this Annual Report.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Company and Independent Directors shall abide by the provisions specified in Schedule IV.

## AUDITORS

The Statutory Auditors of the Company, 'CNK & Associates LLP, Chartered Accountants,' (ICAI Registration No. 101961W/ W-100036), had been appointed at the Thirty First Annual General Meeting for a term of five consecutive years i.e. up to the conclusion of Thirty Sixth Annual General Meeting, subject to ratification by members at every Annual General Meeting under the provisions of the Companies Act, 2013.

The Board of Directors recommends their ratification by the Members in the ensuing Annual General Meeting.

## COMMENTS IN AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report.

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Secretarial Auditors of the Company, Roy Jacob & Co., have in their Secretarial Audit Report made a qualification regarding non-appointment of Chief Financial Officer (CFO) and reappointment of independent directors.

On April 10, 2019 the Board has designated Ms. Sudha Ganapathy, Company Secretary, as Chief Financial Officer cum Company Secretary of the Company with immediate effect.

The term of appointment of the Independent Directors ends on September 29, 2019 and the Board has, subject to the approval of the Members at the ensuing Annual General Meeting, reappointed them with effect from September 30, 2019.

## EXTRACT OF ANNUAL RETURN

As provided under Section 92 (3) of the Act, the extract of annual return is given in Annexure "A" in the prescribed Form MGT-9, which forms part of this Report.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company does not fall within the criteria prescribed under Section 135 of the Companies Act, 2013. Hence, the Company is not required to constitute CSR Committee and to comply with other provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

## MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company/ Business policy and strategies apart from other business matters. The Board/ Committee Meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

Ten (10) Meetings of the Board of Directors were held during the year.

## COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and Listing Regulations, there are currently two Committees of the Board, viz.:

### 1. Audit Committee

Audit Committee comprises of three Independent Directors namely Mr. Ganesh Acharya - Chairman, Mr. Ashish Nanda - Member and Mr. Sridhar Vaidyanathan - Member of the Committee.

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## 2. Stakeholders' Relationship Committee

Pursuant to Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated September 02, 2015 issued by Securities & Exchange Board of India, Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to Company. Also, as per provisions of the Section 178 of the Companies Act, 2013 only companies having members more than 1000 are required to form Stakeholders' Relationship Committee. However, as a good corporate governance practice and for benefits of shareholders, the Company continues to have Stakeholders Relationship Committee in force.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, there were no cases filed under the aforesaid Act.

## ANNUAL EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The evaluation framework for assessing the performance of Board as a whole, Board Committees and Directors comprises the following key areas:

- a. Attendance of Board Meetings and Board Committee Meetings;
- b. Quality of contribution to Board deliberations;
- c. Strategic perspectives or inputs regarding future growth of the Company and its performance;
- d. Providing perspectives and feedback going beyond information provided by the management;
- e. Commitment to shareholder and other stakeholder interests.

The evaluation includes Self-evaluation by the Board Member and subsequently assessment by the Board of Directors. A Member of the Board does not participate in the discussion of his/ her evaluation.

## CORPORATE GOVERNANCE

As per Circular dated September 02, 2015 (effective from December 01, 2015) issued by Securities & Exchange Board of India, your Company falls in the exempted category. Therefore, provisions related to Regulation 15 (2), 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of Sub regulation 46 and Para C, D, E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company maintains highest standards of ethical, moral and legal environment. Subsequently, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a

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whistle blower through an e-mail, telephone line or a letter to the Chairman of the Audit Committee or any member of the Audit Committee. The Policy on vigil mechanism / whistle blower policy may be accessed on the Company's website.

## PARTICULARS OF EMPLOYEE REMUNERATION

The Company has no employee, who falls under the criteria specified under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Also, the Company does not pay any remuneration to its Directors.

## MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There were no material events that occurred between the end of Financial Year i.e. March 31, 2019 and date of this report which may have any effect on the financial position of the Company.

## RISK MANAGEMENT & INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has in place sufficient processes, systems and structure which enables it to implement internal financial control with reference to Financial Statements and ensure that the same are adequate.

The Company has a Risk Management Plan in place to assess and minimize risks arising out of the Company's operations and interactions. The Company's approach to mitigate business risks is through periodic review and reporting mechanism to the Audit Committee and the Board and thereby maximizing returns and minimizing risks.

## SECRETARIAL AUDITOR

The Board has appointed Mr. Roy Jacob, Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report in Form MR-3 for the Financial Year ended March 31, 2019 is annexed as **Annexure "B"** forming part of this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company confirms and reports:

- a) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material

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departures from the same;

- 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 as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act 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 are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of Loans given, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to Financial Statements.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1)

All Related Party Transactions entered during the period under review were in ordinary course of business and on an arm's length basis. No materially significant transactions were entered into by the Company which may have a potential conflict with the interest of the Company at large.

Prior approval of the Audit Committee is obtained for all foreseeable related party transactions on a quarterly basis. Details of all related party transactions entered on the basis of the aforementioned approval are placed before the Audit Committee on quarterly basis for their review.

A Statement containing the details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions as required under Section 188 (1) of the Act, in the prescribed Form No. AOC-2 is attached as Annexure "C".

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