

VENTURA TEXTILES LIMITED

ANNUAL REPORT
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VENTURA TEXTILES LIMITED

46th Annual Report 2015-2016

BOARD OF DIRECTORS

Mr. P. M. Rao	<i>Chairman & Managing Director</i>
Mr. Abhijit Rao	<i>Whole-Time Director & CFO</i>
Mr. Shyam Karmarkar	<i>Director (Independent)</i>
Mr. Prakash Bhargava	<i>Director (Independent)</i>

REGISTERED OFFICE 211 / 212, Midas, Sahar Plaza, J. B. Nagar,
Andheri (East), Mumbai – 400 059.

PLANT Gonde, Nashik District, Maharashtra.

AUDITORS **M/s. S. M. Kapoor & Co.**
Chartered Accountants

BANKERS **State Bank of India**
Corporation Bank

SOLICITORS **M/s. Bharucha & Partners**

REGISTRARS & SHARE TRANSFER AGENTS **Link Intime India Pvt. Ltd.**
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (West), Mumbai - 400 078.

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NOTICE

NOTICE is hereby given that the **46th Annual General Meeting** of **Ventura Textiles Limited** will be held on **Friday, the 23rd day of September, 2016**, at the Registered Office of the Company at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri- Kurla Road, Andheri (East), Mumbai – 400 059 at 10.00 A.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 31st March, 2016, along with reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Mohan Rao Penugonda, (DIN: 00197973), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Mohan Rao Penugonda, (DIN: 00197973), 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. Mohan Rao Penugonda, as a Director liable to retire by rotation shall not in any way constitute a break in his existing office as the Managing Director of the Company."

3. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the resolution passed by the Members at the Annual General Meeting held on 30th September, 2014, in accordance with Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, approving the appointment of M/s. S. M. Kapoor & Co., Chartered Accountants (Firm Registration No. 104809W), as the Statutory Auditors of the Company for a period of 3 Financial Years i.e., Financial Year 2014-15 to 2016-17, the holding of office by M/s. S. M. Kapoor & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company upto the conclusion of Annual General Meeting for the Financial Year 2016-17, be and is hereby ratified at such remuneration to be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and subject to approval of the Central Government or such other approvals, if any, the approval of the Members of the Company be and is hereby accorded to the 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 at such remuneration (The remuneration will be paid for maximum period of first three years, in case of loss or inadequacy of profit

during the tenure) 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 and the terms and conditions of the re-appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Abhijit Rao Penugonda."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Abhijit Rao Penugonda."

5. To consider and if thought fit to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendments thereto or re-enactment thereof for the time being in force and hereinafter collectively referred as '**Act**'), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, ('**SEBI ICDR Regulations**'), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, (the '**Takeover Regulations**') and other applicable Guidelines, Clarifications, Rules, Regulations issued by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time, the Listing Agreement entered into between the Company and BSE Limited ('**BSE**') and enabling provisions of the Memorandum and Articles of Association of the Company and subject to all other necessary approval(s), permission(s), consent(s) and sanction(s), if required, of concerned statutory authority and subject to such conditions and modifications as may be prescribed by any of them while granting such approval(s), permission(s), consent(s) and sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as '**the Board**' which term shall be deemed to include any Committee constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time in one or more tranches, on Preferential basis not exceeding 20,00,000 (Twenty Lakh) 0% Optionally Fully Convertible Debentures (OFCDs) of face value of Rs.10/- each, convertible at the option of the holder, in one or more tranches, into equivalent number of Equity Shares of Rs.10/- each of the Company (at a premium of Re.0.24 per Equity Share or such other higher price as may be arrived as per the SEBI ICDR Regulations) to M/s. Sai Creations, [acting through its partners viz. Mr. Deepak Balkrishna Lokare & Mrs. Savita Deepak Lokare] (hereinafter referred as '**Allottee**'), at the price to be determined in accordance with Chapter VII of the SEBI ICDR Regulations and on such terms and conditions in accordance with SEBI ICDR Regulations, and other applicable laws and in such a manner as the Board may think fit in its absolute discretion.

RESOLVED FURTHER THAT

- a) the 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the abovementioned Equity Shares arising on conversion of OFCDs shall be August 24, 2016, being the date 30 days prior to the date of the Annual General Meeting scheduled to be held to consider the proposed Preferential issue;
- b) OFCDs which would be issued and allotted upon payment of subscription money of entire amount of the issue price shall give the OFCDs holder the right to seek conversion of the OFCDs into equivalent number of equity shares within 18 months from the date of allotment at Rs.10.24 per OFCD (including premium of Re.0.24 per Equity Share) or such other higher price being the price determined in accordance with Chapter VII of the SEBI ICDR Regulations;

VENTURA TEXTILES LIMITED



- c) the OFCDs / the Equity Shares to be issued and allotted as a result of conversion of Securities shall be listed and traded on BSE and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- d) the Equity Shares to be issued and allotted as a result of conversion of Securities shall remain locked in for a period of one year, provided that the period of lock-in will be reduced to the extent the convertible securities have already been locked-in as per the provisions of SEBI ICDR Regulations;
- e) the Equity Shares to be issued and allotted as a result of conversion(s) of securities shall rank *pari passu* with the existing Equity Shares of the Company in all respects including that of payment of dividend, if any, from the date of such conversion(s) respectively; and
- f) the Board be and is hereby authorised to modify the terms and conditions of allotment of Securities including the terms of conversion of Securities into Equity Shares in accordance with the provisions of SEBI ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allot the aforesaid OFCDs and listing of the OFCDs / Equity Shares with the stock exchange as appropriate and for the purpose of giving effect to the above, the Board be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or under applicable bye-laws, rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of OFCDs and the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the equity shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

On behalf of Board of Directors of
Ventura Textiles Limited

Date: 24th August, 2016
Place: Mumbai

P.M. Rao
Chairman & Managing Director
DIN: 00197973

Registered Office:
211 / 212, 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:mkt2@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. 04 & 05 are attached and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF\HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER 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. Information/disclosure required to be furnished of Mr. Mohan Rao Penugonda and Mr. Abhijit Rao Penugonda pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, is given in Annexure-B, 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 of notice in writing is given to the company.
7. The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, 17th September, 2016 to Friday, 23rd September, 2016 (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. 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-13, Panna Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai-400078.
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 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 and Sundays during business hours 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 dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity (trading is permitted in dematerialised 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

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

24. 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. 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.

The e-voting period commences on Tuesday, 20th September, 2016 (9.00 a.m.) and ends on Thursday, 22nd September, 2016 (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., Friday, 16th September, 2016 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 Mr. S Anantha Rama Subramanian, FCS, Proprietor of M/s S. Anantha & Co., Practising Company Secretary (CP No. 1925) 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., Friday, 16th September, 2016 may obtain login Id and password by sending a request to the Compliance Officer/ Managing Director.
- ii) The shareholders should log on to the e-voting website 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 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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.
DOB	<ul style="list-style-type: none"> 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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> 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).

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 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.
- 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- a) Mr. S Anantha Rama Subramanian, FCS, Practicing Company Secretary (CP No.1925) has 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 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