

VENTURA TEXTILES LIMITED

ANNUAL REPORT
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VENTURA TEXTILES LIMITED

48th Annual Report 2017-2018

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

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

Corporation Bank

SOLICITORS

M/s. Bharucha & Partners

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Link Intime India Private Limited, C-101, 01st Floor,
247 Park, Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai-400083.

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NOTICE

NOTICE is hereby given that the **48th Annual General Meeting** of **Ventura Textiles Limited** will be held on **Saturday, the 22nd day of September, 2018**, 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 10.00 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, 2018, along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P.M. Rao (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. P.M. Rao (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. P.M. Rao as a Director liable to retire by rotation shall not in any way constitute a break in his existing office as the Chairman & Managing Director of the Company.”

SPECIAL BUSINESS:

3. **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:**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, and 203 of the Companies Act, 2013 (Act) read with Schedule V and other applicable provisions, if any, of the Act, 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 fix remuneration payable to Mr. P. M. Rao (DIN: 00197973), Chairman & Managing Director of the Company, for the period from 01st July, 2018 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 and as may be agreed to between the Board of Directors and Mr. P. M. Rao.”

4. **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.**

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

“RESOLVED THAT further to the approval accorded vide Special Resolution passed at the adjourned 46th Annual General Meeting of the shareholders of the Company held on 30th September, 2016, with respect to the appointment of Mr. Abhijit Rao Penugonda, Whole-Time Director (DIN:00189126) and payment of remuneration to him, and pursuant to the provisions of Sections 197, 198, 203 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, 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. Abhijit Rao Penugonda, Whole-Time Director (DIN:00189126) for the Financial Year 2016-17 and 2017-18, within the maximum ceiling and in accordance with the provisions of the Act and the rules made thereunder.”

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"RESOLVED FURTHER THAT the revised remuneration payable to Mr. Abhijit Rao Penugonda, Whole-Time Director (DIN:00189126) for the remaining tenure of his appointment as per the Explanatory Statement attached to this notice, be and is hereby approved 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 and as may be agreed to between the Board of Directors and Mr. Abhijit Rao."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution."

On behalf of Board of Directors of
Ventura Textiles Limited

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

Date: 14th August, 2018
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. 03 & 04 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 REGISTERD 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. P.M. Rao (DIN: 00197973) Director, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommend his re-appointment. Details of Director retiring by rotation as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, is given in **Annexure-1**, 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 Sunday, 16th September, 2018 to Saturday, 22nd September, 2018 (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, 01st 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 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 shares certificates in physical form are advised to dematerialize their shareholding 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
23. M/s. Govind Prasad & Co., Chartered Accountants (Firm Registration No. 114360W) have been acting as the Statutory Auditors of the Company since the conclusion of the 47th Annual General Meeting (AGM) held on 23rd September, 2017. They were appointed for a period of five consecutive years commencing from the conclusion of the 47th Annual General Meeting till the conclusion 52nd Annual General Meeting, subject to ratification by the members of the Company at every Annual General Meeting.

Pursuant to notification of certain sections of Companies (Amendment) Act, 2017, on May 07, 2018, the requirement of ratification of auditors by the members is no longer required. Taking into consideration this recent amendment, the annual ratification will not be sought from this year onwards.
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 Wednesday, 19th September, 2018 (9.00 a.m.) and ends on Friday, 21st September, 2018 (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. Saturday, 15th September, 2018, 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. Ved Prakash (ACS: 36837, C.P. No.16986), Designated Partner of 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. Saturday, 15th September, 2018 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
- 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	<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"> 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	<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"> 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.
1. a) Mr. Ved Prakash, (CP No.16986) 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.
- d) Members holding shares in physical form are requested to convert their shareholding in dematerialized form latest by December 05, 2018 pursuant to SEBI circular dated June 08, 2018, as the transfer of shares in physical form will be discontinued from that date except for transmission or transposition request.

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

STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 3 & 4****A. Mr. P. M. Rao**

The members of the Company at its Annual General Meeting held on 30th September, 2015, had re-appointed Mr. Mohan Rao Penugonda, 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.

Further, the Nomination and Remuneration Committee and the Board of Directors in its meeting held on 14th August, 2018, approved the payment of remuneration subject to a maximum of Rs.30 Lakhs per annum, for a remaining tenure of his appointment viz. upto 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 enriched himself with a 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.

B. Mr. Abhijit Rao Penugonda

The members of the Company at its adjourned Annual General Meeting held on 30th September, 2016, appointed Mr. Abhijit Rao Penugonda, as Whole-Time Director for a period of 5 years, w.e.f. 01st November, 2016. The remuneration payable to Mr. Abhijit Rao Penugonda was fixed upto Rs.30 Lakhs per annum for a 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.

During the financial year 2016-17 and 2017-18, the Company paid House Rent Allowance to Mr. Abhijit Rao Penugonda, in excess of his basic salary. However, the overall remuneration paid to Mr. Abhijit Rao Penugonda was within the maximum ceiling specified under Section II of Schedule V of the Companies Act, 2013.

The Board of Directors of the Company is placing the resolution set out at item no.4 before the shareholders of the Company for its approval / ratification, considering the said payment as a variation to the approval earlier obtained at the time of his appointment.

Further, the Nomination and Remuneration Committee and the Board of Directors in its meeting held on 14th August, 2018, approved the revision of remuneration subject to a maximum of Rs.30 Lakhs per annum, for a remaining tenure of his appointment.

The terms and conditions of Managerial Remuneration payable to Mr. Mohan Rao Penugonda, Managing Director, and Mr. Abhijit Rao Penugonda 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;