

VENTURA TEXTILES LIMITED

ANNUAL REPORT
2011 - 2012



VENTURA TEXTILES LIMITED

42nd Annual Report 2011-2012

BOARD OF DIRECTORS

Mr. P. M. Rao *Chairman & Managing Director*

Mr. Abhijit Rao *Executive Director*

Mr. Shyam Karmarkar *Director*

Mr. Prakash Bhargava *Director*

REGISTERED OFFICE

313 - 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

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 42nd Annual General Meeting of Ventura Textiles Limited will be held on Friday, the 28th day of September, 2012, at the Registered Office of the Company at 313, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059 at 03.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2012, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date together with the schedules and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shyam Karmarkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

“RESOLVED THAT M/s. S. M. Kapoor & Company, Chartered Accountants, Mumbai (Firm Registration No. 104809W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors.”

Registered Office:
313-Midas, Sahar Plaza
J. B. Nagar, Andheri (East)
Mumbai – 400 059.

For and on behalf of Board of Directors

Date: 01st August, 2012

P. M. Rao
Chairman & Managing Director



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from 27th September, 2012 to 28th September, 2012 (both days inclusive) in connection with the Annual General Meeting of the Company.
6. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
7. Brief resume of the Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the "Annexure A" to the Notice.
8. Members are requested to immediately intimate change of address, if any, to the Company's Registrar and Share Transfer Agent 'Link Intime India Pvt. Ltd.', C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai – 400 078 quoting reference to their Registered Folio number.
9. 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 205C of the Companies Act, 1956.
10. Members/Proxies are requested to bring the copy of their Annual Report along with them and to produce the Attendance Slip at the entrance of the venue.
11. All the documents referred to in the Notice convening the Forty-Second Annual General Meeting of the Company is available for inspection at the Registered Office of the Company between 11.00 a.m. to 01.00 p.m. on all working days, other than Saturdays, upto the date of the Annual General Meeting.
12. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least 10 days before the meeting so that the same could be suitably answered at the meeting.
13. VENTURA is concerned about the environment and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.

VENTURA TEXTILES LIMITED



We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email.

Annexure-A

Information under Clause 49 of the Listing Agreement with respect of the Director seeking appointment/re-appointment in this Annual General Meeting:

Item No. 2:

1.	Name	Mr. Shyam Karmarkar
2.	Date of Birth	26 th March, 1946
3.	Profession	Practising Chartered Accountant
4.	Educational Qualifications	B.Com., FCA and Associate Member of Institute of Internal Auditors
5.	Expertise in Specific Functional Areas	In the field of Finance and Taxation for more than 3 decades.
6.	Category of Director	Independent & Non-Executive
7.	No. of Shares held	Nil
8.	Directorship held in other Public Limited	Nil
9.	Chairman / Member of the Committee of other public Companies (including Audit and Shareholders / Investors Grievance Committee)	Nil

Registered Office:
313-Midas, Sahar Plaza
J. B. Nagar, Andheri (East)
Mumbai – 400 059.

For and on behalf of Board of Directors

Date: 01st August, 2012

P. M. Rao
Chairman & Managing Director



DIRECTORS' REPORT

To
The Members
VENTURA TEXTILES LIMITED

Your Directors present herewith the 42nd Annual Report together with the Audited Accounts for the Financial Year ended 31st March, 2012. The summarized performance during the year is as under:

FINANCIAL RESULTS:

(Rs. In Lacs)

PARTIULARS	31 st March, 2012	31 st March, 2011
Sales	-	-
Other Income	1.18	1.29
Total Income	1.18	1.29
Total Expenditure	30.93	71.98
Profit / (Loss) Before Interest, Depreciation & Tax	(29.75)	(70.69)
Interest	0.03	0.11
Depreciation	335.89	336.68
Profit / (Loss) Before Tax	(365.67)	(407.48)
Profit / (Loss) After Tax	(365.67)	(407.48)
Exceptional Income/Prior Period Adjustment	-	-
Net Profit / (Loss)	(365.67)	(407.48)
Adjustment in Balance Brought Forward from previous year	(2002.98)	(1595.50)
Balance Carried to Balance Sheet	(2368.65)	(2002.98)

PERFORMANCE REVIEW:

During the year under review, the performance of the Company was totally affected on-account of continued illegal strike by workmen since December, 2008.

Due to this setback, during the period under review, this year also there was no sales and incurred a loss of Rs.365.67 lacs, as against a loss of Rs. 407.48 lacs in the previous year.

DIVIDEND:

Your Directors have not recommended any dividend for payment on the paid-up share capital for the financial year ended 31st March, 2012, due to the loss incurred in the current year.

FUTURE PROSPECTS:

Your Directors are taking all necessary steps to resolve the ongoing illegal strike by the workmen and restart the operations soon. The management is also pursuing an action plan to implement and strengthen the financial support to take the Company forward.

MANAGEMENT DISCUSSION & ANALYSIS

A detailed Management Discussion & Analysis is annexed and forms part of this Annual Report.

CORPORATE GOVERNANCE:

Report on Corporate Governance forms an integral part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance under clause 49 of the listing agreement is also annexed to this report.

FIXED DEPOSITS:

The Company has not accepted any deposit within the meaning of the provisions of Section 58A of Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS:

In accordance with the provisions of Companies Act, 1956, Mr. Shyam Karmarkar, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and has offered himself, for re-appointment. Your Directors recommend his re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956 and on the basis of explanation and compliance certificate given by the executives of the Company and subject to disclosures in the annual accounts and also on the basis of discussion with the Statutory Auditors' of the Company from time to time, your Directors confirm that:

- i. in preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- ii. 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 the year ended 31st March, 2012;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Directors have prepared the Annual Accounts for the period ended on 31st March, 2012 on a going concern basis.

AUDITORS' REPORT :

The observations/qualification made in the Auditors' Report are suitably replied and explained in the addendum to the Directors' Report.

AUDITORS :

M/s. S. M. Kapoor & Co., Chartered Accountants, Mumbai, the Statutory Auditors' of the Company will retire at ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the Auditors', under Section 224 (1B) of the Companies Act, 1956, to the effect that their re-appointment, if made, will be within the statutory limits.

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

Pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, information on conservation of energy, technology absorption, foreign exchange earnings and out-go is given as Annexure to this report.

PARTICULARS OF EMPLOYEES:

None of the Employees were in receipt of the remuneration in excess of the ceiling as prescribed in the Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended by the Companies Amendment Act, 1988.



ACKNOWLEDGMENT:

Your Directors would like to express their sincere appreciation to the Company's valued investors, Banks, Central and State Governments and all other statutory authorities for their continued Co-operation and support.

Your Directors also take this opportunity to acknowledge the dedicated efforts made by workers, staff, and officers at all level for their hard work, dedication and commitment.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 1st August, 2012

P. M. Rao
Chairman and Managing Director

ADDENDUM TO THE DIRECTORS' REPORT

The Auditors' observations/qualifications in para 4(d) and 5 of the Auditors' Report have been suitably explained/clarified in Note nos. 3.1, 6.1 & 18.1 of notes forming Part of the Balance Sheet and Profit and Loss Accounts and therefore do not call for any further comments.

Apropos to the Auditors' observation in para 5 of the Auditors' Report, the Company due to financial constraints was unable to pay premium under Group Gratuity Scheme to LIC of India and also no provision has been made, being not in a position to obtain Actuarial Valuation.

The Auditors' observations/qualifications in para ii (a), (b) and (c) of the Annexure to the Auditors' Report has been suitably explained/clarified in Note 10.1 of notes forming part of the Balance Sheet and therefore do not call for any further comments.

Apropos to the Auditors' observation in para vii of the Annexure to the Auditors' Report with regard to internal audit system, the Company due to financial constraints could not appoint an Internal Auditor. However, in the management perspective, the procedures and methods followed and the inspections carried out by the management at regular intervals were reasonable, adequate and commensurate with the size of the Company and the nature of its business.

In respect of the Auditors' observation in para ix (a) and xi of the Annexure to the Auditors' Report with regard to non-payment of statutory dues, defaulted repayments to the bank and the debenture holder, the Company was unable to pay the same due to financial constraints and efforts are on to regularize the same at the earliest possible.

ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended 31st March, 2012.

A. CONSERVATION OF ENERGY

- (a) Energy Conservation Measures taken :

The Company regularly reviews all aspects of generation and usage by close monitoring of energy consuming equipment while keeping close liaison between energy generating centers and consuming points.

- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : NIL

- (c) Impact of measures at (a) and (b) above for reduction of energy consumption impact on cost of production of goods :

Because of the above measures, the Company has been able to curtail its power consumption. Further, this has also generated awareness of energy saving in technical and production staff

- (d) Total energy consumption and energy consumption per unit of production :
As per Form 'A' attached.

B. TECHNOLOGY ABSORPTION

The Company neither has imported any Technology nor has incurred any expenditure on Research & Development during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for product services and export plans:

The Company is mainly Exporting to USA and however, there have been no exports during the year under review due to continued illegal strike by the workmen.

- (b) Total Foreign Exchange used and earned :

(Rs. in Lacs)

Used	Nil
Earned	Nil



FORM - A

A. Power and Fuel Consumption		Current Year	Previous Year
1. Electricity			
(a)	Purchased	Nil	47,205
	Total Amount (Rs.)	Nil	945,139
	Rate/ Unit (Rs.)	Nil	20.02
(b)	Own Generation		
(i)	through LDO Generator		
	Unit Produced	Nil	Nil
	Units per liter. of LDO	Nil	Nil
	Cost/ Unit (Rs.)	Nil	Nil
	Amount	Nil	Nil
(ii)	Through Steam turbine/ Generator Units		
	Units per liter. of Fuel Oil/ Gas	Nil	Nil
	Cost / Unit (Rs.)	Nil	Nil
2. Fuel for Steam Generation (Boiler)			
(a)	Coal (Specify quality and Where used)	Nil	Nil
(b)	Fire Wood		
	Quantity (tones)	Nil	Nil
	Total Amount (Rs.)	Nil	Nil
	Average Rate (Rs.)	Nil	Nil
(c)	Furnace Oil		
	Quantity Consumed (Ltrs.)	Nil	Nil
	Total Amount (Rs.)	Nil	Nil
	Average Rate (Rs.)	Nil	Nil
(d)	Low Density Oil (LDO)		
	Quantity Consumed (Ltrs.)	Nil	Nil
	Total Amount (Rs.)	Nil	Nil
	Average Rate (Rs.)	Nil	Nil
3. Steam Generation			
	Quantity Produced (tonnes)	Nil	Nil
	Total Cost (Rs.)	Nil	Nil
	Rate / Ton (Rs.)	Nil	Nil

B. Consumption per unit of Production (Rs.)

Product	Unit	Current Year		Previous Year	
		Electricity	Steam	Electricity	Steam
Yarn	Per Kg.	-	-	-	-
Cloth	Per Sq. Mtr.	-	-	-	-

CORPORATE GOVERNANCE REPORT
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 Clause 49 of the Listing Agreement with Stock Exchanges, the details in connection with Corporate Governance practiced by the Company are furnished herewith:

Board of Directors :

The strength of the Board as on 31st March 2012 was four, of which two are Executive Promoter Directors and two are Independent Directors. The Board believes that the current size is appropriate, based on the Company's present circumstances. The Board periodically evaluates the need for increasing or decreasing its size.

The requisite particulars are given below :

Category	No of Directors	% of Total No. of Directors
Executive Directors	2	50%
Independent Directors	2	50%
Total	4	100 %

		Attendance			Number of other directorship and Committee Membership/ Chairmanship		
		Board Meeting		Last AGM	Other Directorship	Committee Membership@	Committee Chairmanship@
		Held	Attended				
Mr. P.M. Rao	Promoter, Chairman & Managing Director	4	4	Yes	-	-	-
Mr. Abhijit Rao	Executive Director	4	4	Yes	-	-	-
Mr. P. R. Bhargava	Independent & Non-Executive Director	4	Nil	Yes	-	-	-
Mr. Shyam R. Karmarkar	Independent & Non-Executive Director	4	4	Yes	-	-	-

Details of Board Meetings :

The Board meets at least once every quarter and the time gap between two meetings is not more than four months. During the year, four Board Meetings were held and all the meetings were held at Registered Office of the Company. The details of such Board Meeting are as under:

Name of the Director	Board Meetings held on and attendance details			
	27/05/2011	10/08/2011	31/10/2011	31/01/2012
Mr. P. M. Rao	Yes	Yes	Yes	Yes
Mr. Abhijit Rao	Yes	Yes	Yes	Yes
Mr. P. R. Bhargava	No	No	No	No
Mr. Shyam R. Karmarkar	Yes	Yes	Yes	Yes

Directors' Particulars :

Name of the Director	Qualifications
Mr. P. M. Rao	B.Com
Mr. Abhijit Rao	BBA - Graduate from American International University, London
Mr. P. R. Bhargava	BE (MECH), M.E., DMS
Mr. Shyam R. Karmarkar	B.Com., FCA



Information supplied to the Board :

The Board is presented with all information under the following heads whenever applicable and materially significant:

- review of annual operating plans of business, capital budgets, updates,
- quarterly results of the Company and its operating divisions,
- minutes of meeting of audit committee and other committees,
- Information on recruitment and remuneration of senior officers just below the Board level,
- general notices of interest,
- materially important show cause, demand, prosecution and penalty notices, fatal or serious accidents or dangerous occurrences,
- any materially significant effluent or pollution problem,
- any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company,
- any issue which involves possible public or product liability claims of a substantial nature,
- details of any joint venture of collaboration agreement,
- transaction that involve substantial payment towards goodwill, brand equity or intellectual property,
- significant labour problems and their proposed solutions,
- significant development in the human resource and industrial relations fronts,
- sale of material nature, of investments, subsidiaries, assets which is not in the normal course of business,
- foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement and,
- non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

No Special Resolution was put through postal ballot at the last AGM.

Remuneration Policy :

As not mandated under Clause 49 of the listing agreement and Companies Act, 1956, the Company has not constituted the remuneration Committee for the Year 2011-12. Matters relating to review and approval of remuneration payable to the executive and Non-Executive Directors are considered by the Board, within the overall limits approved by the members.

Details of remuneration payable/paid to directors :

(a) Non - Executive Directors :

The Non-Executive Directors are paid Sitting fees for attending the meetings within the ceiling prescribed by the Central Government.

Name of the Director	Sitting Fees (Rs.)
Mr. Shyam R. Karmarkar	16,000
Mr. P. R. Bhargava	Nil
Total	16,000

b) Executive Directors:

The remuneration of the Chairman and Managing Director and the Executive Director, is within ceilings laid down by Schedule XIII of the Companies Act, 1956.

Name	Designation	Salary* (Rs.)	Perquisites (Rs.)	Commission (Rs.)
Mr. P M Rao	Chairman & Managing Director	9,00,000	NIL	NIL
Mr. Abhijit Rao	Executive Director	7,20,000	NIL	NIL

* In view of the losses, the Executive Directors have foregone the salary in the current year.

c) Period of Contract of Chairman and Managing Director:

Mr. P. M. Rao, Chairman and Managing Director, of the Company had been re-appointed for tenure of 5 years starting from 01st July, 2010 to 30th June, 2015

Audit committee

1) Brief Description and Terms of Reference :

In terms of Clause 49 of the listing agreement, the Audit Committee constituted by the Board consists of two Non-Executive Independent Directors namely, Mr. Shyam R. Karmarkar as the Chairman and Mr. P. R. Bhargava, as Member and one Executive Director namely Mr. Abhijit Rao as Member of the Committee.

The terms of reference of Audit Committee include various matters in conformity with the statutory guidelines including the following:

- Overseeing and reviewing the Company’s financial reporting process and disclosures to ensure that the financial statements are transparent, correct, sufficient, timely and credible.
- Recommending Appointment / Removal of External Auditor, Fixation of audit fee and payment for other services.
- Reviewing Annual Financial Statements before submission to the Board with focus on changes in accounting policies and practice, major accounting entries, qualifications in draft audit report, significant adjustments arising out of audit, Accounting Standards compliance and compliance with Stock Exchange and legal requirements. Any related party transactions of material nature with promoters, management/s, subsidiaries or relatives etc. that may have potential conflict with interest of the Company at large.
- Reviewing the financial statements and draft audit report, including quarterly/ half yearly financial information.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit function.
- Discussion with Internal Auditors, any significant findings and follow-up thereon. Reviewing any suspected fraud, irregularity or failure of internal control system of material nature and reporting the matter to Board.
- Discussion with External Auditor in respect of pre and post audit matters.
- Disclosure of contingent liabilities
- Reviewing Company’s financial and risk management policies.
- Look into reasons for substantial defaults in payments to depositors, debenture holders, and creditors.

2. Meetings and Attendance during the year :

Name of Member	Audit Committee Meetings held and attendance			
	27.05.2011	10.08.2011	31.10.2011	31.01.2012
Mr. Shyam R. Karmarkar	Yes	Yes	Yes	Yes
Mr. P. R. Bhargava	No	No	No	No
Mr. Abhijit Rao	Yes	Yes	Yes	Yes

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

In addition to above, the committee also reviews other matters as may be required under the Listing Agreement and other laws, rules and regulations.

Shareholders’ & Investors’ Grievance Committee :

The Shareholders’/ Investors’ Grievance Committee comprises three Directors of which two are Independent Directors.

- Mr. S. R. Karmarkar - Chairman
- Mr. P. M. Rao - Member
- Mr. P. R. Bhargava - Member



The Shareholders/Investors Grievance 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 2011-12 :

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
	Total	Nil	Nil	Nil

General Body Meetings :

- (1) Details of last three Annual General Meetings :

Year	Location	Date	Time	Special resolution passed
2010-2011	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	30/09/2011	3.00 pm	There was no Special Resolution passed in the Meeting.
2009-2010	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	30/09/2010	3.00 pm	There was no Special Resolution passed in the Meeting.
2008-2009	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	29/09/2009	4.00 pm	There was no Special Resolution passed in the Meeting.

During the year, the Company has not passed any resolution by way of Postal Ballot.

Disclosures :

During the year under review, the Company has not entered into any transaction of material nature with its Promoters, Directors, Management of their relatives etc., which may have potential conflict with the interests of the Company.

There have not been any occasion of non-compliance by the Company and therefore, no penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets in the last three years.

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total issued and listed capital and the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and also confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

VENTURA TEXTILES LIMITED



The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. Except AS-15 regarding provision for gratuity, which has not been provided.

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, a comprehensive code for prevention of Insider Trading is in place.

Means of Communication :

The quarterly, half yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the Board takes them on record and thereafter published in the Free Press Journal in English and Navshakti, a regional news paper in vernacular language. Official website of the Company is 'www.venturatextiles.com', which displays official news releases and presentations.

Disclosures pursuant to the Listing Agreement are promptly communicated to the stock exchange.

General Shareholder Information :

- (i) **Annual General Meeting** :
Date, Time & Venue : 28th September, 2012 at 03.00 pm at 313, Midas, Sahar Plaza, J B Nagar, Andheri (East), Mumbai – 400 059.
- (ii) **Book Closure** : 27th September, 2012 to 28th September, 2012
- (iii) **Dividend Payment Date** : Not applicable as no dividend is declared by the Company.
- (iv) **Shares Listed at** :

The Equity Shares of the Company with Scrip Code No. 516098 are listed at:

BSE Limited

P. J. Towers, Dalal Street, Mumbai – 400 001

The Company has paid the Annual custodial fees to both the depositories for the financial year 2012-13.

The Company is in the process of paying the listing Fees to the Stock Exchange for the year 2011-12.

- (v) **Demat Segment** : (CDSL) : ISIN INE 810 C 01036
(NSDL) : ISIN INE 810 C 01036
- (vi) **Market Price Data** : The price of the Company's Share - High, Low during each month in last financial year on the Bombay Stock Exchange Limited :

Month	High	Low	Total No. of Shares traded
APR – 2011	5.75	4.00	94351
MAY – 2011	8.39	3.55	1087405
JUN – 2011	6.50	4.20	122876
JUL – 2011	4.90	3.95	50522
AUG – 2011	4.22	3.50	36555
SEP – 2011	4.77	3.80	58103
OCT – 2011	4.20	3.41	15480
NOV – 2011	4.07	2.98	29073
DEC – 2011	3.22	2.70	28029
JAN – 2012	4.29	2.83	56297
FEB – 2012	4.09	3.00	84094
MAR – 2012	3.45	2.45	61867



(vii) **Registrar and Transfer Agent :**

Name & Address : Link Intime (India) Pvt. Limited.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai-400 078
Phone Number : 91 22 25946970
Fax Number : 91 22 25946969

(viii) **Share Transfer System :**

93.39 % of the shares of the Company are in electronic mode. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged to Registrar & Share Transfer Agent at the above mentioned address. The Directors, Company Secretary are severally empowered to approve the above transfers.

(ix) **Distribution of Shareholding as on 31st March, 2012 :**

No. of Shares	Shareholders	%	Shares	%
1 - 500	9246	91.0667	892912	9.0524
501 - 1000	412	4.0579	328420	3.3295
1001- 2000	236	2.3244	343365	3.4810
2001- 3000	87	0.8569	217209	2.2021
3001- 4000	33	0.3250	116091	1.1769
4001- 5000	40	0.3940	184161	1.8670
5001- 10000	52	0.5122	357463	3.6240
10001- above	47	0.4629	7424236	75.2671
TOTAL	10153	100.0000	9863857	100.0000

(x) **Shareholding as on 31st March, 2012 :**

Category of Members	No of Shares	%	No of Shares Pledged	%
Promoters	4415098	44.76	2007550	45.47
Clearing Members	70811	0.72	--	--
Mutual Funds/ UTI	175	0.00	--	--
Financial Institutions/ Banks/ others	259096	2.63	--	--
Other bodies Corporate	1615937	16.38	--	--
Foreign Company	500000	5.07	--	--
Non Resident Indians	356672	3.61	--	--
Public/ Others	2646068	26.83	--	--
Total	9863857	100.00	2007550	--

(xi) **Dematerialisation of Shares :**

The Company's shares are under compulsory dematerialized list and can be transferred through depository System. The Company has connectivity with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). The total number shares dematerialised as on 31st March, 2012 are 92,11,748 Equity shares representing 93.39% of the Paid-up Share Capital.

VENTURA TEXTILES LIMITED



(xii) Corporate Identity Number (CIN) :

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

(xiii) Location of Factory :

The Company's Plant is located at Gonde at the below mentioned address:

Factory Address :

Ventura Textiles Limited, GAT No. 201, 433, 435 & 436, Village Gonde, Taluka Igatpuri, Nashik 422 403

(xiv) Address for Correspondence :

The shareholders may address their queries and communications to:

Registered Office : 313, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059

Ph: (022) 2835 1930 & 39, 2834 4453 & 75 • Fax : (022) 2835 1974

E-mail: cs1@venturatextiles.com

Registered Office :

313-Midas, Sahar Plaza,
J. B. Nagar, Andheri (East),
Mumbai - 400 059.

Date: 01st August, 2012

For and on behalf of Board of Directors

P. M. Rao
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Ventura Textiles Limited

We have examined the Compliance of conditions of Corporate Governance by Ventura Textiles Limited (the Company) situated at 313, Midas, Sahar Plaza Complex, J. B. Nagar, Andheri (East), Mumbai – 400 059, for the period ended 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the Stock Exchange. 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 to ensure the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement 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 complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We have been explained that no Investor Grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company. We further state that such compliance is neither an assurance as to the future viability of the Company on the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. M. Kapoor & Co.
Chartered Accountants

Place: Mumbai
Date: 01st August, 2012

(Shekhar Gupta)
Partner
Membership No. 15622



MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE:

The Textiles Industry continue to face the impact of slow global recovery. Added to this the uncertain raw material pricing in India is affecting the competitiveness.

To promote the industry, the Government of Maharashtra has recently announced several incentives to spur the growth of Textile Industry in the State.

OPPORTUNITIES & THREATS:

With the Promotional Incentive Schemes announced, the Manufacturing activity in the State of Maharashtra is bound to get a support and will augur well for the Textile industry.

On the Consumer side, the demand among the middle class will spur growth of the market.

On the Export front, with the Rupee ranging Rs.55 – Rs.57 a US \$ and the stabilizing US demand will improve the market conditions.

The Company is taking initiatives to end the stalemate of illegal strike by the workmen and re-start the production, so as to tap the opportunity both in export and domestic markets.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company has proper 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 the business operations are conducted as per laid down policies and procedures. However, the continued illegal strike since December 2008, by the workmen is an impediment for carrying out such internal control effectively for the time being.

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.

HUMAN RESOURCES:

The Company is optimistic to solve the current labour problems affecting the production. The Company is deliberating policies benefiting both workers as well as all the stakeholders of the Company at the earliest possible.

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:

313-Midas, Sahar Plaza, J. B. Nagar
Andheri (East), Mumbai – 400 059

For and on behalf of Board of Directors

P. M. Rao
Chairman & Managing Director

Date : 1st August, 2012

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

I, P. M. Rao, Chairman & Managing Director and also 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, 2012 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, 2012.

Date: 1st August, 2012
Place: Mumbai

P M Rao
Chairman and Managing Director
&
Chief Financial Officer



AUDITORS' REPORT

To the Members of
Ventura Textiles Limited

1. We have audited the attached Balance Sheet of Ventura Textiles Limited as at 31st March, 2012 and the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (as amended by the Companies (Auditors' Report) (Amendment) Order, 2004) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act 1956, we give in the enclosure a statement on the matters specified in paragraph 4 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (a) We have 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 appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement for the year ended on that date dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, except AS 15 regarding provision for gratuity, which has not been provided.
 - (e) On the basis of the written representation received from the directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the significant accounting policies and other notes thereon subject to (i) note no. 3.1 regarding non-provision of interest on loans from banks, (ii) note no. 6.1 regarding non-provision of gratuity liability and leave encashment benefit , (iii) note no. 10.1 regarding valuation of inventory and (iv) note no. 18.1 regarding non-provision of wages, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,.
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in the case of Profit & Loss Account of the Loss of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.

For S.M. Kapoor & Co.
Chartered Accountants
Sd/-

(Shekhar Gupta)
Partner

Place: Mumbai
Date : 30th May, 2012

Membership No. 15622

ANNEXURE TO AUDITORS' REPORT
(Referred to in paragraph 3 of our report of even date)

- (i) In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) Due to strike by the workmen, the company has not physically verified the fixed assets during the year.
 - c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposals during the period under review.
- (ii) In respect of its Inventories:
- a) As explained to us, inventories were not physically verified during the year by the management at reasonable intervals. Refer note no. 10.1 to the notes to the accounts regarding non-verification of the stock.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business, subject to note no. 10.1 to the notes to the accounts regarding non-verification of the stock as of March 31st due to strike.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification, subject to note no. 10.1 to the notes to the accounts regarding non-verification of the stock as of March 31st due to strike.
- (iii)
- a) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956, according to of the information and explanations given to us, the Company has granted interest free loan to one party covered in register u/s 301 aggregating to Rs.34,11,000/-.
 - b) The terms and conditions of the loan is, in our opinion, prima facie not prejudicial to the interests of the company.
 - c) The payment of principal amount by the party to whom loan was given by the company is regular as per the mutual understanding between the parties.
 - d) There is no overdue amount of such loan given to the aforesaid party.
 - e) In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956, according to the information and explanations given to us, the Company has taken interest free loan from 2 parties covered in register u/s 301 aggregating to Rs.2,95,82,000/-.
 - f) The terms and conditions of the loans are, in our opinion, prima facie not prejudicial to the interests of the company.
 - g) The payment of principal amounts to the parties from whom loan was taken by the company is regular as per the mutual understanding between the parties.



- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956;
- a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts and arrangements that needed to be entered into the register have been so entered.
- b) According to the information and explanations given to us, the transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) 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 58A and 58AA of the Act.
- (vii) According to information and explanation given to us, the company does not have internal audit system.
- (viii) We are informed that during the year, there was no production activity due to labour strike and the company is applying to Central Government seeking exemption from cost audit under section 233 B of the Act.
- (ix) According to the information and explanations given to us in respect of statutory and other dues:

The Company has been generally regular in depositing undisputed statutory dues, including Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues except PF and other dues with the appropriate authorities during the period. The company does not have any outstanding for more than six months as at the last day of the financial year, except PF and other dues, details as under:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates
Public Provident Fund Office	Provident Fund	1,699,592	June'08 – March'11
		16,600	April – September'11
Profession Tax Office	Profession Tax	160,270	–
Grampanchayat Gonde/Wadiwarhe	Panchayat Tax	1,533,232	–
Land Revenue Office, Igatpuri	Non-Agricultural Tax	74,518	–

- b) The Company does not have any disputed amount in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, and cess for a period of more than six months from the date they became payable.
- (x) According to the information and explanation given to us, the company has accumulated losses at the end of the financial year, which is more than 50% of its net worth. Further, the company has incurred cash losses in the current financial year as well as in the previous financial year.

VENTURA TEXTILES LIMITED



- (xi) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to Financial Institution and Banks, detailed as below:

Sr. No.	Nature of dues	Amount Rs.	Period from which default occurred	Nature of default
1	Term loan – SBI	139,99,999	Jul 08 to Mar 12	Installments not paid
2	Term loan – SBI	27,94,288	Jul 08 to Mar 10	Interest not paid
3	Working capital term loan - SBI	400,00,001	Jul 08 to Mar 12	Installments not paid
4	Working capital term loan - SBI	27,40,196	Jul 08 to Mar 09	Interest not paid
5	Export packing credit - SBI.	1,67,15,732	Jul 08 to Mar 09	Interest not paid
6	Debenture holders	2,43,91,781	Jan 08 to Mar 09	Interest not paid
7	Debenture holders	59,54,795	April 09 to June 09	Interest not provided & not paid

- (xii) According to information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the above said order are not applicable to the Company.
- (xiii) The company is not a Chit fund or a nidhi mutual benefit fund/ society. Accordingly, the provisions of clause 4 (xiii) of the above said order are not applicable to the Company.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the period for the purposes for which the loans were obtained.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the period for long term investment and vice versa.
- (xviii) According to the information and explanation given to us, the Company during the year has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued debentures during the year ended March 31, 2012 and hence clause xix is not applicable.
- (xx) According to the information and explanations given to us, the Company has not raised money by way of public issue during year ended March 31, 2012. Accordingly, the provisions of clause 4(xx) of the above said order are not applicable to the Company.
- (xxi) 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 has been noticed or reported during the year.

For S. M. Kapoor & Co.
Chartered Accountants

(Shekhar Gupta)

Partner

Membership No. 15622

Place : Mumbai
Date : 30th May, 2012



BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in Rupees)

Particulars	Note No.	As at	
		31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	98,512,570	98,512,570
Reserves & Surplus	2	(220,209,886)	(183,643,293)
		(121,697,316)	(85,130,723)
Non-Current Liabilities			
Long-term borrowings	3	127,200,933	125,438,933
		127,200,933	125,438,933
Current Liabilities			
Short-term borrowings	4	487,563,371	487,563,371
Trade Payables	5	11,831,012	11,482,062
Other Current liabilities	6	99,794,180	99,788,049
		599,188,563	598,833,482
TOTAL		<u>604,692,180</u>	<u>639,141,692</u>
ASSETS			
Non-Current assets			
Fixed Assets			
Tangible assets	7	186,170,030	219,759,445
Other non-current assets	8	2,508,520	2,508,520
Long Term loans and advances	9	4,643,518	5,455,996
		193,322,068	227,723,961
Current Assets			
Inventories	10	406,810,503	406,810,503
Trade receivables	11	527,415	527,415
Cash and cash equivalents	12	621,194	604,813
Short-term loans and advances	13	3,411,000	3,475,000
		411,370,112	411,417,731
TOTAL		<u>604,692,180</u>	<u>639,141,692</u>

Significant Accounting Policies

Notes on Financial Statements 1 to 36

The note no. referred to above form an integral part of the Balance Sheet

As per our Audit Report of even date

For S. M. Kapoor & Co.
Chartered Accountants

Shekhar Gupta
(Partner)
M. No.15622

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board of Directors

P. M. Rao
Chairman &
Managing Director

Shyam R. Karmarkar
Director

VENTURA TEXTILES LIMITED**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2012	As at 31st March, 2011
INCOME :			
Revenue from operations	14	-	-
Other Income	15	118,139	128,796
Total Revenue		<u>118,139</u>	<u>128,796</u>
EXPENDITURE :			
Cost of materials consumed	16	-	-
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	17	-	-
Employee benefits expense	18	901,554	2,517,953
Finance Cost	19	2,597	11,042
Depreciation and amortization expense		33,589,415	33,667,670
Other expenses	20	2,191,166	4,679,976
Total Expenses		<u>36,684,732</u>	<u>40,876,641</u>
Profit / (Loss) before tax		<u>(36,566,593)</u>	<u>(40,747,845)</u>
Tax expense :			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the Year		(36,566,593)	(40,747,845)
Earnings per equity share of face value of Rs.10/- each	35		
Basic & Diluted		(3.71)	(4.13)
Significant Accounting Policies	21		
Notes on Financial Statements	1 to 36		

The Note No. referred to above form an integral part of the Profit & Loss Account

As per our Audit Report of even date
For S. M. Kapoor & Co.
Chartered Accountants
Shekhar Gupta
(Partner)
M. No.15622

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board of Directors

P. M. Rao
Chairman &
Managing Director

Shyam R. Karmarkar
Director



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012

Note No.	As at 31st March, 2012		As at 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
1 SHARE CAPITAL				
Authorised				
4,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 40000000 Equity shares of Re.10/- each)	400,000,000		400,000,000	
10,00,000 Preference Shares of Rs.100/- each (Previous Year 1000000 Preference Shares of Rs.100/- each)	<u>100,000,000</u>		<u>100,000,000</u>	
		<u>500,000,000</u>		<u>500,000,000</u>
Issued, Subscribed and Paid-up				
Subscribed but not fully paid up				
98,63,857 Equity Shares of Rs. 10/- each (Previous Year 98,63,857 Equity shares of Re.10/- each)	98,638,570		98,638,570	
Less : Call Money Receivable (Receivable from Directors Nil)	<u>126,000</u>		<u>126,000</u>	
		<u>98,512,570</u>		<u>98,512,570</u>
TOTAL		<u>98,512,570</u>		<u>98,512,570</u>

1.1 The details of Shareholders holding more than 5% Shares :

Note No.	Name of the Shareholder	As At 31.03.2012		As At 31.03.2011	
		No. of Shares	% held	No. of Shares	% held
	Reliance Capital Limited	1,287,500	13.05	1,287,500	13.05
	Dome Investments Limited	500,000	5.07	500,000	5.07

2 RESERVES AND SURPLUS

Securities Premium Reserves

As per last Balance Sheet	14,813,783	14,813,783
Less : Share Premium Receivable (Receivable from Directors Nil)	<u>158,600</u>	<u>158,600</u>
	<u>14,655,183</u>	<u>14,655,183</u>

Subsidy

As per last Balance Sheet	2,000,000	2,000,000
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Surplus (Profit & Loss Account)

As per last Balance Sheet	(200,298,476)	(159,550,631)
Add: Profit / (Loss) of the year	<u>(36,566,593)</u>	<u>(40,747,845)</u>
	<u>(236,865,069)</u>	<u>(200,298,476)</u>

TOTAL

	<u>(220,209,886)</u>	<u>(183,643,293)</u>
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3 LONG TERM BORROWINGS

Secured

From State Bank of India		
Term Loan	19,756,351	19,756,351
Working Capital Term Loan	<u>57,128,098</u>	<u>57,128,098</u>
	<u>76,884,449</u>	<u>76,884,449</u>
Funded Interest - SBI	<u>20,734,484</u>	<u>20,734,484</u>

Unsecured

Other Loans and Advances From Promoters	<u>29,582,000</u>	<u>27,820,000</u>
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TOTAL

	<u>127,200,933</u>	<u>125,438,933</u>
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NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012

Note No.	As at 31st March, 2012		As at 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.

3.1 Term Loans:

Term Loans from banks are secured by way of equitable mortgage created or to be created on all the present and future immoveable properties of the Company and hypothecation of all the moveable properties (save and except book debts) including moveable machinery spares, tools and accessories etc., present and future, subject to prior charge created and / or to be created in favor of the Company’s bankers on stock of raw materials, semi finished and finished goods, consumable stores and other moveables as may be required for working capital requirements in the ordinary course of business. The mortgages and charges referred to above rank pari-passu. The Term Loans from the banks are further guaranteed by the Managing Director of the Company.

Effective 1st July 2008, the Account has become NPA with SBI and the bank has not debited any interest thereafter. However, the Company provided the interest upto 31st March, 2009 at the agreed rate at the time of sanction and thereafter, no interest has been provided. Accordingly the closing balances of the loan accounts in the books do not tally with bank’s confirmation as on 31st March, 2012.

3.2 Final Instalment of repayment of bank Term Loans is in the year 2013-14.

3.3 Differential interest under Corporate Debt Restructuring (CDR) was transferred to Funded Interest.

3.4 Due to stoppage of operations, the promoters infused funds to meet the day to day expenditure of the Company.

4 SHORT TERM BORROWINGS

Secured

Working Capital Loans

From Bank

246,536,327

246,536,327

Current Maturities of Long Term

Debentures

11% OFCD -Series A

106,635,263

106,635,263

12% OFCD -Series B

110,000,000

110,000,000

Interest Accrued & due

24,391,781

24,391,781

241,027,044

241,027,044

TOTAL

487,563,371

487,563,371

4.1 Working Capital Loans

Working Capital facilities are secured by hypothecation of raw materials, semi finished and finished goods, stock-in-process, consumable stores, book debts present and future, of the Company. The limits are further secured by way of second pari passu charge on the fixed assets of the Company and guaranteed by the Managing Director.

In view of the continued illegal strike by the workmen, there has been no operation in the Working Capital limits during the year under review.

4.2 Debentures:

Debentures from Reliance Capital Limited are secured by way of equitable mortgage created or to be created on all the present and future immoveable properties of the Company and hypothecation of all the moveable properties (save and except book debts) including moveable machinery spares, tools and accessories etc., present and future, subject to prior charge created and / or to be created in favor of the Company’s bankers on stock of raw materials, semi finished and finished goods, consumable stores and other moveables as may be required for working capital requirements in the ordinary course of business. The mortgages and charges referred to above rank pari-passu. The Term Loans from the banks are further guaranteed by the Managing Director of the Company.

The debentures were due for redemption in the year 2009-10 and however the same could not be redeemed due to adverse financial position of the Company.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
5 TRADE PAYABLES		
Micro, Small and Medium Enterprises	-	-
Others	<u>11,831,012</u>	<u>11,482,062</u>
	<u>11,831,012</u>	<u>11,482,062</u>

5.1 The Company is in the process of identifying Small & Medium Enterprises registered under SME Development Act, 2005 and hence the amount payable as on 31st March is unascertained.

6 OTHER CURRENT LIABILITIES

Interest Accrued and Due		
On Term Loan	1,197,552	1,197,552
On Working Capital	19,455,928	19,455,928
Advances received from Customers	71,122	71,122
Other Liabilities	71,665,780	71,658,521
Duties & Taxes	<u>7,403,798</u>	<u>7,404,926</u>
	<u>99,794,180</u>	<u>99,788,049</u>

6.1 Interest on Term Loan and Working Capital has been provided upto 31st March, 2009 and no further interest has been provided.

7. FIXED ASSETS

(Amount in Rs.)

Particulars of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 31-3-2011	Additions/ Adjustments during the year	Sales / Transfer during the year	As at 31-3-2012	Up to 31-3-2011	For the Year	Sales / Adjustments	Up to 31-3-2012	As at 31-3-2012	As at 31-3-2011
Freehold Land	3,936,082	-	-	3,936,082	-	-	-	-	3,936,082	3,936,082
Factory Building	110,424,084	-	-	110,424,084	43,372,155	3,162,046	-	46,534,201	63,889,883	67,051,929
Plant & Machinery	542,458,192	-	-	542,458,192	396,361,490	28,802,088	-	425,163,578	117,294,614	146,096,702
Furniture & Fixtures	2,400,008	-	-	2,400,008	2,326,343	73,665	-	2,400,008	-	73,665
Office Equipments	1,680,665	-	-	1,680,665	770,944	93,534	-	864,478	816,187	909,721
Electrical Installation	20,587,676	-	-	20,587,676	18,909,425	1,455,549	-	20,364,974	222,702	1,678,251
Computers	3,546,921	-	-	3,546,921	3,533,826	2,533	-	3,536,359	10,562	13,095
Current Year's Total	685,033,628	-	-	685,033,628	465,274,183	33,589,415	-	498,863,598	186,170,030	219,759,446
Previous Year's Total	685,033,628			685,033,628	431,606,513	33,667,670	-	465,274,183	219,759,445	253,427,115

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012

	As at 31st March, 2012		As at 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
8 OTHER NON-CURRENT ASSETS				
Pre-Operative Expenses (Expansion Project)		<u>2,508,520</u>		<u>2,508,520</u>
		<u>2,508,520</u>		<u>2,508,520</u>
8.1 Pre-operative expenses of Rs.25,08,520/- incurred on the proposed expansion project have not been amortized, since] the project is not commenced				
9 LONG TERM LOANS AND ADVANCES				
Others		2,790,768		3,603,246
Deposits		<u>1,852,750</u>		<u>1,852,750</u>
		<u>4,643,518</u>		<u>5,455,996</u>
9.1 Other loans and advances includes amounts of Cenvat, TDS and Interest receivable.				
9.2 Deposits include amounts paid to Electricity board, Telephone department and others.				
10 INVENTORIES				
Raw Materials (Incl. In Transit)		7,500,858		7,500,858
Work-in-Progress		318,181,318		318,181,318
Finished Goods (Incl. In Transit)		73,794,357		73,794,357
Stores & Spares		<u>7,333,970</u>		<u>7,333,970</u>
TOTAL		<u>406,810,503</u>		<u>406,810,503</u>
10.1 As the Company's factory remains closed on account of illegal strike since 8th December, 2008, the management is not in a poistion to assess the realizable value of the inventories. The management will recognize the realizable value of the inventories as and when the illegal strike is called-off.				
11 TRADE RECEIVABLES				
(Unsecured Considered Good)				
Over Six Months		527,415		527,415
Other Debts		-		-
TOTAL		<u>527,415</u>		<u>527,415</u>
11.1 No provision has been made for doubtful debts, as in the opinion of the management the same is recoverable once the illegal strike is called of.				
12 CASH AND CASH EQUIVALENTS				
Balances with Schedule Banks in				
Current Account		63,809		80,863
Cash on Hand		4,162		6,940
Fixed Deposits		553,223		517,010
(held as margin in respect of Letters of Credit issued by Bank)				
TOTAL		<u>621,194</u>		<u>604,813</u>
13 SHORT TERM LOANS AND ADVANCES				
(Unsecured, Considered Good)				
Loans and Advances to Related Parties		3,411,000		3,475,000
(Refer Note No.34)		<u>3,411,000</u>		<u>3,475,000</u>



NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

	2011- 2012		2010-2011	
	Rs.	Rs.	Rs.	Rs.
14 REVENUE FROM OPERATION				
Sales - Export		-		-
Sales - Local		-		-
TOTAL		<u>-</u>		<u>-</u>
15 OTHER INCOME				
Export Incentive (Duty Drawback)		-		-
Fluctuation in Foreign Exchange (Gain)		-		-
Interest Income [(Tax deducted at source Rs.4,028/- (Previous Year Rs. 12,883)]		106,889		128,796
Miscellaneous Income		11,250		-
TOTAL		<u>118,139</u>		<u>128,796</u>
15.1 Interest received from Income Tax.				
16 COST OF MATERIALS CONSUMED				
COTTON				
Opening Stock	805,150		805,150	
Add : Purchases	-		-	
Less : Closing Stock	<u>805,150</u>		<u>805,150</u>	
Cotton Consumed		-		-
YARN				
Opening Stock	2,442,571		2,442,571	
Add : Purchases	-		-	
Less : Closing Stock	<u>2,442,571</u>		<u>2,442,571</u>	
Yarn Consumed		-		-
FABRIC				
Opening Stock	3,222,373		3,222,373	
Add : Purchases	-		-	
Less : Closing Stock	<u>3,222,373</u>		<u>3,222,373</u>	
Fabric Consumed		-		-
TOTAL (a+b+c)		<u>-</u>		<u>-</u>
16.1 Particulars of Materials Consumed		2011-2012		2010-2011
	% of Consumption	Amt in Rs.	% of Consumption	Amt in Rs.
Imported	-	-	-	-
Indigenous	-	-	-	-
Total		<u>-</u>		<u>-</u>

VENTURA TEXTILES LIMITED



NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

	2011- 2012		2010-2011	
	Rs.	Rs.	Rs.	Rs.
17 CHANGES IN INVENTORIES OF FINISHED GOODS				
Closing Stock				
Finished Goods (Incl. In Transit)	73,794,357		73,794,357	
Stock-in-Process	318,181,318		318,181,318	
		391,975,675		391,975,675
Less : Opening Stock				
Finished Goods (Incl. In Transit)	73,794,357		73,794,357	
Stock-in-Process	318,181,318		318,181,318	
		391,975,675		391,975,675
TOTAL		-		-
18 EMPLOYEE BENEFIT EXPENSE				
Salaries, Wages, Compensation & Bonus		697,819		1,994,844
Contribution to Provident & Other Funds		8,300		61,117
Workmen and Staff Welfare		195,435		461,992
TOTAL		901,554		2,517,953
18.1	Due to illegal strike by the workers, no wages has been provided for the workers at the factory for the period 8th December,2008 to 31st March,2012.			
19 FINANCE COST				
Interest				
Term Loan from Bank/Institutions	-		-	
Working Capital	-		-	
Debentures	-		-	
Others	-		-	
		-		-
Finance Charges				
Bank Charges	2,597		11,042	
ECGC Premium	-		-	
Other Finance Charges	-		-	
		2,597		11,042
TOTAL		2,597		11,042
19.1	Interest on Term Loan and Working Capital has been provided upto 31st March, 2009 and no further interest has been provided.			



NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

	2011- 2012		2010- 2011	
	Rs.	Rs.	Rs.	Rs.
20 OTHER EXPENSES				
Manufacturing & Operating Expenses				
Chemicals	-		-	
Packing Materials	-		-	
Consumables, Stores & Spares	-		-	
Power, Fuel and Water Charges	213,969		945,139	
Conversion Charges	-		-	
Repairs & Maintenance	535		15,375	
Freight & Cartage	-		-	
Insurance	83,982		163,155	
Other Expenses	-	298,486	122,685	1,246,354
Administrative Expenses				
Travelling & Conveyance	41,683		234,657	
Motor Car Expenses	474,436		624,187	
Postage and Telephone	200,721		319,473	
Directors' Remuneration	-		-	
Legal & Professional Charges	257,130		142,000	
Printing & Stationery	67,605		99,931	
Rent, Rates & Taxes	406,441		457,534	
Payment to Auditors	100,000		100,000	
Miscellaneous Expenses	238,000		1,455,840	
Annual Fees	106,664		-	
Loss on Sale of Fixed Assets	-	1,892,680	-	3,433,622
TOTAL		2,191,166		4,679,976

20.1 Value of Stores, Chemical and Packing Material Consumed

	2011-2012		2010-2011	
	% of Consumption	Amt in Rs.	% of Consumption	Amt in Rs.
Imported	-	-	-	-
Indigenous	-	-	-	-

20.2 Payment to Auditors include amount towards taxation and other services.

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2012 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012****21 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, 1956.
- 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. Fixed Assets and Depreciation:

- i) Fixed assets are stated at historical cost less depreciation. Cost of fixed assets comprises of purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In respect of project involving construction, related pre-operational and trial run expenses including finance cost relating to deferred credits or borrowed funds attributable to the acquisition of fixed assets, up to completion are included in the gross book value of the assets.
- ii) Depreciation is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

d. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

e. Borrowing Cost:

Borrowing Cost incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing cost is charged as an expense in the year in which these 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 which ever 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/prevailing rates of exchange at the year end and the resultant gains/losses are adjusted to the cost of assets.

h. Retirement Benefits Scheme:

- i) Retirement benefits on-account of provident fund are provided for by payment to Provident Fund Authorities and periodic contributions are charged to revenue.
- ii) Gratuity Liability is provided on estimated basis and charged to Profit & Loss account, except in the current year where no provision has been made.
- iii) Liability for leave encashment benefit is determined in accordance with the rules of the Company and charged to revenue, except in the current year where no provision has been made.

i. Recognition of Income and Expenditure:

- i) Income and Expenditure are accounted on accrual basis. Income in respect of insurance/other claims, interest, commission etc. is recognized when it is reasonably certain that the ultimate collection will be made.
 - ii) Local Sales are recognized on dispatch of goods to customers. Export sales are recognized on the basis of bill of lading. Sales exclude excise duty and sales tax and are net of trade discounts.
 - iii) The revenue in respect of DEPB / Duty Drawback benefit is recognized on post export basis at the rate at which the entitlement accrues.
 - iv) Purchases are net of sales tax set off and freight inward but include cenvat wherever applicable.
- j.** As per normal practice Excise duty/Custom duty on goods not cleared is neither provided for nor is the same considered for valuation of closing stock. This has no impact on the loss for the year. The amount of Excise Duty / Customs Duty on Finished Goods Stock as on 31st March 2012 is NIL.

k. Provision for Taxation :

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

l. Excise Duty:

Liability of Excise duty on finished goods wherever applicable is accounted as and when they are cleared from the factory premises.

m. Accounting of Cenvat Credit:

Cenvat credit available is accounted on accrual basis on purchase of materials net of excise duty and appropriated against payment of excise duty on clearance of the finished goods wherever applicable.

n. Tax on Income:

Income taxes are accounted for in accordance with Accounting Standard on "Accounting for taxes on Income", (AS-22) issued by ICAI.

Taxes on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961 and based on expected outcome of the assessment appeals.

Deferred tax is recognized on timing difference between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

o. Provision for Contingent Liabilities and Contingent Assets :

Provision 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.

22. Contingent Liability: Rs. Nil (Previous Period Rs. Nil).
23. Estimated amount of Contracts remaining to be executed on Capital account and not provided For Rs. NIL (Previous Year Rs. NIL)
24. 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.
25. 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.
26. In view of the losses, the Directors have foregone the salary and therefore, no provision has been made in the current year.

27. Deferred Tax:

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.

28. Provision for Tax:

In view of the Losses, the Company has not made any provision for taxes.

29. Segment Reporting :

In terms of Accounting Standard (AS) – 17, 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.



30. Value of Imports on CIF Basis in Respect of :

	Current Year		Previous Year	
	Rs. In Lacs	%	Rs. In Lacs	%
a) Value of Imports on CIF Basis: (excluding through agency)				
i. Capital Goods	Nil	-	Nil	-
ii. Stores & Spares	Nil	-	Nil	-
b) Expenditure in Foreign Currency				
i. Travelling	Nil	-	1.64	-
ii. Commission on Sales	Nil	-	Nil	-
c) Earnings in Foreign Currency F.O.B Value of Exports	Nil	-	Nil	-
d) Exchange Difference Gain /(Loss) charged to P&L A/c.	Nil	-	Nil	-

31. Auditors' Remuneration:

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

32. Managerial Remuneration :

	Current Year Rs.	Previous Year Rs.
a) Salary	-	-
b) Perquisites	-	2,89,230
c) Contribution to P.F. and Other Funds	-	-
Total	-	2,89,230

33. Pre-operative Expenses (Expansion Project)

	Current Year Rs.	Previous Year Rs.
a) Professional Fees	10,00,600	10,00,600
b) Technical Consultancy Charges	15,07,920	15,07,920
Total	25,08,520	25,08,520

VENTURA TEXTILES LIMITED



34. 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	Relationship
Ventura Texports Pvt. Ltd.	An Associate
Penny Securities & Investments Pvt. Ltd.	An Associate
Indo Gulf Financials Ltd.	An Associate
Mr. P. M. Rao	Key Management Personnel –1
Mr. Abhijit Rao	Key Management Personnel –2

(Rs. in lacs)

B. Transactions with related parties	Associate		Key Management Personnel -1		Key Management Personnel –2	
Share application money warrants/Loans	295.82	(278.20)	Nil	(Nil)	Nil	(Nil)
Income :						
Sale of Goods	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Expenses :						
Purchase of Goods	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Rent	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Remuneration Paid	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Sundry Debtors :						
Balance as on 31 st March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Sundry Creditors						
Balance as on 31 st March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Loans and Advances						
Balance as on 31 st March	34.11	(34.75)	Nil	(Nil)	Nil	(Nil)

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

35. 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
Loss after tax before exceptional/extra-ordinary item :	Rs.36,566,593	Rs. 40,747,845
Loss after Adjustments	Rs.36,566,593	Rs. 40,747,845
Loss after exceptional/extra-ordinary items	Rs.36,566,593	Rs. 40,747,845
Weighted Average number of Equity Shares	98,63,857	98,63,857
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. (-) 3.71	Rs. (-) 4.13
Basic and Diluted Earning per Equity Share after Exceptional / extra-ordinary item (Annualized)	Rs. (-) 3.71	Rs. (-) 4.13

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

37. Note 1 to 36 forms an integral part of the accounts and have been duly authenticated.

For S. M. Kapoor & Co.
Chartered Accountants

Shekhar Gupta
(Partner)

M. No.15622

Place : Mumbai

Date : 30th May, 2012.

For and on behalf of the Board of Directors

P. M. Rao
Chairman &
Managing Director

Shyam R. Karmarkar
Director



'CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Amount in Rupees)

	For the year ended 31.03.2012	For the year ended 31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES:		
a. Net Profit / (Loss) before Tax & Extraordinary items	(36,566,593)	(40,747,845)
Adjustments for :		
Depreciation	33,589,415	33,667,670
Interest Expense	2,597	11,042
(Profit)/Loss on sale of fixed assets	-	-
Interest Income	118,139	128,796
	<u>33,710,151</u>	<u>33,807,508</u>
b. Operating profit before working capital changes	(2,856,442)	(6,940,337)
Adjustments for :		
(Increase)/Decrease in trade and other receivables	876,478	9,905,822
(Increase)/Decrease in Inventories	-	-
Increase/(Decrease) in trade payables and other liabilities	355,081	(484,830)
	<u>1,231,559</u>	<u>9,420,992</u>
c. Cash generated from operations	(1,624,883)	2,480,655
Interest Income	(118,139)	(128,796)
Direct Taxes paid (provision)	-	(128,796)
	<u>(118,139)</u>	<u>(128,796)</u>
d. Cash flow before Extraordinary items	(1,743,022)	2,351,859
Extraordinary items - Prior period adjustments	-	-
Net Cash from Operating Activities A	(1,743,022)	2,351,859
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale / Adjustments of Fixed Assets	-	-
Net Cash used in Investing Activities B	-	-
C. CASH FLOW FROM FINANCIAL ACTIVITIES:		
Proceeds from long term borrowings	1,762,000	(2,520,000)
Interest Paid	(2,597)	(11,042)
Net Cash used in Financing Activities C	1,759,403	(2,531,042)
D. Net Increase in Cash and Cash Equivalents A+B+C	16,381	(179,183)
Cash and Cash Equivalents as at 1st April, 2011	604,813	783,996
Cash and Cash Equivalents as at 31st March, 2012	621,194	604,813
Net Increase in Cash and Cash Equivalents	16,381	(179,183)

Auditor's Certificates

We have verified the above Cash Flow Statement of Ventura Textiles Limited derived from the Audited Financial Statements of the Company for the Period 1st April 2011 to 31st March 2012 and found the statement to be in accordance therewith and also with the requirements of clause 32 of the Listing Agreement with the Stock Exchange.

As per our Audit Report of even date

For S. M. Kapoor & Co.
Chartered Accountants

Shekhar Gupta
(Partner)
M. No.15622

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board of Directors

P. M. Rao
Chairman &
Managing Director

Shyam R. Karmarkar
Director

VENTURA TEXTILES LIMITED



VENTURA TEXTILES LIMITED

Regd. Office: 313, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai - 400 059

ATTENDANCE SLIP

(Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and handover at the entrance of the Meeting hall)

I hereby record my presence at the **FORTY SECOND ANNUAL GENERAL MEETING** of the Company to be held on Friday, the 28th day of September, 2012 at the Registered Office of the Company at 313, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai-400059 at 3.00 p.m.

Folio No. _____

Client ID / DP ID. _____

Full name of the Shareholder/Proxy _____
(in block letters)

Signature of the Shareholder/s or Proxy

PLEASE BRING THIS ATTENDANCE SLIP AT THE MEETING

VENTURA TEXTILES LIMITED

Regd. Office: 313, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai - 400 059

PROXY FORM

I/We _____ of _____
in the district of _____ being a member/members of **VENTURA TEXTILES LIMITED** hereby
appoint _____ of _____ in the district of _____ or failing him _____
of _____ in the district of _____ as my/our proxy to vote for me/us and on my/our
behalf at the **FORTY SECOND ANNUAL GENERAL MEETING** of the Company to be held on Friday, the 28th day
of September, 2012 at the Registered Office of the Company at 313, Midas, Sahar Plaza, J. B. Nagar, Andheri (East),
Mumbai – 400 059 at 3.00 p.m. and at any adjournment thereof.

Signed this ____ day of _____ 2012.



Signature of Shareholder

Folio No :

Client ID / DP ID. _____

NOTE: This form duly completed should be deposited at the Registered Office of the Company before 48 hours of the meeting. A Proxy need not be a Member.

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VENTURA TEXTILES LIMITED

Regd. Office :

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