

VENTURA GUARANTY LIMITED  
ANNUAL REPORT  
2013-14

## NOTICE

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of Ventura Guaranty Limited will be held on September 30, 2014 at C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (West), Mumbai – 400079 at 4.00 p.m to transact the following business:

### **Ordinary business**

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date, both on Standalone and Consolidated basis together with the Reports of the Board of Directors and Auditors thereon.
- 2) To declare dividend for the Financial Year ended March 31, 2014.
- 3) To appoint a Director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, offers herself for re-appointment.
- 4) To appoint a Director in place of Mr. Jaidev Rajnikant Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139 and section 140 (as applicable) of the Companies Act, 2013 and all other applicable provisions, if any, M/s. Dixit Dattatray & Associates, Chartered Accountants, Mumbai (ICAI Registration No. 102665W), the retiring Auditors of the Company, being eligible for re-appointment, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to conclusion of next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

### **SPECIAL BUSINESS:**

#### **6) Appointment of Mr. Ganesh Acharya as an Independent Director:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Ganesh Acharya (DIN : 00702346), a non-executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

#### **7) Appointment of Mr. Ashish Nanda as an Independent Director:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Ashish Nanda (DIN :03163927), a non-executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

#### **8) Appointment of Mr. Sridhar Vaidyanathan as an Independent Director:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Sridhar Vaidyanathan (DIN:05242265), a non-executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

#### **9) Change of place of keeping of Statutory Registers**

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 88, 94 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) for the time being in force), consent of the Company be and is hereby accorded to maintain and keep the Company’s Register of Members, Index of Members, Register and Index of Debenture Holders, if any, Register of Security-holders and all other documents/records in relation thereto, be so kept at the office of the Registrar and Share Transfer Agents of the Company, M/s Bigshare Services Private Limited situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki-Naka, Andheri (East), Mumbai-400072.”

**“RESOLVED FURTHER THAT** the above mentioned Registers / documents / records be also maintained at the Corporate Office of the Company situated at C-112, Kailash Industrial Complex, Building No. 1, Park Site, Off L.B.S. Marg, Vikhroli (West), Mumbai-400079.”

**“RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof of the Company be and are hereby authorised to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

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

Sd/-

**HEMANT MAJETHIA  
DIRECTOR**

**Place: Mumbai  
Dated: September 03, 2014**



## NOTES

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The instrument appointing a proxy, duly completed, must be deposited with the Company at its Registered Office not less than 48 hours before the time of commencement of the Meeting. A proxy form is enclosed herewith.
5. Pursuant to the provisions of Section 105(8) of the Companies Act, 2013, 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 would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting along with their copy of Annual Report.
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to 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 on their behalf at the meeting.
8. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.  
  
The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from September 26, 2014 to September 30, 2014 (both days inclusive) for the

purpose of Annual General Meeting and payment of dividend.

10. The dividend on Equity Shares of the Company as recommended by the Board of Directors of the Company at its meeting held on May 30, 2014, when approved by shareholders at the ensuing Annual General Meeting will be paid within a period of 30 days from the date of declaration (subject to the provisions of Companies Act, 2013) to those shareholders:-
  - a) whose names appear as Beneficial Owners as at the close of business hours on September 25 , 2014 as per the list made available by the National Securities Depository Limited and the Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - b) whose names appear as members after giving effect to the valid share transfers in physical form lodged with the Company / its Registrar and Transfer Agent on or before the close of business hours on September 25, 2014 in respect of shares held in physical form.
11. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them in physical form. Members desirous of making nominations may procure the prescribed Form SH-13 from the Registrar and Transfer Agent of the Company. Members holding shares in electronic form may contact their respective depository participants for availing the said facility.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
13. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is provided in the Report on Corporate Governance forming part of Annual Report.
14. The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the Companies to service the documents to its members through electronic mode. Accordingly, the Notice of the Annual General Meeting and instructions for E-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all the members whose E-mail Addresses are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their E-mail Addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

15. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2013-14 will be available on the Company's website [www.venturagaranty.com](http://www.venturagaranty.com). The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members, who have any queries, may write to us at [investors.vgl@ventural.com](mailto:investors.vgl@ventural.com).
16. Members desiring any information relating to Annual Accounts of the Company for the year ended March 31, 2014 are requested to write to the Company atleast 5 days before the date of Annual General Meeting, so as to enable the management to keep information ready.
17. The Company has received Notice under section 141(3)(g) of the Companies Act, 2013 from the Statutory Auditors of the Company, namely, M/s. Dixit Dattatray & Associates, Chartered Accountants, Mumbai (ICAI Registration No. 102665W), confirming that their appointment if made, will be within the prescribed limits as per section 141(3)(g) of the Companies Act, 2013.

## **18. VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement, the Company is pleased to provide to its members, the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and all business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL).

### **The instructions for e-voting are as under:**

- A. The shareholders of the Company holding shares either in physical form or in dematerialized form, as on closing hours of business, on August 29, 2014 (Record Date) may cast their vote electronically.
- B. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client ID, irrespective of the number of joint holders.
- C. The Company has appointed Mr. Dattatray B. Dixit, practicing Chartered Accountant, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
- D. The scrutinizer will submit his final report to Chairman of the Company within three working days after the conclusion of e-voting period.
- E. The results of annual general meeting shall be declared by the Chairman or his authorized representative or anyone Director of the Company on/ or after annual general meeting within the prescribed time limits.
- F. The result of the e-voting will also be placed at the website of the Company viz.

[www.venturagaranty.com](http://www.venturagaranty.com) and also on [www.cdslindia.com](http://www.cdslindia.com).

G. The scrutinizer's decision on the validity of e-voting will be final.

### **Instructions of Voting through electronic mode**

A. In case of members receiving e-mail:

- i. If you are holding shares in demat form and have earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.
- ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

### **Procedure for shareholders casting their vote electronically for the first time:**

- i. To initiate the voting process, log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on "Shareholders" tab to cast your votes.
- iii. Thereafter, select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" from the drop down menu and click on "SUBMIT" for voting.
- iv. Now, fill up the following details in the appropriate boxes:

	<b>For Members holding shares in Demat Form</b>	<b>For Members holding shares in Physical Form</b>
User ID	<b>For NSDL:</b> 8 Character DP ID followed by 8 Digits Client ID <b>For CDSL:</b> 16 digits beneficiary ID	Folio Number registered with the Company
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
Dividend Bank Details	Enter your bank account number for the purpose of dividend as registered with your depository participant in case of electronic shares or with the company in respect of physical shares.	
DOB	Enter your date of birth as recorded in your Demat account or in the company records in respect of your shareholding in the Company.	

\* Members who have not updated their PAN with the Company/ Depository Participant are requested to use first two characters of the first name and remaining eight digits from the sequence number. If the sequence number is less than eight digit the remaining digits should be padded with the relevant number of zero (0) from the left. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN

field.

- v. After entering these details appropriately, click on "SUBMIT" tab.
- vi. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in Demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). 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.
- vii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" on which you choose to vote.
- ix. 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.
- x. Click on the "Resolutions File Link" if you wish to view the entire resolutions.
- xi. 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.
- xii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

**B. In case of members receiving the physical copy of notice of the annual general meeting (for members whose e-mail ids are not registered with the company/depository participant(s) or requesting physical copy)**

- xiv. Please follow all steps from sl. no. (i) to sl. no. (xiii) above, to cast vote.
- C. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- D. The voting period begins on 9.00 a.m., Wednesday, September 24, 2014 and ends on 5.30 p.m., Friday, September 26, 2014. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the

cut-off date of August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- E. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under “Help” section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 6 to 8:**

In compliance with the requirements of the clause of clause 49 of the Listing Agreements the Company had appointed Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan as Independent Directors.

Pursuant to the provisions of section 149 of the Companies Act, 2013 which came in to effect from April 1, 2014, every listed public Company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

All Independent Directors have confirmed to the Board that they qualify to be an independent director as per the meaning given in Clause 49(I)(A)(iii) and Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, each of these directors fulfills the conditions specified in the Act and rules made thereunder for their appointment as an Independent Director of the Company and they are independent of the management.

The Board of Directors is of the view that their continued association with the Company would be of immense benefit to the Company and Company would greatly benefit from the rich and varied experience of each of these Directors. In view thereof, your Board has recommended them to be appointed as Independent Directors as per the provisions of section 149 read with Schedule IV of the Act and Clause 49 of the Listing Agreement.

The terms and conditions of appointment of the above Directors will be available for inspection by Members at the Registered Office of the Company during normal business hours on any working day (Monday to Friday), up to the date of the Annual General Meeting.

Except respective Director seeking appointment, no other Director of the Company and their relatives, are concerned or interested in the Resolutions.

A brief profile of the Independent Directors to be appointed is provided in the Corporate Governance Report forming part of Annual Report.

### **Item No. 9:**

In terms of the provisions of Section 94 of the Companies Act, 2013 (the Act), inter alia, register of members, the index of members, the register and index of debenture holders, if any, maintained under Section 88 of the Act have to be kept at the registered office of the Company or at such other place in India, if approved by means of a special resolution passed by the company in a general meeting.

Keeping of the registers and returns at the new addresses requires approval of the shareholders of the company by way of a special resolution passed in a general meeting in terms of Section 94 of the Act.

An advance copy of the proposed special resolution is also being delivered to the Registrar of Companies, Mumbai, in terms of Section 94 of the Act for their information.

Your Directors recommend the resolution for approval as a Special Resolution.

None of the Directors of the Company or their relatives are concerned or in any way interested in this resolution.

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

Sd/-

**HEMANT MAJETHIA  
DIRECTOR**

**Place: Mumbai  
Dated: September 3, 2014**



## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting the 30th Annual Report of VENTURA GUARANTY LIMITED along with the Audited Statements of Accounts and the Auditors' Report of the Company for the year ended March 31, 2014.

### FINANCIAL RESULTS

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

Particulars	( Amount in Rs.)	
	Year ended March 31, 2014	Year ended March 31, 2013
Gross Income	3,93,591	11,11,044
Expenditure	13,78,649	1,73,147
Profit/(Loss) from Operations before other income, interest and exceptional items	(9,85,058)	9,37,897
Other Income	49,01,117	49,08,498
<b>Profit before Tax</b>	<b>39,16,059</b>	<b>58,46,395</b>
Less: Provision for Income Tax	-	3,67,000
Less: Deferred Tax	15,811	2,414
<b>Profit after Tax</b>	<b>39,00,248</b>	<b>54,76,981</b>

### DIVIDEND

Directors are pleased to recommend for approval of the members a dividend of Rs. 2.40 per equity share of Rs. 10/- each for the financial year 2013-14. The total dividend payout will amount to Rs. 76,67,520.00. (Previous year Rs. NIL)

### BUSINESS REVIEW

During the year under review, the Company's Gross Income reduced to Rs. 3,93,591.00 from Rs. 11,11,044.00 recorded in the previous year. Other Income for the year was reported at Rs. 49,01,117.00 against Rs. 49,08,498.00 reported in the previous year. The Profit after Tax was recorded at Rs. 39,00,248.00 against a Profit after Tax of Rs. 54,76,981.00 in the previous year. Board of Directors is resorting to all feasible and concrete actions towards the financial upliftment and augmenting the operations of the Company.

### SUBSIDIARY COMPANIES

M/s. Ventura Securities Limited, M/s Ventura Commodities Limited and M/s Ventura

Allied Services Private Limited and M/s Ventura Insurance Brokers Limited are subsidiaries of your Company. In view of general exemption granted by Ministry of Corporate Affairs under Section 212 of the Companies Act, 1956, vide **General Circular No. 2/2011 dated February 08, 2011** from the requirement of attaching Balance Sheet, Profit & Loss Account, etc. of its subsidiaries to its accounts, your company has decided to take the benefit of the said exemption. Your Company undertakes that Annual Accounts of the subsidiary companies and related information will be made available to the members on request.

## **CONSOLIDATED RESULTS**

The Audited Standalone and Consolidated Financial Statements of the Company are attached herewith and form part of this Annual Report. These have been prepared in accordance with the provisions of the Companies Act, 1956, the Listing Agreement, the Accounting Standard 21 (AS-21) on Consolidated Financial Statements and Accounting Standard 23 - (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements based on Audited Financial Results for the year ended March 31, 2014.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Clause 49 of the Listing Agreement executed by the Company with BSE Limited, Management Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

## **CORPORATE GOVERNANCE**

The Report on Corporate Governance as per the requirements of Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the Auditors, M/s. Dixit Dattatray & Associates, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as per the requirements of Clause 49 is annexed to this Report.

## **DIRECTORS**

As on March 31, 2014, the Board of Directors of your Company comprised of 9 Directors, three of whom are Non-Executive and Independent Directors. The composition of the Board is in consonance with Clause 49 of the Listing Agreement as amended from time to time, and in accordance with the applicable provisions of the Companies Act, 2013.

Mrs. Saroja Malik and Mr. Jaidev Rajnikant Shroff, Directors of the Company retire by rotation as per Companies Act, 2013 and being eligible, offer themselves for re-appointment.

In accordance with the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014, your Company is seeking appointment of Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan as Independent Directors for five consecutive years. Details relating to their appointment are mentioned in the Statement annexed to the Notice under Section 102 of the Companies Act, 2013.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 & under Clause 49 of the Listing Agreement with the Stock Exchange.

### **FIXED DEPOSITS**

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 during the year under review and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

### **PARTICULARS OF EMPLOYEES**

The Company does not have any employee drawing remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules 1975, as amended vide Companies (Particulars of Employees) Amendment Rules, 2011 during the year under review.

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

Since your Company is into loan and investment business, disclosure of information required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not applicable to the company and hence, no report is annexed in this regard.

There was no foreign exchange earnings and outgo during the financial year under consideration.

### **AUDITORS**

M/s. Dixit Dattatray & Associates, Chartered Accountants, the Statutory Auditors of the Company, bearing ICAI Registration No.102665W will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. In accordance with Section 139 of the Companies Act, 2013 read with the Rules made thereunder, M/s Dixit Dattatray & Associates, Chartered Accountants, can be appointed as the Statutory Auditors of the Company for a maximum period of three years.

The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limit under Section 139(1) and will satisfy the criteria as provided in section 141 of the Companies Act, 2013.

The Audit Committee and your Board recommend their reappointment as Auditors of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms and reports:

- i) That in the preparation of the annual accounts, the applicable accounting

standards have been followed along with proper explanation relating to material departures;

- ii) That 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 profit of the Company for that period;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- iv) That the Directors have prepared the annual accounts on a going concern basis.

### **ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their deep gratitude and sincere appreciation for the timely co-operation, guidance received from Bankers, Stock Exchange, Government Authorities during the period under review. Further, your Directors would also like to thank all shareholders of the company for placing their faith and confidence in the Company.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**SAJID MALIK  
DIRECTOR**

**HEMANT MAJETHIA  
DIRECTOR**

Mumbai: May 30, 2014

Registered Office: Dhannur `E',  
15 Sir P.M. Road,  
Fort, Mumbai – 400 001

## **CORPORATE GOVERNANCE**

### **Company's Philosophy on Corporate Governance**

Effective corporate governance constitutes the strong foundation on which successful commercial enterprises are built. Corporate governance provide the guidelines as to how the company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term.

Your Company pays much attention to its philosophy on Corporate Governance, which is based on principles of transparency, independence, accountability and fairness.

## **BOARD OF DIRECTORS**

### **Composition of the Board**

The Company has on its Board all Non-Executive Directors. As at 31st March, 2014, the Board of Directors of the Company consisted of nine Directors including two women Directors and three Independent Directors.

The above composition is consistent with the relevant provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with BSE Limited.

Composition of Board, their positions, number of equity shares held, relationship with other Directors, other Directorships and memberships of Committees held by each of them as on March 31, 2014 is as follows:

NAME	CATEGORY	NO. OF EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH HELD AS ON MARCH 31, 2014	NUMBER OF DIRECTORSHIP HELD IN OTHER PUBLIC LIMITED COMPANIES AS ON MARCH 31, 2014	NUMBER OF COMMITTEE(S) POSITION HELD IN OTHER COMPANIES AS ON MARCH 31, 2014	
				MEMBER	CHAIRMAN
Mr. Sajid Malik DIN: 00400366	Non-Executive Director	7,31,500	6	-	-
Mrs. Saroja Malik DIN: 00400421	Non-Executive Director	5,20,000	2	2	-
Mr. Jaidev Shroff DIN: 00191050	Non-Executive Director	2,85,000	7	1	-
Mrs. Sandra Shroff DIN: 00189012	Non-Executive Director	90,000	7	-	-
Mr. Hemant Majethia DIN: 00400473	Non-Executive Director	4,13,600	5	-	-
Mr. Kulinkumar Majethia DIN: 02448261	Non-Executive Director	1,202	-	-	-
Mr. Ganesh Acharya DIN: 00702346	Non-executive Independent Director	10,000	2	2	2
Mr. Ashish Nanda DIN: 03163927	Non-executive Independent Director	Nil	1	-	-
Mr. Sridhar Vaidyanathan DIN: 05242265	Non-executive Independent Director	650	-	-	-

### Board Procedures

During the financial year under the review, Board of Directors met six times, viz, 30<sup>th</sup> May, 2013; 13<sup>th</sup> August, 2013; 11<sup>th</sup> October, 2013, 14<sup>th</sup> November, 2013; 24<sup>th</sup> January, 2014, 14<sup>th</sup> February, 2014. The maximum time gap between any two meetings during this period did not exceed four months at any point in time.

### Attendance record of directors

The attendance record of directors for financial year 2013-14 is as follows:

NAME	NO. OF BOARD MEETING ATTENDED	ATTENDANCE AT LAST AGM
Mr. Sajid Malik	6	NO
Mrs. Saroja Malik	6	NO
Mr. Jaidev Shroff	-	NO
Mrs. Sandra Shroff	-	NO
Mr. Hemant Majethia	6	YES
Mr. Kulinkumar Majethia	-	NO
Mr. Ganesh Acharya	6	YES
Mr. Ashish Nanda	-	NO
Mr. Sridhar Vaidyanathan	6	YES

**Notes:** Only Audit Committee and Stakeholders' Relationship and Grievance Committee are considered for the purpose of committee positions as per listing agreement.

## AUDIT COMMITTEE

### Constitution and Composition

Audit Committee was set up by Ventura Guaranty Limited on March 30, 2012. The terms of reference stipulated by the Board to Audit Committee as contained in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 can be enumerated as follows:

- a. Oversight of Company's financial reporting process and disclosure of its financial information;
- b. Review with the management, quarterly and annual financial statements and related party transactions;
- c. Review the Company's financial and risk management policies;
- d. Review the adequacy of internal control systems;
- e. Review the financial statements of subsidiary companies;
- f. Recommend to the Board the appointment, re-appointment and removal of the statutory auditors, fixation of their remuneration;
- g. review and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. scrutiny of inter-corporate loans and investments;
- i. Discussion with auditors about nature and scope of audit as well as post audit discussion to ascertain any area of concern and internal control weaknesses, if any, observed by the Statutory Auditors;
- j. Review of Management discussion and analysis of financial condition and results of operations;
- k. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee and any other responsibility as may be entrusted by the Board.

The present Audit Committee consists of the following directors:

1. Mr. Ganesh Acharya 2. Mr. Ashish Nanda 3. Mr. Sridhar Vaidyanathan

The Committee met 4 times during the year under review on 30<sup>th</sup> May, 2013; 13<sup>th</sup> August, 2013; 14<sup>th</sup> November, 2013; 14<sup>th</sup> February, 2014. The time gap between the two meetings was not more than 4 months. The composition of Audit Committee and details of Meetings attended by the Members thereof were as follows:

<b>Name of Directors</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
Mr. Ganesh Acharya	Chairman	4
Mr. Ashish Nanda	Member	-
Mr. Sridhar Vaidyanathan	Member	4

All members of the audit committee are independent, non-executive directors and are 'financially literate' in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.

Mr. Ganesh Acharya acts as the Chairman of the Audit Committee. He was present at the last Annual General Meeting of the Company.

## **STAKEHOLDERS' RELATIONSHIP AND GRIEVANCE COMMITTEE**

### **Constitution and Composition**

The Committee was earlier designated as Shareholders Grievance Committee pursuant to Listing Agreement, which is presently effective. The same was renamed as Stakeholders' Relationship and Grievance Committee to comply with the provisions of Companies Act, 2013 and Listing Agreement.

The terms of reference of the Committee, *interalia*, includes approving Transfer / Transmission / Dematerialisation of Equity Shares of the Company, approve issue of Duplicate/Consolidated/Split Share Certificate(s). The committee has been constituted also to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends, if any etc.

The committee consists of the following 3 Non-Executive Independent Directors:

1. Mr. Ganesh Acharya 2. Mr. Ashish Nanda 3. Mr. Sridhar Vaidyanathan

The Committee met 4 times during the year under review on 30<sup>th</sup> May, 2013; 13<sup>th</sup> August, 2013; 14<sup>th</sup> November, 2013; 17<sup>th</sup> February, 2014. The composition of Committee and details of Meetings attended by the Members thereof were as follows:

<b>Name of Directors</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
--------------------------	---------------	---------------------------------



Mr. Ganesh Acharya	Chairman	4
Mr. Ashish Nanda	Member	-
Mr. Sridhar Vaidyanathan	Member	4

Mr. Ganesh Acharya acts as the Chairman of the Committee. The constitution, duties and responsibilities of the Stakeholders Relationship and Grievance Committee are in line with Clause 49 of the Listing Agreement with the stock exchanges and the Companies Act, 2013.

Details of investor complaints received and redressed during the year 2013-14 are as follows:

- Number of complaints received from shareholders: NIL
- Number of complaints pending: Not Applicable
- Number of complaints not solved to the satisfaction of shareholders: Not Applicable

#### **NOMINATION AND REMUNERATION COMMITTEE**

As per section 178 of Companies Act, 2013, (effective from April 1, 2014,) every listed Company shall constitute the Nomination and Remuneration Committee. In order to comply with provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has been constituted.

The committee consists of the following Directors:

1. Mr. Ganesh Acharya
2. Mr. Sridhar Vaidyanathan
3. Mr. Hemant Majethia

Since it is newly constituted Committee there was no meeting of the Committee during the year under review.

<b>Name</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
Mr. Ganesh Acharya	Chairman	-
Mr. Sridhar Vaidyanathan	Member	-
Mr. Hemant Majethia	Member	-

Terms of Reference:

The terms of reference of the Nomination and Remuneration are broadly as under:

- to review and recommend the structure, size and composition of the Board of Directors and Committees;
- to identify and recommend suitable candidates for directorship, Key Managerial Personnel and to fill vacancies as and when they arise,
- to formulate standards for determining Qualification, positive attribute and independence of a Director;
- to formulate standards relating to remuneration of Directors, Key managerial personnel etc.,
- to evaluate every director's performance and set appropriate performance benchmarks;

- any other related activities as the Committee or the Board deems necessary or appropriate

### **SUBSIDIARY COMPANIES**

Ventura Securities Limited is a subsidiary company and Ventura Commodities Limited, Ventura Insurance Brokers Limited and Ventura Allied Services Private Limited are step down subsidiaries of the Company. Ventura Securities Limited is a materially unlisted Indian Subsidiary. Financial statements and all the significant transactions and arrangements entered into by the subsidiary companies, if any, were placed before the board for review purpose.

### **CODE OF CONDUCT**

The Company has framed a code of conduct to be complied with by all Directors of the Company. One can access the said code on the official website - [www.venturagaranty.com](http://www.venturagaranty.com) - of the Company. All Directors have affirmed compliance with the code for 2013-14. A declaration to this effect duly signed by Mr. Hemant Majethia, Director forms a part of this Annual Report.

### **COMPLIANCES REGARDING INSIDER TRADING**

Board of Directors has laid down Comprehensive guidelines in accordance with the SEBI regulations on Prevention of Insider Trading in this regard, and thereby, it is ensured that the Code for Prevention of Insider Trading and corporate disclosure practices framed by the Company, as required under the SEBI Regulations, would be complied with.

### **PAYMENTS TO DIRECTORS**

Presence of Directors on the Board of the Company is significant to enforce good and healthy governance in the company and helps in taking decisions in the interest of all the stakeholders. Their role is crucial as they bring in a perspective of stakeholders of the company and provide leadership and strategic guidance while ensuring objective and wise decision.

However, the Company has not paid remuneration to any of the Directors of the Company.

### **DISCLOSURES**

#### **A) Basis of Related Party Transactions**

All the transactions entered into by the Company with the related parties as per Accounting Standard – 18 are stated under the head “Related Party Transactions”.

However, no materially significant related party transactions had occurred during the financial year 2013-14 which may have potential conflict with the interest of the Company.

#### **B) Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company follows Accounting Standards and has not adopted a treatment different from that prescribed.

### **C) Board Disclosures – Risk Management**

Audit Committee has been entrusted to review Risk Assessment and Minimization of Risk in order to ensure that management controls and manages risk.

### **APPOINTMENT AND/OR RE-APPOINTMENT OF DIRECTORS**

Details of the Directors seeking appointment / re-appointment forms part of the Notice convening the Annual General Meeting of the Company and details as required by clause 49 IV(G)(i) of the Listing Agreement. Details of Directors seeking appointment / re-appointment are given below:

Brief profiles of the Directors seeking re-appointment are given in tabular form below:

<b>Name of the Director</b>	<b>Brief profile of the Directors</b>
<b>Mrs. Saroja Malik</b>	Mrs. Saroja Malik is a Law Graduate and has more than 30 years exhaustive experience in legal and Income tax matters. She also has flair in office administration.
<b>Mr. Jaidev Shroff</b>	Mr. Jaidev Shroff is a Science Graduate. He has substantial experience in business management and various other areas. He is promoter of United Phosphorus Ltd. He is the Global CEO of United Phosphorus Limited and has worked with the Group for more than 21 years. He is also Director on the Boards of various public limited Companies.
<b>Mr. Ganesh Acharya</b>	Mr. Ganesh Acharya is a Commerce Graduate from the University of Mumbai. He has an international business engaged in exports of textiles, garments and other consumer goods. He has expertise in International Business and Corporate Management.
<b>Mr. Ashish Nanda</b>	Mr. Ashish Nanda is a Chartered Accountant with more than 20 years of extensive experience in the fields of financial services, strategic business consultancy and relationship development. He is a promoter and Managing Director of Image Securities FZC, Dubai.

**Mr. Sridhar Vaidyanathan**

Mr. Sridhar Vaidyanathan is a Science Graduate and has been involved for more than 15 years in people management, Resource Planning, Human Resources strategy and allied consultancy activities.

## **OTHER DISCLOSURES**

### **A. Details of General Meetings and Special Resolutions passed**

Annual General Meetings (AGM) held during the past 3 years and the Special Resolution(s) passed therein:

<b>YEAR</b>	<b>LOCATION</b>	<b>DATE &amp; TIME</b>	<b>SPECIAL RESOLUTION(S) PASSED</b>
2010-2011	C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079	September 30, 2011 03.30 p.m.	NIL
2011-2012	A-107, Kailash Industrial Complex, Building No. 2, Parksite, Vikhroli (West), Mumbai - 400079	September 26, 2012 03:00 p.m	NIL
2012-2013	A-107, Kailash Industrial Complex, Building No. 2, Parksite, Vikhroli (West), Mumbai - 400079	September 27, 2013 03:00 p.m	NIL

The Company has neither used Postal Ballot nor passed any special resolutions and there were no Extra Ordinary General Meetings of the members of the Company during the last three years.

### **Certification of Financial Statements**

As required under the Listing Agreement with the Stock Exchange, BSE Limited, the Directors in-charge of operations and entrusted with finance of the Company have certified to the Board regarding the Financial Statements for the Year ended 31<sup>st</sup> March, 2014.

### **Compliance of mandatory requirements under Clause 49**

The company has complied with all mandatory requirements of clause 49 of the listing agreement.

## **GENERAL SHAREHOLDER INFORMATION**

### **Annual general meeting**

Day & Date : Tuesday, September 30, 2014  
Time : 4:00 p.m.  
Venue : **C-112/116, Kailash Industrial Complex,  
Building No. 1, Parksite,  
Vikhroli (West), Mumbai – 400079**

### **Dates of book closure**

The register of members and share transfer books of the company will remain closed from September 26, 2014 to September 30, 2014 (both days inclusive).

### **Dividend Payment Date**

The dividend on Equity Shares, if approved, at the 30<sup>th</sup> Annual General Meeting to be held on Friday, September 26, 2014, will be credited/ dispatched on or before 15<sup>th</sup> October, 2014.

### **Registrar and share transfer agent**

Bigshare Services Private Limited  
Unit: Ventura Guaranty Limited  
E/2, Ansa Industrial Estate,  
Saki-Vihar Road, Saki-Naka,  
Andheri (East), Mumbai 400 072  
Telephone: 91-22-40430200  
Facsimile: 91-22-2847 5207  
Email: info@bigshareonline.com;

### **Share transfer system**

Share transfers received by the share transfer agent / company would be registered within a specified period of time, provided the documents are complete in all respects.

### **Stock code**

1. BSE, Mumbai 512060
2. ISIN for Depositories (NSDL and CDSL) INE139J01019

### **Listing on stock exchanges**

The shares of the company are currently listed on the BSE Limited (BSE). The equity shares of the company are suspended from trading by the Exchange and the company has initiated the process for Revocation of Suspension with the Exchange.

During 2013-14, the listing fees payable to these stock exchanges have been paid in full.

### Market Price Data

The Company has been suspended from Trading and hence, there was no trading of the scrip at BSE Limited during the year. Hence, the data regarding the price movements is not available.

### Shareholding Pattern

The shareholding of different categories of the shareholders as on March 31, 2014 is given below:

Description	Number of Shareholders	Number of Shares	% to Total
Promoters	12	22,67,658	70.98
Bodies Corporate	5	8,25,500	25.84
Individuals	95	1,01,642	3.18
<b>Total</b>	<b>112</b>	<b>31,94,800</b>	<b>100</b>

### Distribution of Shareholding as on March 31, 2014

Distribution Schedule of the Equity Shares as on March 31, 2014 is given below:-

No. Of Equity Shares held	Shareholders		Share Capital	
	Number	% to Total	Amount in Rs.	% to Total
0001-5000	95	84.82	484140	1.52
5001-10000	2	1.79	197860	0.62
10001-20000	3	2.68	360000	1.13
20001-30000	0	0.00	0	0.00
30001-40000	0	0.00	0	0.00
40001-50000	0	0.00	0	0.00
50001-100000	2	1.79	1800000	5.63
100000 & Above	10	8.92	29106000	91.10
<b>Total</b>	<b>112</b>	<b>100.00</b>	<b>31948000</b>	<b>100.00</b>

### Dematerialization of Shares

About 52.11% of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL as on March 31, 2014.

### Plant Locations

The Company is Non-Banking Finance Company and does not have any manufacturing plant.

## Means of Communication

The annual, half-yearly and quarterly results are regularly posted by the Company on its website [www.venturagaranty.com](http://www.venturagaranty.com). These are also submitted to the Stock Exchange in accordance with the Listing Agreement and published in the Free Press Journal (English) and Navshakti (Marathi) Newspaper. The Company's website '[www.venturagaranty.com](http://www.venturagaranty.com)' regularly posts Shareholding Pattern, Corporate Governance Report, Annual Report containing audited accounts, Director's Report, Auditors Report, Management Discussion and Analysis and other important information in compliance with Listing Agreement.

## Financial Calendar

Quarter ending June 30, 2014	August 2014
Quarter and half year ending on September 30, 2014	November 2014
Quarter ending December 31, 2014	February 2015
Quarter and Financial year ending on March 31, 2015	May 2015
Annual General Meeting for the year ending on March 31, 2015	August 2015

## Address for correspondence

Investors and shareholders can correspond with the share transfer agent or at registered office of the Company at the following address:

### **Ventura Guaranty Limited**

Dhannur E, 15, Sir P.M. Road,

Fort,

Mumbai-400001

Tel: 022- 6754 7000

Fax: 022-2266 0969

e-mail: [investors.vgl@ventura1.com](mailto:investors.vgl@ventura1.com)

Website: [www.venturagaranty.com](http://www.venturagaranty.com)

### **Bigshare Services Private Limited**

Unit: Ventura Guaranty Limited

E/2, Ansa Industrial Estate,

Saki-Vihar Road, Saki-Naka,

Andheri (East), Mumbai 400 072

Telephone: 91.22.40430200

Facsimile: 91.22.2847 5207

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com);



## CEO/ CFO CERTIFICATION

The Board of Directors  
**Ventura Guaranty Limited**

We have reviewed the financial statements, read with the cash flow statement of **Ventura Guaranty Limited** for the year ended March 31, 2014 and that to the best of our knowledge and belief, we state that;

a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposing to take to rectify these deficiencies.

d) We 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 we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**However, during the financial year ended on March 31, 2014 there were no such changes or instances.**

Yours sincerely,

Sd/-  
**SAJID MALIK**  
**DIRECTOR**

Sd/-  
**HEMANT MAJETHIA**  
**DIRECTOR**

Place: Mumbai  
Dated: May 30, 2014

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS WITH THE COMPANY'S  
CODE OF CONDUCT**

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

The Members of  
Ventura Guaranty Limited

**Sub: Declaration under clause 49 of the Listing Agreement**

I hereby declare that all Directors of the Company have confirmed compliance with the Code of Conduct for the financial year ended March 31, 2014.

For **VENTURA GUARANTY LIMITED**

**Sd/-**

**HEMANT MAJETHIA  
DIRECTOR**

Place: Mumbai  
Dated: May 30, 2014

## **REPORT OF THE PRACTICING CHARTERED ACCOUNTANT ON CORPORATE GOVERNANCE**

### **CERTIFICATE**

I have examined the compliance of the conditions of the Corporate Governance by Ventura Guaranty Limited ("the Company") for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Place: Mumbai

Dated: May 30, 2014

Dattatray B. Dixit

Practising Chartered Accountant

Membership No.: 40032

ICAI Registration No.: 102665W

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Global Financial Crisis which started 5 to 6 years ago continued unabated till the first half of Financial year 2013-14. The immediate year gone by had seen many ups and downs in the economy due to subdued Economic Growth and Galloping Inflation. The Economic Distress that engulfed the developing economies had shown signs of recovery during the second half of the F.Y. 2013-14 primarily due to increased global activity amongst developed economies.

### **ECONOMIC OVERVIEW**

India's growth story in the past year shows a sorry state of the Economy. The Country's Economic Growth rate stood at a mere 4.9% in the F.Y. 2013-14. The only silver lining in the cloud is that the Economy has grown 0.4% faster in F.Y. 2013-14 than its previous year when it was 4.5%.

On the hindsight, the Government of India has been rigorously taking some concrete and material steps to overcome this sluggishness in the Economy and expedite recovery.

### **OPPORTUNITIES AND THREATS**

#### **OPPORTUNITIES**

With the slight improvement in the outlook of the Indian Economy and global growth prospects over the past few months and a stable and pro-reforms Government at the Centre, the Indian Financial Market is expected to perform well as is visible in the current rally, which has taken the markets to all time high levels.

The following factors present specific opportunities across our businesses:

- Regulatory frameworks and focus on financial inclusion would aid greater participation by all class of investors
- Favourable demographics like huge middle class, larger younger population with more disposable incomes and investible surplus and change in the attitude from wealth protection to wealth creation
- Low penetration of financial services and products in India
- Important role in the financial sector, particularly in the developing economy

#### **THREATS**

Capital Markets and Economic Growth have a direct relation. Nevertheless, the declining Economic Growth has spurred a series of negative effects on the Corporate World leading to low levels of confidence and even lower level of expansion. Despite great opportunities, there are significant factors presenting threats to our business viz:

- Increased competition from local and multinational players operating in India
- Execution Risk
- Regulatory changes across the world impacting the landscape of business
- Continued high inflation leading to decelerating investment demand

### **RISKS AND CONCERNS**

Risk is an integral aspect of any business and we aim at delivering value by achieving an appropriate balance between risks and returns. Today's operating environment demands a rigorous and integrated approach to risk management as the financial services industry is constantly subject to evolving legislative and regulatory framework.

Though the Company, on a standalone basis, derives its income mainly from dividends and other income categories and is not directly exposed to risks, the major risks are primarily associated with the businesses of various companies within the group. The company therefore is *prima facie* exposed to specific risks which include market risk, credit risk, operational risk, competition risk, liquidity and interest rate risk, regulatory risk, execution risk and economic cycle that are particular to its businesses and the environment within which it operates.

#### **Market Risk**

There are various factors which affect the financial services sector which in turn affects the economic development in India and rest of the world. Any economic event across the globe can have a direct or indirect impact on your Company.

#### **Credit Risk**

The Board reviews the risk management processes covering credit, controls, operations, technology, compliance risks etc.

#### **Operational Risk**

While commencing new businesses, the Company may encounter operational and control difficulties. The rapid development and establishment of financial services businesses in new markets may raise unanticipated operational or control risks. We review the policies on a periodical basis.

### **Competition Risk**

Strong growth prospects combined with liberalisation of financial services sector have prompted the entry of newer foreign and domestic Non-Banking Financial Companies, mutual funds, broking houses, mortgage lenders, depository participants and other financial service providers. Our strong brand image of broking subsidiary, wide and ever expanding distribution network, diversified and innovative suite of products and services, fair and transparent business practices enable us to differentiate ourselves from our competitors.

### **Liquidity and Interest Rate Risk**

Any failure with regard to raising of debt on competitive terms, in required quantum and in a cost effective manner may adversely impact the Company's business and its future financial performance. We have a strong financial position and all our businesses are adequately capitalised to manage any sudden liquidity needs.

### **Regulatory Risk**

The Company and its group are subject to regulations by Indian governmental authorities. There may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect the Group performance. We have a team of experienced professionals monitoring on a continuous basis the regulatory changes and evaluating the impact and prospects they present for our businesses.

### **Economic Risk**

Any slowdown in Economic Growth in India could cause the business of the Company and that of the Group to suffer.

### **ADEQUACY OF INTERNAL CONTROL**

Ventura Guaranty Limited has in place a robust mechanism for internal control which commensurate with its size and nature of operations. The system provides efficiency of operations, the adequacy of safeguard of assets, the

reliability of financial controls and compliance with applicable laws and regulations. The internal control mechanism comprises of pre-determined authority levels with segregation of duties, risk assessment and management framework.

## **FINANCIAL OVERVIEW**

### **LIABILITIES AND ASSETS**

#### **Share Capital**

As on March 31, 2014, the issued, subscribed and paid-up Equity Share Capital of the Company is Rs. 3,19,48,000/- comprising of 31,94,800 shares of Rs. 10 each. There are no outstanding warrants / instruments convertible into equity shares as on the date of this report.

#### **Reserves and Surplus**

Reserves and Surplus consists of Reserve Fund u/s. 45IC of RBI Act amounting to Rs. 18,90,000/- , General Reserve amounting to Rs. 4,00,000/- and Profit & Loss Account amounting to Rs. 2,54,67,882/-, aggregating to Rs. 2,77,57,883/-

#### **Secured and Unsecured Loans**

The Company did not have Secured or unsecured Loans as on March 31, 2014.

#### **Net Current Assets**

Current Assets as on March 31, 2014 include Debtors, Cash & Bank Balances and Loans & Advances, which stood at Rs. 13,21,307/-. Current Liabilities and Provisions were at Rs. 77,31,167/-. The balance represents Net Current Assets.

### **INCOME AND EXPENDITURE**

The table below presents results of operations as on March 31, 2014:

<b>Particulars</b>	<b>(Amt in Rs.)</b>
	<b>Year Ended March 31, 2014</b>
Income	5,294,708
Expenditure	1,378,649
Profit Before tax	3,916,059
Profit After tax	3,900,248

## CAUTIONARY STATEMENT

Certain Statements made in the Management Discussion and Analysis Report may constitute 'forward-looking-statement' within the applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether expressed or implied. Several factors could make a significant difference to the Company's operations. These include climate and economic conditions affecting demand and supply, Government regulations and taxation, natural calamities etc. over which the Company does not have any direct control. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable, although its accuracy or completeness cannot be guaranteed.



**Dattatray B. Dixit**

B.Com., F.C.A., L.L.B.

**Independent Auditors' Report**

**To the Members,  
Ventura Guaranty Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Ventura Guaranty Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



**Dattatray B. Dixit**

B.Com., F.C.A., L.L.B.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For & on behalf of

**Dixit Dattatray & Associates**

**Chartered Accountants**

**Firm Registration No: 102665W**



**D B Dixit**

**Partner**

**Membership No: 040032**



**Place: Mumbai**

**Date: 30<sup>th</sup> May, 2014**



Dattatray B. Dixit

B.Com., F.C.A., L.L.B.

## Annexure to the Auditors' Report

(Referred to in Paragraph 3 of our Report of even date on the Accounts for the year ended 31st March 2014 of Ventura Guaranty Limited)

1.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification. In our opinion, frequency of verification is at reasonable intervals.
  - c) During the year, the Company has not disposed off any substantial part of the fixed assets.
2. The Company has no inventory and hence clause (ii) of paragraph 4 of the Order is not applicable.
3.
  - a) According to the information and explanations given to us, the Company has granted loans to Companies covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was ₹ 5,000,000/- and the year-end balance was ₹ NIL.
  - b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which loans have been given to the parties covered in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company
  - c) The terms of repayment of the loan have not been stipulated, hence there are no overdue amounts.
  - d) As stated above, no repayment schedule has been specified and there are no overdue amounts in excess of ₹ One lakh.
  - e) According to the information and explanations given to us, the Company has taken loan from a Party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 735,000/- and the year-end balance was ₹ NIL/-.
  - f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which loans have been from the party covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
  - g) The terms of repayment of the loan have not been stipulated, hence the payments are regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.



**Dattatray B. Dixit**

B.Com., F.C.A., L.L.B.

5. a) The particulars of contracts and arrangements referred to in section 301 of the Companies Act 1956 have been entered in the register maintained under section 301 of the said Act.  
b) The transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices and other relevant factors at the time of transaction.
6. The Company has not accepted any deposits from the public and consequently the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
7. In our opinion, the Company's internal audit system was commensurate with its size and nature of its business.
8. The Company is not engaged in production, processing, manufacturing or mining activities. Therefore the provisions of clause (viii) of paragraph 4 of the order are not applicable.
9. a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it, with the appropriate authorities. There are no arrears of outstanding statutory dues at the year end which are due for more than six months from the date they became payable.  
b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
12. According to the information and explanations the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. In our opinion, the Company has maintained proper records of transactions and contracts relating to investments. Further, such investments have been held by the Company in its own name except as permissible under section 49 of the Act.
15. According to the information and explanations given to us, the Company has given guarantees for loans taken by its subsidiary from banks, the terms and conditions whereof in our opinion are not prima facie prejudicial to the interest of the Company.
16. The company has not raised any term loans during the year.





**Dattatray B. Dixit**

B.Com., F.C.A., L.L.B.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment by the Company.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The Company does not have any outstanding debentures during the year.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For & on behalf of

**Dixit Dattatray & Associates**

**Chartered Accountants**

**Firm Registration No: 102665W**



**D B Dixit**

**Partner**

**Membership No: 040032**



**Place: Mumbai**

**Date: 30<sup>th</sup> May, 2014**

**VENTURA GUARANTY LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2014**

	Note No.	31st March 2014	31st March 2013
		Amount ₹	Amount ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Funds</b>			
A) Share Capital	3	31,948,000	31,948,000
B) Reserves and Surplus	4	27,757,883	31,525,155
		59,705,883	63,473,155
<b>2) Current Liabilities</b>			
A) Short Term Borrowings	5	-	5,435,000
B) Other Current Liabilities	6	34,915	16,000
C) Short Term Provisions	7	7,696,252	255,896
		7,731,167	5,706,896
<b>Total</b>		<b>67,437,050</b>	<b>69,180,051</b>
<b>II. ASSETS</b>			
<b>1) Non-Current Assets</b>			
A) Fixed Assets			
(i) Tangible assets	8	-	-
B) Non-Current Investments	9	66,045,400	66,045,400
C) Deferred Tax Asset (Net)	10	70,343	86,154
D) Long Term Loans and Advances	11	-	300,000
<b>2) Current Assets</b>			
A) Cash and Bank Balances	12	1,021,307	2,742,800
B) Other Current Assets	13	300,000	5,697
		1,321,307	2,748,497
<b>Total</b>		<b>67,437,050</b>	<b>69,180,051</b>

III. Notes forming integral part of the Financial Statements 1 to 21

As per our Report of even date attached

For and on behalf of

**For Dixit Dattatray & Associates**

Chartered Accountants

Firm registration No.102665W

  
D B Dixit

(Proprietor)

Membership No. 40032

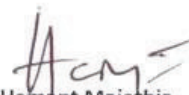
Place : Mumbai

Dated : 30th May, 2014



For and on behalf of

**Ventura Guaranty Limited**

  
Hemant Majethia  
(Director)

  
Sajid Malik  
(Director)

Place : Mumbai

Dated : 30th May, 2014

**VENTURA GUARANTY LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

	Note No.	31st March 2014 Amount ₹	31st March 2013 Amount ₹
I. Revenue from Operations	14	393,591	1,111,044
II. Other Income	15	4,901,117	4,908,498
<b>III. Total Revenue (I + II)</b>		<b>5,294,708</b>	<b>6,019,542</b>
<b>IV. EXPENSES</b>			
i) Depreciation / Amortisation	8	-	-
ii) Other Expenses	16	1,378,649	173,147
<b>Total</b>		<b>1,378,649</b>	<b>173,147</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>3,916,059</b>	<b>5,846,395</b>
<b>VI. TAX EXPENSES</b>			
Current Tax		-	367,000
Deferred Tax Provision/ (Benefit)		15,811	2,414
Tax Adjustments in respect of earlier years		-	-
<b>VII. PROFIT AFTER TAX (V - VI)</b>		<b>3,900,248</b>	<b>5,476,981</b>
<b>VIII. Earning per Share (Equity Share, par value of ₹ 10 each)</b>	18		
Basic		1.22	1.71
Diluted		1.22	1.71
<b>IX. Notes forming integral part of the Financial Statements</b>	1 to 21		

As per our Report of even date attached  
For and on behalf of  
**For Dixit Dattatray & Associates**  
Chartered Accountants  
Firm registration No.102665W

  
**D B Dixit**  
(Proprietor)  
Membership No. 40032  
Place : Mumbai  
Dated : 30th May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

  
**Hemant Majethia**  
(Director)

  
**Sajid Malik**  
(Director)

Place : Mumbai  
Dated : 30th May, 2014

**VENTURA GUARANTY LIMITED**

Cash Flow Statement for the year ended on 31st March 2014

Particulars	31st March 2014 Amount (₹)	31st March 2013 Amount (₹)
<b>A. Cash Flow from Operating activities</b>		
Net profit after tax	3,900,248	5,476,981
<u>Adjustments for:</u>		
Tax	15,811	369,414
Net Profit before tax and extraordinary Items	3,916,059	5,846,395
<u>Adjustments for:</u>		
Depreciation	-	-
Profit on sale of Securities	-	(7,802)
Dividend received	(4,901,117)	(4,900,696)
Operating profit Before working capital changes	(985,058)	937,897
<u>Adjustment for:</u>		
Trade Receivables	-	81,752
Loans and Advances	300,000	17,525,891
Other Current Assets	(300,000)	-
Trade Payables and Other Liabilities	18,915	(11,517,091)
Cash generated from Operations	(966,143)	7,028,449
Tax paid (Net)	(221,467)	(111,104)
<b>Net Cash from Operating Activities</b>	<b>(1,187,610)</b>	<b>6,917,345</b>
<b>B. Cash Flow from investing activities</b>		
Purchase of Securities	-	(40,270)
Sale of Securities	-	48,072
Dividend Received	4,901,117	4,900,696
<b>Net Cash from Investing Activities</b>	<b>4,901,117</b>	<b>4,908,498</b>
<b>C. Cash Flow from Financing Activities</b>		
Loan Repayment	(5,435,000)	(13,000,000)
<b>Net Cash used in Financing Activities</b>	<b>(5,435,000)</b>	<b>(13,000,000)</b>
	<b>(1,721,493)</b>	<b>(1,174,156)</b>
Net increase in Cash and cash equivalents	(1,721,493)	(1,174,156)
Cash and Cash equivalents at beginning of period	2,742,800	3,916,956
Cash and Cash equivalents at end of period	1,021,307	2,742,800
<b>Cash and Cash Equivalents comprise</b>		
Cash in Hand	75,067	76,097
Balance with Banks	946,240	2,666,703
Cash and Cash Equivalents as at the end of the year	1,021,307	2,742,800

This is the Cash Flow statement referred to in our report of even date.

**For Dixit Dattatray & Associates**  
Chartered Accountants  
Firm registration No.102665W

  
**D B Dixit**  
(Proprietor)  
Membership No. 40032  
Place : Mumbai  
Dated : 30th May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

   
**Hemant Majethia**  
(Director) **Sajid Malik**  
(Director)

Place : Mumbai  
Dated : 30th May, 2014



VENTURA GUARANTY LIMITED

NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF FINANCIAL STATEMENT FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2014

Notes:

1. **Company Background**

Ventura Guaranty Ltd. is a Non-Banking Financial Company, registered as Investing Company with RBI.

2. **Significant Accounting Policies**

a) **Basis for preparation of financial statements**

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting and are in compliance with the applicable Accounting Standards notified in the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The accounting policies have been consistently complied by the company, and except whether otherwise stated, are consistent with those used in the previous year.

b) **Use of Estimates**

The preparation of financial statements is in accordance with the Generally Accepted Accounting Principles (GAAP), which requires the management to make estimates and assumptions, which affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Examples of such estimates include estimate of useful life of assets, provision for gratuity, doubtful debts, income taxes, deferred taxes, etc. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively in current and future periods.

c) **Method of accounting**

1. *Revenue*

- i) Revenues are recognized on accrual basis.
- ii) Gains and losses from securities held as Stock-in-trade are recognized on trade dates on "first-in first-out basis".
- iii) Dividend income is recognized when right to receive is established.
- iv) Interest is recognized in the Statement of Profit and Loss as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non-Performing Assets (NPAs) where it is recognised, upon realization.
- v) All other income is recognized on accrual basis.

2. *Expenditure*

Expenses are accounted on accrual basis and provisions are made for all known liabilities.



Handwritten signatures in blue ink, one appearing to be "A" and another a cursive signature.

VENTURA GUARANTY LIMITED

d) **Fixed Assets**

Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost of acquisition includes taxes, duties and other incidental expenses related to acquisition and installation of the concerned assets. Motor Cars acquired under hire purchase agreement are capitalized to the extent of its principal value, whereas the interest element is expensed when paid.

Advances paid towards the acquisition for fixed assets are disclosed under the head Capital Advances under Long-Term Loans & Advances.

e) **Depreciation / Amortisation of Fixed Assets**

Depreciation on fixed assets is provided using the straight-line method, at the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of Leasehold Improvements, which are depreciated over the primary lease period.

Assets costing below ₹ 5000/- are entirely depreciated in the year of acquisition.

Depreciation / amortisation on assets purchased / sold during the year are provided on pro rata basis with reference to date of installation / disposal.

f) **Impairment of assets**

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

g) **Investments**

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of investments.

Unquoted equity shares in the nature of current investment shall be valued at cost or break-up value, whichever is lower.

h) **Loans and Advances**

Based on the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, loans and advances are classified into the following classes:

- (i) Standard assets,
- (ii) Sub-standard assets,
- (iii) Doubtful assets, and
- (iv) Loss assets.





VENTURA GUARANTY LIMITED

i) **Earnings per share**

In accordance with the Accounting Standard 20 (AS-20) "Earning per share" as notified in the Companies (Accounting Standard) Rules, 2006, basic earnings per share is computed using weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

j) **Taxation**

a. **Current Tax**

Provision for income tax is made on the taxable profits at the applicable rates after considering the admissible deductions and exemptions available under the Income Tax Act, 1961.

b. **Deferred Tax**

Deferred Tax asset or liability is recognized for timing differences between the profit as per financial statements and the profit offered for income tax for the year that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is quantified based on tax rates that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised 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 realised.

Deferred tax assets on unabsorbed losses and depreciation are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are reviewed at each balance sheet date.

k) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation as a result of past event, for which it is probable that an outflow of resources will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, required outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognised nor disclosed.

l) **Cash and Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalent except for current investments.



Handwritten signature in blue ink, appearing to be "M. S. ...".

VENTURA GUARANTY LIMITED

m) **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



**VENTURA GUARANTY LTD**  
**NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE 3: SHARE CAPITAL**

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Authorised Shares:</b>		
1,000,000 Equity Shares of ₹ 10/- each (Previous Year 1,000,000 Equity Shares of face value of ₹ 10/- each)	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Paid up Share Capital:</b>		
3,194,800 Equity shares of ₹ 10/- each fully paid up (Previous Year 3,194,800 Equity Shares of ₹ 10/- each fully paid up)	31,948,000	31,948,000
	<b>31,948,000</b>	<b>31,948,000</b>

**A) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:**

**EQUITY SHARES**

(in ₹)

Particulars	Equity Shares		Equity Shares	
	31.03.2014		31.03.2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,194,800	31,948,000	3,194,800	31,948,000
Add: Shares Issued during the year		-		-
Shares outstanding at the end of the year	3,194,800	31,948,000	3,194,800	31,948,000

**B) Terms/Rights attached to Equity shares:**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014 the amount of dividend per share recognized as distributions to equity shareholders was ₹2.40/- per share (Previous Year ₹ NIL per share). The total dividend appropriation for the year ended March 31, 2014 amounted to ₹7,667,520/- (Previous Year ₹ NIL) including dividend distribution tax.

**C) Names of Shareholders holding more than 5% of Shares**

(in ₹)

Class of Shares/Name of the Shareholders	As on 31.03.2014		As on 31.03.2013	
	% No. of Shares held	No. of Shares held	% No. of Shares held	No. of Shares held
Sajid Malik	22.90	731,500	22.90	731,500
Saroja Malik	16.28	520,000	16.28	520,000
Hemant Majethia	12.95	413,600	12.95	413,600
Jai R. Shroff	8.92	285,000	8.92	285,000
Shatatarka Holding Pvt. Ltd.	5.95	190,000	5.95	190,000
Phoenix Asset Management Pvt. Ltd.	5.49	175,500	5.49	175,500





## NOTE 4: RESERVES AND SURPLUS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Reserve Fund u/s. 45IC of RBI Act</b>		
Balance as per last Balance Sheet	1,100,000	-
Add: transfer for the year	790,000	1,100,000
Closing Balance	1,890,000	1,100,000
<b>General Reserve</b>		
Opening Balance	-	-
Add: Transfer during the year	400,000	-
Closing Balance	400,000	-
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per financial statements	30,425,155	26,048,174
Add: Profit for the year	3,900,248	5,476,981
Less: Appropriations		
Proposed Dividend	7,667,520	-
Amount transferred to General Reserve	400,000	-
Transfer to Reserve Fund u/s. 45IC of RBI Act.	790,000	1,100,000
Net Surplus in the statement of profit and loss	25,467,883	30,425,155
	<b>27,757,883</b>	<b>31,525,155</b>

## NOTE 5: SHORT-TERM BORROWINGS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Unsecured</b>		
Loan From Director / Shareholder	-	735,000
Inter Corporate Deposits	-	4,700,000
	-	5,435,000

(a) The above loans are interest free and the terms of repayment of the loans have not been stipulated.

## NOTE 6: OTHER CURRENT LIABILITIES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Other Payables	34,915	16,000
	<b>34,915</b>	<b>16,000</b>

(a) Other payables includes amount payable towards contractual obligations.



VENTURA GUARANTY LIMITED

NOTE 8 : FIXED ASSETS

Sr. No.	Description of Asset	Gross Block			Depreciation		Net Block	
		Cost as on 01/04/2013 (₹)	Cost as on 31/03/2014 (₹)	As at 01/04/2013 (₹)	For the period (₹)	As on 31/03/2014 (₹)	As on 31/03/2013 (₹)	
A	<u>TANGIBLE ASSETS</u>							
	Motor Cars	2,349,475	2,349,475	2,349,475	-	2,349,475	-	-
	Furniture & Fixtures	1,587,211	1,587,211	1,587,211	-	1,587,211	-	-
	<b>Total</b>	<b>3,936,686</b>	<b>3,936,686</b>	<b>3,936,686</b>	<b>-</b>	<b>3,936,686</b>	<b>-</b>	<b>-</b>
	Previous Period's Total	3,936,686	3,936,686	3,936,686	-	3,936,686	-	-






## NOTE 7: SHORT TERM PROVISIONS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
(a) Others		
Proposed Dividend	7,667,520	-
Provision for Taxation (Net of Advance Tax)	28,732	255,896
	<b>7,696,252</b>	<b>255,896</b>

## NOTE 9: NON-CURRENT INVESTMENTS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Long Term Investments		
Non Trade Investments - Unquoted at cost		
Investment in Equity Instruments		
Subsidiary		
Ventura Securities Limited	48,991,600	48,991,600
4,899,160 (Previous Year 4,899,160) Equity Shares of ₹ 10/-each fully paid up		
Others		
Multiflex Lamiprint Limited	6,000,000	6,000,000
600,000 (Previous Year 600,000) Equity Shares of ₹ 10/-each fully paid up		
Kashmira Investments and Leasing Private Limited	9,958,000	9,958,000
497,900 (Previous Year 497,900) Equity Shares of ₹ 10/-each fully paid up		
Associated Hotels Limited	492,800	492,800
17,600 (Previous Year 17,600) Equity Shares of ₹ 10/-each fully paid up		
Nivi Trading Limited	603,000	603,000
50,000 (Previous Year 50,000) Equity Shares of ₹ 10/-each fully paid up		
	<b>66,045,400</b>	<b>66,045,400</b>

## NOTE 10: DEFERRED TAX ASSETS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Deferred Tax Assets*</b>		
Fixed assets	70,343	86,154
	<b>70,343</b>	<b>86,154</b>

\* Net Deferred Tax Assets reversal of ₹ 15,811/- for the current year have been recognized in the statement of profit & loss (Previous year - ₹ 2,414/-).





## NOTE 11: LONG-TERM LOANS AND ADVANCES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Unsecured, considered good Loans and Advances	-	300,000
<b>Total</b>	<b>-</b>	<b>300,000</b>

## NOTE 12: CASH AND BANK BALANCES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
(a) Cash and Cash Equivalents		
Cash on Hand	75,067	76,097
Balances with Banks		
In Current Accounts	946,240	2,666,703
	<b>1,021,307</b>	<b>2,742,800</b>

## NOTE 13 : OTHER CURRENT ASSETS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Advance Income Tax (Net Of Provision)	-	5,697
Other Advances	300,000	-
<b>Total</b>	<b>300,000</b>	<b>5,697</b>

## NOTE 14: REVENUE FROM OPERATIONS

(in ₹)

Particulars	2013-14	2012-13
Income from Interest	393,591	1,111,044
	<b>393,591</b>	<b>1,111,044</b>

## NOTE 15: OTHER INCOME

(in ₹)

Particulars	2013-14	2012-13
(a) Dividend Income; Current Investments	4,901,117	4,900,696
(b) Income on Arbitrage	-	7,802
	<b>4,901,117</b>	<b>4,908,498</b>



## NOTE 16: OTHER EXPENSES

(in ₹)

Particulars	2013-14	2012-13
(a) Legal and Professional Fees	54,975	34,731
(b) Listing Fee	1,206,204	16,854
(c) Membership Fees	6,741	13,482
(d) Advertisement Expenses	87,283	81,864
(e) Payment to auditor		
For Statutory Audit	7,500	6,250
For Income Tax matters	7,500	6,250
For Other Services	5,000	2,500
(f) Other Expenses	3,446	11,216
	<b>1,378,649</b>	<b>173,147</b>



**VENTURA GUARANTY LIMITED**

16. **Contingent liabilities and Commitments**

a) Contingent liabilities

- i) Corporate Guarantees issued on behalf of Ventura Securities Ltd., a Subsidiary Company of ₹ 950,000,000/- (P. Y. ₹ 740,000,000/-)

17. **Related Party Transactions**

As per Accounting Standard 18 as notified in the Companies (Accounting Standard) Rules, 2006, related party in terms of the said standard are disclosed below:

i) Names of Related parties and description of relationship

- |      |                                       |                                                                                                                      |
|------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| I)   | Subsidiary Company                    | a) Ventura Securities Limited                                                                                        |
| II)  | Step-Down Subsidiary                  | a) Ventura Commodities Limited<br>b) Ventura Insurance Brokers Limited<br>c) Ventura Allied Services Private Limited |
| III) | Associate Enterprise                  | b) Kashmira Investments and Leasing Private Limited                                                                  |
| IV)  | Key Management Personnel              | a) Mr. Hemant Majethia<br>b) Mr. Sajid Malik                                                                         |
| V)   | Relatives of Key Management Personnel | a) Mrs. Saroja Malik                                                                                                 |

ii) Details of Transactions with the Related Parties

	Nature Of Transaction	Subsidiary Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
		Amount ( ₹ )	Amount ( ₹ )	Amount ( ₹ )	Amount ( ₹ )
1	<b>Brokerage Paid:</b> Ventura Securities Limited	- (48)			
2	<b>Demat Charges Paid:</b> Ventura Securities Limited	730 (450)			
3	<b>Interest received:</b> Kashmira Investments and Leasing Private Limited		199,446 (1,111,044)		
4	<b>Dividend Received:</b> Ventura Securities Limited	4,899,160 (4,899,160)			
5	<b>Loan / Advance Given:</b> Kashmira Investments and Leasing Private Limited		2,500,000 (15,200,000)		

*Handwritten initials/signature*



**VENTURA GUARANTY LIMITED**

6	<b>Loan / Advance Received Back:</b> Kashmira Investments and Leasing Private Limited		2,500,000 (32,725,891)		
7	<b>Loan / Advance Given:</b> Ventura Securities Limited	2,500,000 (-)			
8	<b>Loan / Advance Received Back:</b> Ventura Securities Limited	2,500,000 (-)			
9	<b>Outstanding Debit/Credit:</b> Mrs. Saroja Malik				- (735,000CR)

18. Disclosure in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

		Particulars		
		<b>Liabilities Side:</b>		
1		Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	(a)	Debtentures :Secured		
		: Unsecured	-	
		(other than falling within the meaning of Public Deposits*)		
	(b)	Deferred Credits	-	
	(c)	Term Loans	-	
	(d)	Inter-Corporate Loans and Borrowings	-	
	(e)	Commercial Paper	-	
	(f)	Other loans (Specify nature)	-	
		Total:		
		* Please see Note 1 below		
		<b>Assets Side:</b>		
			<b>Amount outstanding</b>	
2		Break-up of Loans and Advances including bills receivables (Other than those included in (4) below):		
	(a)	Secured	-	
	(b)	Unsecured	-	



*[Handwritten Signature]*



**VENTURA GUARANTY LIMITED**

<b>3</b>	<b>Break-up of Leased assets and Stock on Hire and Other Assets counting towards AFC activities</b>	
(i)	Lease Assets including Lease Rentals under Sundry Debtors	
	(a) Financial Lease	NIL
	(b) Operating Lease	NIL
(ii)	Stock on Hire including Hire Charges under Sundry Debtors	
	(a) Assets on Hire	NIL
	(b) Repossessed Assets	NIL
(iii)	Other Loans towards AFC activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	NIL
<b>4</b>	<b>Break-up of Investments:</b>	
	Current Investments:	
<b>1</b>	<b>Quoted:</b>	NIL
	(i) Shares	
	(a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual Funds	
	(iv) Government Securities	
	(v) Others (Please specify)	
<b>2</b>	<b>Unquoted:</b>	NIL
	(i) Shares	
	(a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual Funds	
	(iv) Government Securities	
	(v) Others (Please specify)	
	<b>Long Term Investments:</b>	
<b>1</b>	<b>Quoted:</b>	NIL
	(i) Shares	
	(a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual Funds	
	(iv) Government Securities	
	(v) Others (Please specify)	
<b>2</b>	<b>Unquoted:</b>	
	(i) Shares	
	(a) Equity	66,045,400
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual Funds	
	(iv) Government Securities	
	(v) Others (Please specify)	



*[Handwritten Signature]*

**VENTURA GUARANTY LIMITED**

<b>5 Borrower Group-wise Classification of Assets as in (3) and (4) above:</b>				
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	NIL	NIL
2	Other related parties			
	Total:			NIL
<b>6 Investor Group-wise Classification of all Investments (Current and Long-Term) in Shares and Securities (Both Quoted and Unquoted)</b>				
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties:			
	(a) Subsidiaries	48,991,600	48,991,600	
	(b) Companies in the same group			
	(c) Other related parties	9,958,000	9,958,000	
2	Other than Related Parties:	7,095,800	7,095,800	
	Total:	<b>66,045,400</b>	<b>66,045,400</b>	
<b>7 Other information:</b>				
	Particulars			
(i)	Gross Non-Performing Assets			
	(a) Related Parties	NIL	NIL	
	(b) Other than Related Parties	NIL	NIL	
(ii)	Net Non-Performing Assets			
	(a) Related Parties	NIL	NIL	
	(b) Other than Related Parties	NIL	NIL	
(iii)	Assets acquired in satisfaction of debt	NIL	NIL	

Notes :

- 1) As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2) Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- 3) All Accounting Standards and Guidance Notes Issued by ICAI are applicable including for Valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break-up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current investments in column (5) & (6) above.





**VENTURA GUARANTY LIMITED**

19. **Earnings Per share:**

Basic and Diluted	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
Number of equity shares of ₹ 10/-	3,194,800	3,194,800
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Number of Equity Shares after potential dilution	3,194,800	3,194,800
Weighted average no. of equity shares outstanding after potential dilution	3,194,800	3,194,800
Net profit after tax (basic)	3,900,248	5,476,981
Net profit after tax (diluted)	3,900,248	5,476,981
Basic earnings per share ( ₹ )	1.22	1.71
Diluted earnings per share ( ₹ )	1.22	1.71
Nominal Value per share ( ₹ )	10	10

20. **Segmental Reporting**


In the opinion of the Management, there is only one reportable business segment viz. broking in securities and allied activities as envisaged by AS-17 "Segment Reporting". Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives there is no significant difference in its risk and returns in operating from different geographic areas in India.

21. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

Signature to Notes 1 to 21  
As per our Report of even date attached

For and on behalf of  
**Dixit Dattatray & Associates**  
Chartered Accountants  
Firm Registration No.102665W

  
D B Dixit  
(Proprietor)  
Membership No: 40032  
Place : Mumbai  
Dated : 30<sup>th</sup> May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

  
Hemant Majethia  
(Director)

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2014

  
Sajid Malik  
(Director)

264 Maru Sadan, N. C. Kelkar Road, Dadar, Mumbai - 400 028. ☎ Off. 2430 7707  
1, Tara (Gretas) House, 166-B, Bhagat Lane, Mahim, Mumbai - 400 016. ☎ Off. 2430 4882  
E-mail : dbdixit@hotmail.com

**Independent Auditor's Report.**

To The Board of Directors of

**Ventura Guaranty Limited**

**Report on Consolidated Financial Statements.**

We have audited the accompanying consolidated financial statements of **Ventura Guaranty Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





264 Maru Sadan, N. C. Kelkar Road, Dadar, Mumbai - 400 028. ☎ Off. 2430 7707  
1, Tara (Gretas) House, 166-B, Bhagat Lane, Mahim, Mumbai - 400 016. ☎ Off. 2430 4882  
E-mail : dbdixit@hotmail.com

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**Other Matter's**

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of ₹ 553,135,393 as at March 31, 2014, total revenues of ₹ 685,481,792 and net cash outflows amounting to ₹ 213,762,780 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For Dixit Dattatray & Associates.  
Chartered Accountants  
Firm Registration No. 102665W



D B Dixit  
Proprietor  
Membership No 40032  
Mumbai, Dated: 30<sup>th</sup> May 2013



**VENTURA GUARANTY LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014**

	Note No.	31st March 2014 Amount ₹	31st March 2013 Amount ₹
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1) Shareholders' Funds</b>			
A) Share Capital	3	31,948,000	31,948,000
B) Reserves and Surplus	4	476,155,255	384,044,333
		<u>508,103,255</u>	<u>415,992,333</u>
		65,123,345	52,970,769
<b>2) Minority Interest</b>			
<b>3) Non-Current Liabilities</b>			
A) Long Term Borrowings	5	66,324	-
B) Other Long Term Liabilities	6	50,569,286	45,049,028
C) Long Term Provisions	7	18,346,996	11,107,035
		<u>68,982,606</u>	<u>56,156,063</u>
<b>4) Current Liabilities</b>			
A) Short Term Borrowings	8	-	5,435,000
B) Trade Payables	9	999,595,953	841,613,304
C) Other Current Liabilities	10	106,024,655	118,299,591
D) Short Term Provisions	11	12,506,378	3,285,909
		<u>1,118,126,986</u>	<u>968,633,804</u>
<b>Total</b>		<u><b>1,760,336,192</b></u>	<u><b>1,493,752,969</b></u>
<b>II. ASSETS</b>			
<b>1) Non-Current Assets</b>			
A) Fixed Assets	12		
(i) Tangible Assets		50,120,462	49,079,018
(ii) Intangible Assets		7,869,577	8,839,394
(iii) Capital work-in-progress		2,326,000	-
		<u>60,316,039</u>	<u>57,918,412</u>
B) Non-Current Investments	13	43,227,403	42,173,567
C) Deferred Tax Asset (Net)	14	5,257,323	4,874,746
D) Long Term Loans and Advances	15	84,920,113	48,411,864
E) Trade Receivables	16	5,171,878	7,190,428
<b>2) Current Assets</b>			
A) Inventories	17	762,054	-
B) Trade Receivables	16	359,870,204	321,290,195
C) Cash and Bank Balances	18	1,131,967,576	916,483,303
D) Short Term Loans and Advances	19	36,842,306	71,558,279
E) Other Current Assets	20	32,001,296	23,852,175
		<u>1,561,443,436</u>	<u>1,333,183,952</u>
<b>Total</b>		<u><b>1,760,336,192</b></u>	<u><b>1,493,752,969</b></u>

III. Notes forming integral part of the Financial Statements


1 to 41

As per our Report of even date attached  
For and on behalf of  
**For Dixit Dattatray & Associates**  
Chartered Accountants  
Firm registration No.102665W

  
D B Dixit  
(Proprietor)  
Membership No. 40032  
Place : Mumbai  
Dated : 30th May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

  
Hemant Majethia  
Director

Place : Mumbai  
Dated : 30th May, 2014

  
Sajid Malik  
Director

**VENTURA GUARANTY LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

	Note No.	31st March 2014 Amount ₹	31st March 2013 Amount ₹
I. Revenue from Operations	21	598,811,205	544,849,474
II. Other Income	22	87,065,405	67,209,964
<b>III. Total Revenue (I + II)</b>		<b>685,876,609</b>	<b>612,059,438</b>
<b>IV. EXPENSES</b>			
i) Operating Expenses	23	155,321,931	162,804,627
ii) Employee Benefit Expenses	24	225,046,855	188,952,053
iii) Finance Expenses	25	9,375,146	9,017,814
iv) Depreciation/ Amortisation	12	13,775,928	17,858,838
v) Other Expenses	26	186,201,748	155,248,537
<b>Total</b>		<b>589,721,607</b>	<b>533,881,869</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>96,155,003</b>	<b>78,177,569</b>
<b>VI. TAX EXPENSES</b>			
Current Tax		31,806,667	28,367,000
Deferred Tax Provision/ (Benefit)		125,361	(2,392,183)
Tax Adjustments in respect of earlier years		(455,095)	46,416
<b>VII. PROFIT AFTER TAX (V - VI)</b>		<b>64,678,070</b>	<b>52,156,336</b>
Less: Share of Minority		6,931,948	5,702,761
Add: Share of Profit/(Loss) of Associate		1,053,836	1,303,418
<b>VIII. PROFIT FOR THE YEAR (after adjustment for Minority Interest and Associate)</b>		<b>58,799,958</b>	<b>47,756,993</b>
<b>IX. Earning per Share (Equity Share, par value of ₹ 10 each)</b>	39		
Basic		18.40	14.95
Diluted		18.40	14.95
X. Notes forming integral part of the Financial Statements	1 to 41		

As per our Report of even date attached  
For and on behalf of  
**Dixit Dattatray & Associates**  
Chartered Accountants  
Firm Registration No: 102665W

  
**D B Dixit**  
Proprietor  
Membership No:40032  
Place : Mumbai  
Dated : 30th May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

  
**Hemant Majethia**  
Director

Place : Mumbai  
Dated : 30th May, 2014

  
**Sajid Malik**  
Director



**VENTURA GUARANTY LIMITED**

Consolidated Cash Flow Statement for the year ended 31st March 2014

Particulars	31st March 2014	31st March 2013
	Amount	Amount
	₹	₹
<b>A. Cash Flow from Operating activities</b>		
Net profit after tax	58,799,958	47,756,993
Adjustments for:		
Tax	31,476,933	26,021,233
Net Profit before tax and extraordinary Items	90,276,891	73,778,226
Adjustments for :		
Depreciation	13,775,928	17,858,838
Profit on sale of Securities	-	(1,886,046)
Wealth Tax Expenses	87,000	100,000
Share of Minority	6,931,948	5,702,761
Share of Profit of Associate company	(1,053,836)	(1,303,418)
(Profit) / Loss on Assets Sold/Scrapped	(1,974,788)	(2,972)
Dividend received on Current Investments	(2,165)	(2,733)
Interest paid	713,484	785,700
Interest received	(84,916,941)	(65,318,213)
Operating profit before working capital changes	23,837,520	29,712,143
Adjustment for:		
Inventories	(762,054)	-
Trade Receivables	(36,561,460)	(22,087,403)
Loans and Advances	(1,792,276)	(41,613,676)
Other Current Assets	(300,000)	-
Trade Payables and Other Liabilities	151,227,972	195,936,262
Provisions	6,465,654	462,522
Cash generated from Operations	142,115,356	162,409,848
Tax paid (Net)	(40,699,430)	(16,612,838)
<b>Net Cash from Operating Activities</b>	<b>101,415,926</b>	<b>145,797,010</b>
<b>B. Cash Flow from investing activities</b>		
Purchase of Fixed Assets	(17,022,766)	(6,444,909)
Purchase of Securities	-	(55,982,260)
Adjustment for investment in subsidiary	48,748,040	-
Sale of Fixed Assets	2,824,000	32,500
Sale of Securities	-	57,873,501
Interest received	85,599,068	61,747,060
Dividend received on Current Investments	2,165	2,733
<b>Net Cash from Investing Activities</b>	<b>120,150,506</b>	<b>57,228,624</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest paid	(713,484)	(785,700)
(Repayment)/Proceeds of Long Term Loan	(5,368,677)	(13,000,000)
<b>Net Cash from Financing Activities</b>	<b>(6,082,160)</b>	<b>(13,785,700)</b>
<b>Net Increase in Cash &amp; Cash Equivalents [A+B+C]</b>	<b>215,484,273</b>	<b>189,239,934</b>
Net increase in Cash and Cash equivalents	215,484,273	189,239,934
Cash and Bank balances at beginning of period	916,483,303	727,243,369
Cash and Bank balances at end of period	1,131,967,576	916,483,303
<b>Cash &amp; Bank Balance comprise</b>		
Cash in Hand	433,541	312,282
Balance with Banks	1,131,534,034	916,171,021
- includes fixed deposits of ₹768,935,871/- (Previous Year ₹507,093,546/-)		
(Fixed deposits includes earmarked deposits against Bank Guarantee and Security/Margin deposits is ₹184,115,236/- Previous Year ₹69,568,546/-)		
Cash & Cash Equivalents as at the end of the year	1,131,967,576	916,483,303

This is the Cash Flow statement referred to in our report of even date.

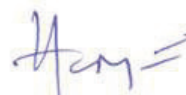
For Dixit Dattatray & Associates  
Chartered Accountants  
Firm registration No.102665W



D B Dixit  
(Proprietor)  
Membership No. 40032  
Place : Mumbai  
Dated : 30th May, 2014



For and on behalf of  
Ventura Guaranty Limited



Hemant Majethia  
(Director)



Sajid Malik  
(Director)

Place : Mumbai  
Dated : 30th May, 2014

**VENTURA GUARANTY LIMITED**

**NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENT FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

**Notes:**

**1. Basis of Consolidation**

- a) The consolidated financial statements relate to Ventura Guaranty Limited ('the Company'), its subsidiaries and associates. The Company and its subsidiaries together constitute 'the Group'. The consolidated financial statements have been prepared on the following basis:
- i. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and recognized profits or losses as per Accounting Standard 21 'consolidated financial statements', as notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
  - ii. Investments in associate companies have been accounted for under the equity method as per Accounting Standard 23 'Accounting for Investments in Associates in consolidated financial statements', as notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
  - iii. The financial statements of subsidiaries and associates consolidated are drawn upto the same reporting date as that of the Company.
  - iv. The excess of the Group's share in equity of associate over the cost of the acquisition at the date, on which the investment is made, is recognised as Capital Reserve on Consolidation and included as Reserves and Surplus under Shareholders' Equity in the Consolidated Balance Sheet.
  - v. The excess of the Group's share in equity of subsidiary over the cost of the acquisition at the date, on which the investment is made, is recognised as Capital Reserve on Consolidation and included as Reserves and Surplus under Shareholders' Equity in the Consolidated Balance Sheet.
  - vi. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in the consolidated financial statements.
  - vi. Minority Interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in subsidiary companies are made and further movement in their share in the equity, subsequent to the dates of investment.
- a) The following the subsidiaries have been considered in the consolidated financial statements:

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31 <sup>st</sup> March 2014	Extent of holding as on 31 <sup>st</sup> March 2013
Ventura Securities Limited	Subsidiary	India	82.29%	82.29%
Ventura Insurance Brokers' Limited	Step down Subsidiary	India	100%	100%*





## VENTURA GUARANTY LIMITED

Ventura Allied Services Private Limited	Step down Subsidiary	India	100%	-
Ventura Commodities Limited	Step down Subsidiary	India	100%	-

\* Ventura Securities Limited holds the entire share capital of Ventura Insurance Brokers Limited.

The parent company has investment in an associate, which is accounted for on the Equity Method in accordance with Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statement".

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31 <sup>st</sup> March 2013
Kashmira Investment and Leasing Private Limited	Associate	India	49.70%

### 2. Significant Accounting Policies

#### a) Basis for preparation of consolidated financial statements

The consolidated financial statements have been prepared under the historical cost convention on an accrual basis of accounting and are in compliance with the applicable Accounting Standards notified in the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The accounting policies have been consistently complied by the company, and except whether otherwise stated, are consistent with those used in the previous year.

#### b) Use of Estimates

The preparation of consolidated financial statements is in accordance with the Generally Accepted Accounting Principles (GAAP), which requires the management to make estimates and assumptions, which affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amount of revenue and expenses during the reporting period. Examples of such estimates include estimate of useful life of assets, provision for gratuity, doubtful debts, income taxes, deferred taxes, etc. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively in current and future periods.

#### c) Method of accounting

##### 1. Revenue

- i) Brokerage Income on Capital Market Transactions and Commodities Market Transactions are accounted on accrual basis in respect of all transactions upto the last day of the financial year.
- ii) Income from financial products distribution is recognized on the basis of agreement entered with the principals and when the right to receive the income is established.
- iii) Depository Participant service income is recognized on the basis of the agreements entered with the clients.



**VENTURA GUARANTY LIMITED**

- iv) Interest is recognized in the Statement of Profit and Loss as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non-Performing Assets (NPAs) where it is recognised, upon realization.
- v) Dividend income is recognized when right to receive is established.
- vi) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vii) All other income is recognized on accrual basis.

2. *Expenditure*

Expenses are accounted on accrual basis and provisions are made for all known liabilities.

d) **Fixed Assets**

Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortization. Cost of acquisition includes taxes, duties and other incidental expenses related to acquisition and installation of the concerned assets. Motor Cars acquired under hire purchase agreement are capitalized to the extent of its principal value, whereas the interest element is expensed when paid.

Advances paid towards the acquisition for fixed assets are disclosed under the head Capital Advances under Long-Term Loans and Advances.

e) **Intangible Assets**

Software acquired are stated at the acquisition price including directly attributable costs for bringing the asset into use, less accumulated amortization. Direct expenditure, if any, incurred for internally developed intangibles from which future economic benefits are expected to flow over a period of time is treated as Intangible asset as per the Accounting Standard on Intangible Assets (AS – 26) as prescribed in the Companies (Accounting Standards) Rules, 2006.

f) **Depreciation / Amortization of Fixed Assets**

Depreciation on fixed assets is provided using the straight-line method, at the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of Leasehold Improvements, which are depreciated over the primary lease period and except in case of one of its Subsidiary, where the depreciation on Computer Hardwar and Software is provided using the straight-line method, based on useful lives as estimated by the management.

Assets costing below ₹5000/- are entirely depreciated in the year of acquisition.

The Company has adopted more than one methods of depreciation in one of its step-down Subsidiary Company, the same method are consistently adopted from year to year in step-down Subsidiary Company.

Software is treated as Intangible asset and is amortised over a period of six years being the estimated useful life.

Depreciation / amortisation on assets purchased / sold during the year are provided on pro rata basis with reference to date of installation / disposal.





## VENTURA GUARANTY LIMITED

The estimate of useful lives for the various fixed assets is given below:

Particulars	Years
<b>Tangible Assets</b>	
Computers	3
Office Equipments	3
Furniture and Fixtures	5
Motor Car	5
<b>Intangible Assets</b>	
Computer Software	3

**g) Impairment of assets**

The carrying amounts of the Group assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

**h) Investments**

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of investments.

Unquoted equity shares in the nature of current investment shall be valued at cost or break-up value, whichever is lower.

**i) Loans and Advances**

Based on the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, loans and advances are classified into the following classes:

- a. Standard assets,
- b. Sub-standard assets,
- c. Doubtful assets, and
- d. Loss assets.

**j) Employee Benefits**

- i) Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.





## VENTURA GUARANTY LIMITED

- ii) Post employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972, the Group provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method.
  - iii) Post employment benefits (defined contribution plans) – Contributions to the provident fund is defined contribution scheme and is recognized as an expense in the Statement of profit and loss in the period in which the contribution is due. Both the employee and the Group make monthly contributions to the provident fund plan equal to the specified percentage of the covered employee's salary.
  - iv) Long-term employee benefits – Long-term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the statement of profit and loss.
- k) **Inventories**  
Inventories are valued at lower of cost or net realisable value
- l) **Foreign Currency Transactions**  
Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. The exchange differences arising from foreign currency transactions are dealt with in the consolidated Statement of Profit and Loss. Current assets and current liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet. The resulting difference is accounted for in the consolidated Statement of Profit and Loss.
- m) **Earnings per share**  
In accordance with the Accounting Standard 20 (AS-20) "Earning per share" as notified in the Companies (Accounting Standard) Rules, 2006, basic earnings per share is computed using weighted average number of equity shares outstanding during the year.  
  
The diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.
- n) **Taxation**
- a. **Current Tax**  
Provision for income tax is made on the taxable profits at the applicable rates after considering the admissible deductions and exemptions available under the Income Tax Act, 1961.
  - b. **Deferred Tax**  
Deferred Tax asset or liability is recognized for timing differences between the profit as per consolidated financial statements and the profit offered for income tax for the year that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is quantified based on tax rates that have been enacted or substantively enacted at the Balance Sheet date.



## VENTURA GUARANTY LIMITED

Deferred tax assets are recognised 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 realised.

Deferred tax assets on unabsorbed losses and depreciation are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are reviewed at each balance sheet date.

**o) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Group has a present obligation as a result of past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, require outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognised nor disclosed.

**p) Cash and Cash Equivalents**

The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalent except for current investments.

**q) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.





**VENTURA GUARANTY LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE 3: SHARE CAPITAL**

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Authorised Share Capital:</b>		
1,000,000 Equity Shares of ₹10/- each (Previous Year 1,000,000 Equity Shares of face value of ₹10/- each)	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Paid up Share Capital:</b>		
3,194,800 Equity Shares of ₹10/- Fully paid up (Previous Year. 3,194,800 Equity Shares of ₹10/- each fully paid up)	31,948,000	31,948,000
	<b>31,948,000</b>	<b>31,948,000</b>

A) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:

**EQUITY SHARES**

(in ₹)

Particulars	Equity Shares		Equity Shares	
	31.03.2014		31.03.2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,194,800	31,948,000	3,194,800	31,948,000
Add: Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	3,194,800	31,948,000	3,194,800	31,948,000

**B) Terms/Rights attached to Equity shares:**

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014 the amount of dividend per share recognized as distributions to equity shareholders was ₹2.40/- per share (Previous Year ₹NIL per share). The total dividend appropriation for the year ended March 31, 2014 amounted to ₹7,667,520/- (Previous Year ₹NIL) including dividend distribution tax.

**C) Names of Shareholders holding more than 5% of Shares**

(in ₹)

Class of Shares/Name of the Shareholders	As on 31.03.2014		As on 31.03.2013	
	% No. of Shares held	No. of Shares held	% No. of Shares held	No. of Shares held
Equity Shares :				
Sajid Malik	22.90	731,500	22.90	731,500
Saroja Malik	16.28	520,000	16.28	520,000
Hemant Majethia	12.95	413,600	12.95	413,600
Jai R. Shroff	8.92	285,000	8.92	285,000
Shatatarka Holding Pvt. Ltd.	5.95	190,000	5.95	190,000
Phoenix Asset Management Pvt. Ltd.	5.49	175,500	5.49	175,500



## NOTE 4: RESERVES AND SURPLUS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Securities Premium Account	51,647,612	51,647,612
Capital Reserve (on consolidation)	51,915,224	3,167,184
General Reserve		
Opening Balance	27,964,753	25,669,304
Add: Transfer for the year	5,100,000	2,600,000
Less: Minority Interest	550,534	304,551
Less: Adjustment on account of change in stake of subsidiary	-	-
Closing Balance	32,514,219	27,964,753
Reserve Fund u/s. 45IC of RBI Act		
Opening Balance	1,100,000	-
Add: transfer for the year	790,000	1,100,000
Closing Balance	1,890,000	1,100,000
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last Balance Sheet	300,164,784	257,050,871
Add: Profit for the year	58,799,958	47,756,993
Less: Adjustment on account of change in stake of subsidiary	-	-
Less: Adjustment on account of acquiring new subsidiary	5,710,094	-
Less: Appropriations		
Proposed Dividend	7,667,520	-
Tax on Proposed Dividend	1,508,928	943,080
Amount transferred to General Reserve	5,100,000	2,600,000
Transfer to Reserve Fund u/s. 45IC of RBI Act.	790,000	1,100,000
Net Surplus in the Statement of Profit and Loss	338,188,200	300,164,784
	<b>476,155,255</b>	<b>384,044,333</b>

## NOTE 5: LONG-TERM BORROWINGS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Secured		
Long Term Borrowings from Financial Institutions	66,324	-
(Vehicle loans under vehicle finance from financial institutions amount to ₹ 66,324/ carrying interest rate 9.26% p.a. is repayable in EMI's and fully secured by hypothecation of vehicle acquired by utilising the said loan.)		
	<b>66,324</b>	<b>-</b>

Handwritten initials in blue ink.



**NOTE 6: OTHER LONG-TERM LIABILITIES** (in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Deposits from Business Associates and Clients	50,569,286	45,049,028
	<b>50,569,286</b>	<b>45,049,028</b>

**NOTE 7: LONG TERM PROVISIONS** (in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Provision for Employee Benefits (Refer Note No. 32)	17,369,822	10,194,354
Gratuity	977,174	912,681
Compensated Absence		
	<b>18,346,996</b>	<b>11,107,035</b>

**NOTE 8: SHORT-TERM BORROWINGS** (in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Unsecured		
Loan From Director / Shareholder*	-	735,000
Inter Corporate Deposits*	-	4,700,000
	-	<b>5,435,000</b>

\* The above loans are interest free and the terms of repayment of the loans have not been stipulated.

**NOTE 9: TRADE PAYABLES** (in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Trade and Margin Money	999,595,953	841,613,304
	<b>999,595,953</b>	<b>841,613,304</b>

**Amount due to Micro, Small and Medium Enterprises :**

(a) Trade payables includes (i) ₹Nil (Previous year ₹Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) ₹999,595,953/- (Previous year ₹841,613,304/-) due to other parties.

(b) No interest is paid/payable during the year to any enterprise registered under the MSME.

(c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSME.

*(Handwritten signatures)*





## NOTE 10: OTHER CURRENT LIABILITIES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Current maturities of long-term debt [refer note (a) below]	250,886	-
Trade Deposits	69,759,563	77,520,685
Other Payables	36,014,206	40,778,906
	<b>106,024,655</b>	<b>118,299,591</b>
Other Payables Includes:		
Statutory Liabilities	9,480,638	14,736,841
Sundry Creditors for Capital Expenditure	1,476,291	-
Stock Exchange Dues	1,413,889	-

## NOTE 11: SHORT TERM PROVISIONS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
(a) Provision for Employee Benefits (Refer Note No. 32)		
Gratuity	1,929,981	1,132,706
Compensated Absence	325,725	304,227
(b) Others		
Proposed Dividend	8,707,520	650,000
Provision for Tax on Dividend	1,508,928	943,080
Provision for Taxation (Net of Advance Tax)	34,224	255,896
	<b>12,506,378</b>	<b>3,285,909</b>

## NOTE 13: NON-CURRENT INVESTMENTS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Long Term Investments		
Trade Investments		
In Associate Company		
Kashmira Investments and Leasing Private Limited	16,293,803	15,239,967
497,900 (Previous Year 497,900) of ₹10/- each fully paid up		
Non Trade Investments - Unquoted at cost		
Investments in Equity Instruments		
Others		
Multiflex Lamiprint Ltd.	25,837,800	25,837,800
1,320,000 (Previous Year 1,320,000) Equity Shares of ₹10/- each fully paid up		
Associated Hotels Ltd.	492,800	492,800
17,600 (Previous Year 17,600) Equity Shares of ₹10/- each fully paid up		
Nivi Trading Ltd	603,000	603,000
50,000 (Previous Year 50,000) Equity Shares of ₹10/- each fully paid up		
	<b>43,227,403</b>	<b>42,173,567</b>

Handwritten initials/signature in blue ink.



Note : 12 Fixed Assets

VENTURA GUARANTY LIMITED

SR. NO.	Description of Asset	Gross Block					Depreciation					Net Block		
		As at 01/04/2013	Additions	Addition on Acquisition	Sales / Deletion	As at 31/03/2014	As at 01/04/2013	Depreciatio n Sales / Deletion	Addition on Acquisition	For the period	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013	
<b>A</b>	<b>TANGIBLE ASSETS</b>													
1	Building Premises	8,245,750	-	-	992,900	7,252,850	926,076	224,274	-	126,247	828,049	6,424,801	7,319,674	
2	Plant & Equipments Computer Equipments	64,058,024	7,523,807	6,196,673	181,276	77,597,228	51,608,385	100,690	3,650,902	5,806,819	60,965,417	16,631,812	12,449,639	
(A)	Office Equipment	18,332,618	1,390,619	971,282	-	20,694,519	4,381,203	-	759,254	1,010,965	6,151,422	14,543,097	13,951,415	
3	Furniture & Fixtures	9,113,071	294,696	69,074	-	9,476,841	4,493,342	-	60,877	627,051	5,181,270	4,295,571	4,619,729	
4	Leasehold Improvements	42,422,085	-	-	-	42,422,085	37,508,616	-	1,760,574	1,760,574	39,269,190	3,152,896	4,913,470	
5	Motor Car	13,892,495	-	1,374,172	-	15,266,667	8,067,403	-	916,250	1,210,728	10,194,381	5,072,286	5,825,092	
	<b>TANGIBLE ASSETS</b>	<b>156,064,043</b>	<b>9,209,122</b>	<b>8,611,201</b>	<b>1,174,176</b>	<b>172,710,190</b>	<b>106,985,025</b>	<b>324,964</b>	<b>5,387,283</b>	<b>10,542,384</b>	<b>122,589,728</b>	<b>50,120,462</b>	<b>49,079,018</b>	
<b>B</b>	<b>INTANGIBLE ASSETS</b>													
1	Computer Softwares	28,018,538	2,044,508	916,328	-	30,979,374	19,179,144	-	697,110	3,233,544	23,109,798	7,869,577	8,839,394	
	<b>INTANGIBLE ASSETS</b>	<b>28,018,538</b>	<b>2,044,508</b>	<b>916,328</b>	<b>-</b>	<b>30,979,374</b>	<b>19,179,144</b>	<b>-</b>	<b>697,110</b>	<b>3,233,544</b>	<b>23,109,798</b>	<b>7,869,577</b>	<b>8,839,394</b>	
<b>C</b>	<b>CAPITAL WORK-IN-PROGRESS</b>													
1	Computer Softwares	-	2,326,000	-	-	2,326,000	-	-	-	-	-	2,326,000	-	
	<b>CAPITAL WORK-IN-PROGRESS</b>	<b>-</b>	<b>2,326,000</b>	<b>-</b>	<b>-</b>	<b>2,326,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,326,000</b>	<b>-</b>	
	<b>Total</b>	<b>184,082,581</b>	<b>13,579,630</b>	<b>9,527,529</b>	<b>1,174,176</b>	<b>206,015,564</b>	<b>126,164,169</b>	<b>324,964</b>	<b>6,084,393</b>	<b>13,775,928</b>	<b>145,699,526</b>	<b>60,316,039</b>	<b>57,918,412</b>	
	<b>Current Year's</b>	<b>168,756,468</b>	<b>9,815,702</b>	<b>-</b>	<b>886,680</b>	<b>177,685,490</b>	<b>90,767,985</b>	<b>192,907</b>	<b>-</b>	<b>17,748,540</b>	<b>108,323,618</b>	<b>69,361,872</b>	<b>77,988,483</b>	
	<b>Previous Year's</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



Handwritten initials and a signature.

## NOTE 14: DEFERRED TAX ASSETS (NET)

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Deferred Tax Liability</b>		
Depreciation and Amortisation	1,643,877	973,197
	1,643,877	973,197
<b>Deferred Tax Assets</b>		
Provision for Gratuity and Compensated Assets	6,684,547	3,889,222
Preliminary Expenses	11,947	-
Liabilities allowed on Payment Basis	204,706	1,958,721
	6,901,200	5,847,943
	<b>5,257,323</b>	<b>4,874,746</b>

Net Deferred Tax Liability of ₹125,361/- for the current year have been recognized in the statement of profit and loss (Previous year Net Deferred Tax Assets ₹2,392,183/-).

## NOTE 15: LONG-TERM LOANS AND ADVANCES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>(A) Capital advances</b>		
Unsecured, considered good	13,000,000	13,503,900
<b>Total</b>	<b>13,000,000</b>	<b>13,503,900</b>
<b>(B) Security deposits</b>		
Unsecured, considered good		
Deposits With Stock Exchanges	53,954,262	19,094,766
Deposits with Government Department	45,000	-
Other Deposits	17,920,851	15,513,198
<b>(C) Loans and Advances</b>		
Unsecured, considered good		
Loans and Advances	-	300,000
<b>Total</b>	<b>71,920,113</b>	<b>34,907,964</b>
<b>Total (A+B)</b>	<b>84,920,113</b>	<b>48,411,864</b>

## NOTE 16: TRADE RECEIVABLES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Non-Current</b>		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured		
Considered Good		
Other Trade Receivables		
Unsecured		
Considered Good	5,171,878	7,190,428
	<b>5,171,878</b>	<b>7,190,428</b>





## NOTE 16: TRADE RECEIVABLES (Cont.....)

<b>Current</b>		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured	24,581,114	26,039,377
Considered Good		
Other Trade Receivables:		
Unsecured	335,289,090	295,250,818
Considered Good		
	<b>359,870,204</b>	<b>321,290,195</b>

## NOTE 17: INVENTORIES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Stock - in - Hand	762,054	-
Stock in Hand	762,054	-

## NOTE 18: CASH AND BANK BALANCES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
(a) Cash and Cash Equivalents		
Cash on hand	433,541	312,282
Balances with Banks		
In Current Accounts	362,810,200	409,077,475
	<b>363,243,741</b>	<b>409,389,757</b>
(b) Other Bank Balances		
(i) In Deposit Accounts (Refer Note (i) below)	8,508,599	6,425,000
(ii) In Earmarked Deposit Accounts (Refer Note (i), (ii), (iii) and (iv))	760,215,236	500,668,546
	<b>768,723,835</b>	<b>507,093,546</b>

(i) Balances with banks include deposits amounting to ₹85,962,583/- (Previous Year ₹3,325,000/-) which have an original maturity of less than twelve months.

(ii) Balance with banks in deposit accounts includes ₹520,100,000/- (Previous Year ₹375,100,000/-) maintained as security margin for guarantees issued by banks. Refer Note No.25

(iii) Balance with bank in deposit accounts includes ₹184,115,236/- (Previous Year ₹69,568,546/-) towards security/margin/other deposits kept with Stock Exchanges.

(iv) Balance with bank in deposit accounts includes ₹56,000,000/- Previous Year ₹56,000,000/-) towards security deposit kept with bank for availing temporary overdraft facility. The balance outstanding in the temporary overdraft facility as at the balance sheet date is ₹ NIL (Previous Year ₹NIL)

4

h





## NOTE 19: SHORT-TERM LOANS AND ADVANCES

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Unsecured, considered good</b>		
Loans and Advances		
Loan to Other Body Corporates	11,088,218	36,679,527
Prepaid Expenses	12,429,435	12,754,011
Loans and Advances to Employees	3,660,715	4,199,830
Service Tax Credit Receivable	2,772,741	5,661,271
Other Advances	6,891,197	12,263,640
<b>Total</b>	<b>36,842,306</b>	<b>71,558,279</b>

## NOTE 20: OTHER CURRENT ASSETS

(in ₹)

Particulars	As on 31.03.2014	As on 31.03.2013
Other Advances	300,000	-
Interest Accrued but not Due	13,596,261	12,894,519
Advance Income Tax (Net Of Provision)	17,911,500	10,764,121
Fringe Benefit Tax (Net Of Provision)	193,535	193,535
<b>Total</b>	<b>32,001,296</b>	<b>23,852,175</b>

## NOTE 21: REVENUE FROM OPERATIONS

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Income from Brokerage and Depository services	550,072,870	502,531,564
(b) Financial Products Distribution	22,276,664	20,536,718
(c) Other Operating Income	26,461,671	21,781,192
	<b>598,811,205</b>	<b>544,849,474</b>

## NOTE 22: OTHER INCOME

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Interest Income on:		
Bank Deposits	75,278,684	57,585,896
Others	9,655,436	7,732,317
(b) Dividend Income;		
Current Investments	2,165	2,733
(c) Profit on sale of Securities	-	1,878,196
(d) Income on Arbitrage	-	7,850
(e) Profit on Sale of Assets	1,974,788	2,972
(f) Miscellaneous Income	154,332	-
	<b>87,065,405</b>	<b>67,209,964</b>



## NOTE 23 : OPERATING EXPENSES

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Sub Brokerage and Commission	148,981,846	156,986,772
(b) Depository Transaction Charges	6,340,085	5,817,855
(c) Purchases of Stock-in-Trade	762,054	-
(d) Changes in Inventories of Finished Goods	(762,054)	-
<b>Total</b>	<b>155,321,931</b>	<b>162,804,627</b>

## NOTE 24: EMPLOYEE BENEFIT EXPENSES

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Salaries and wages	198,574,799	169,492,759
(b) Contribution to provident and other funds	3,208,923	3,256,792
(c) Staff welfare expense	8,020,425	6,226,106
(d) Gratuity Expenses *	6,623,468	2,325,382
(e) Compensated Absence *	6,105,639	4,668,141
(f) Insurance	2,513,601	2,982,873
<b>Total</b>	<b>225,046,855</b>	<b>188,952,053</b>

\* (Refer Note No. 32)

## NOTE 25: FINANCE EXPENSES

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Interest Expense	713,484	785,700
(b) Bank Charges	231,846	224,777
(c) Bank Guarantee Charges	8,429,816	8,007,337
<b>Total</b>	<b>9,375,146</b>	<b>9,017,814</b>

## NOTE 26: OTHER EXPENSES

(in ₹)

Particulars	2013 - 14	2012 - 13
(a) Electricity Expenses	12,739,132	9,768,208
(b) Rent, Rates and Taxes	39,506,277	34,768,710
(c) Repairs to Buildings	1,016,073	1,358,672
(d) Repairs to Machinery	16,682,749	13,123,156
(e) Repairs to Others	1,597,271	1,224,923
(f) Communication Expenses	23,856,719	21,417,005
(g) Travelling and Conveyance Expenses	17,016,056	15,024,157
(h) Legal and Professional Fees	16,097,051	10,688,110
(i) Stock Exchange Charges	1,130,315	399,075
(j) Stamps / Documentation Charges	2,406,797	2,580,528
(k) Service Tax	15,412	433,708
(l) Professional Tax	19,671	-
(m) Advertisement Expenses	180,485	190,357
(n) Software Usage Charges	250,000	-
(o) Server Co-Location Charges	418,003	-
(p) Business Development Charges	28,290,275	16,735,767
(q) Printing and Stationery	4,460,008	4,665,085



Handwritten signatures and initials in blue ink.

**NOTE 26: OTHER EXPENSES (Cont.....)**

(r) Membership and Subscription Expenses	4,300,335	3,955,877
(s) Payment to Auditor		
For Statutory Audit	674,167	506,250
For Tax Audit	88,750	56,250
For Other services	186,250	152,500
(t) Preliminary Expenses	48,330	-
(u) Listing Fee	1,206,204	16,854
(v) Courier and Postage Charges	4,324,466	3,980,752
(w) Bad Debts	1,976,051	7,496,620
(x) Other Expenses	7,714,901	6,705,973
	<b>186,201,748</b>	<b>155,248,537</b>

*[Handwritten signature]*





**VENTURA GUARANTY LIMITED**

**27. Contingent liabilities and Commitments**

a) Contingent liabilities

i) Guarantees issued by the banks:

Stock Exchanges / Bank	31 <sup>st</sup> March 2014 Amount ( ₹ )	31 <sup>st</sup> March 2013 Amount ( ₹ )
National Stock Exchange – Cash Segment	225,000,000	220,000,000
National Stock Exchange – F&O Segment	565,000,000	330,000,000
National Stock Exchange – Currency Segment	50,000,000	-
National Stock Exchange – SLBM Segment	10,000,000	-
Bombay Stock Exchange – Cash Segment	100,000,000	190,000,000
Bank of Maharashtra	100,000	100,000

ii) The bank guarantees have been secured by personal guarantees of the two directors, corporate guarantee of the holding company, and fixed deposits of ₹520,100,000/- (Previous Year ₹375,100,000/-).

iii) Claims against the Group not acknowledged as debts are ₹13,000/- (Previous Year ₹NIL/-).

b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹1,600,000/- (Previous Year ₹209,000/-).

c) No provision has been made in respect of disputed Income Tax dues of ₹1,877,268/- (Previous Year ₹1,877,268/-) since the Group expects to get relief in appeal.

d) The Group has taken office premises on operating lease at various locations. Lease rent in respect of the same has been charged to Statement of Profit and Loss. The agreements are executed for a period ranging from 11 months to five years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The Group has also taken some other assets under operating lease.

The future minimum lease payments under non-cancelable operating lease:

Minimum Lease Rental	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount ( ₹ )	Amount ( ₹ )
Upto one year	3,333,537	8,214,878
One to five years	660,000	2,613,537
Over five years	-	-

28. Deposits with Stock Exchanges include ₹7,500,000/- (Previous Year ₹7,500,000/-) lying with National Spot Exchange Limited as base capital. The management of the view that the same is fully recoverable and hence no provision in respect of the same is considered necessary.





**VENTURA GUARANTY LIMITED**

29. Details of Directors Remuneration are as under:

	31 <sup>st</sup> March 2014		31 <sup>st</sup> March 2013	
	Amount ( ₹ )		Amount ( ₹ )	
	Hemant Majethia	Juzer Gabajiwala	Hemant Majethia	Juzer Gabajiwala
Salaries	5,400,000	1,848,000	5,400,000	1,848,000
House Rent Allowance	-	924,000	-	924,000
Other Allowances	-	15,000	-	15,000
Value of Perquisites	639,600	224,400	639,600	224,400
<b>Total</b>	<b>6,039,600</b>	<b>3,011,400</b>	<b>6,039,600</b>	<b>3,011,400</b>

Provision for employee retirement benefits, which is based on actuarial valuation done for the Group as whole is excluded from the above.

The Company is in process of making an application to the Central Government for approval of payment of remuneration to Mr. Hemant Majethia at enhanced rates effective from 1<sup>st</sup> February 2014. Pending receipt of approval of the same, the Group has paid remuneration in accordance with the earlier approval which was valid for a period of three years upto 31<sup>st</sup> January 2014.

30. Expenditure in Foreign Currency:

Expenditure (at actuals)	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount ( ₹ )	Amount ( ₹ )
Business Development Expenses	-	3,231,300

31. Exchange Differences

During the year, realized and unrealized exchange loss (net) amounting to ₹NIL/- (Previous Year exchange loss of ₹211,500/-) is included in the consolidated financial statements. There are no forward exchange contracts/options outstanding as on 31st March, 2014.

32. Employee Benefits

In accordance with the AS-15 (Revised) as notified in the Companies (Accounting Standard) Rules, 2006, the group has provided for a Gratuity Liability of ₹19,299,803/- (Previous Year ₹11,327,060/-) and Compensated Absence liability of ₹1,302,899/- (Previous Year ₹1,216,908/-) The liability in respect of gratuity is determined as per actuarial valuation carried out as at Balance Sheet date. The present value of the obligation under such plan is determined using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss account for the period in which they occur.



**VENTURA GUARANTY LIMITED**

Principal actuarial assumptions:

	Gratuity		Compensated Absence	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
Increment Rate:	4% p.a.	4% p.a.	4% p.a.	4% p.a.
Discounting Rate:	8% p.a.	8% p.a.	8% p.a.	8% p.a.

Balance sheet Statement:

Present value of the obligation at 31.03.2014	19,299,803	11,327,060	1,306,311	1,216,908
Fair Value of plan assets at 31.03.2014	Nil	Nil	Nil	Nil
Un-funded Liability at 31.03.2014	19,299,803	11,327,060	1,306,311	1,216,908
Unrealized actuarial gains/losses	Nil	Nil	Nil	Nil
Un-funded Liability recognized in Balance Sheet	19,299,803	11,327,060	1,306,311	1,216,908

Profit and Loss Statement:

Interest Cost from 01.04.2013 to 31.03.2014	990,478	764,682	107,173	77,817
Service Cost from 01.04.2013 to 31.03.2014	4,961,222	2,917,926	3,865,290	3,725,906
Actual return on plan assets from 01.04.2013 to 31.03.2014	N.A.	N.A.	N.A.	N.A.
(Gain)/Loss recognized as on 31.03.2014	1,326,145	(1,357,226)	2,793,593	864,418
Net Loss to be shown in Statement of P&L as expense	7,277,845	2,325,382	6,766,056	4,668,141

Reconciliation of Benefit Obligations:

Liability at the beginning of the year	12,380,976	9,558,524	1,339,658	972,710
Interest Cost	990,478	764,682	107,173	77,817
Current Service Cost	4,961,222	2,917,926	3,865,290	3,725,906
Benefit Paid	359,018	556,846	6,802,815	4,423,943
Actuarial (Gain)/Loss on Obligation	1,326,145	(1,357,226)	2,793,593	864,418
Amount recognized and disclosed under the head 'Provision for Employees Benefits'	19,299,803	11,327,060	1,302,899	1,216,908

Handwritten signatures and a circular stamp of P. N. TATRAY & ASSOCIATES.

**VENTURA GUARANTY LIMITED**

33. During the year following Companies have become the subsidiary of Ventura Securities Limited ("VSL") and in turn become the step-down subsidiary of the Company

Name of Step-down Subsidiary	% of Holding by VSL	Date of becoming Subsidiary
Ventura Allied Services Private Limited	100%	08/06/2013 - date of Incorporation.
Ventura Commodities Limited	100%	01/11/2013, on acquisition of shares.

34. **Related Party Transactions**

As per Accounting Standard 18 as notified in the Companies (Accounting Standard) Rules, 2006, related party in terms of the said standard are disclosed below:

i) Names of Related parties and description of relationship

- |      |                                       |                                                                                                       |
|------|---------------------------------------|-------------------------------------------------------------------------------------------------------|
| I)   | Associate Enterprise                  | a) Kashmira Investments and Leasing Private Limited<br>b) Genesys International Corporation Limited   |
| II)  | Key Management Personnel              | a) Mr. Hemant Majethia<br>b) Mr. Sajid Malik<br>c) Mr. Juzer Gabajiwala                               |
| III) | Relatives of Key Management Personnel | a) Mrs. Shazia Sajid Malik<br>b) Mr. Sohel Malik<br>c) Mrs. Saroja Malik<br>d) Mrs. Fatima Gabajiwala |

ii) Details of Transactions with the Related Parties

	Nature Of Transaction	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
		Amount (₹)	Amount (₹)	Amount (₹)
1	<b>Brokerage Earned:</b> Hemant Majethia		13,613 (61,063)	
	Juzer Gabajiwala		10,056 (9,636)	
	Fatima Gabajiwala			5,922 (7,970)
	Sohel Malik			3,748 (-)
	Kashmira Investments and Leasing Private Limited	166,518 (235)		





VENTURA GUARANTY LIMITED

2	<b>Depository Participant Income:</b> Hemant Majethia  Sohel Malik  Kashmira Investments and Leasing Private Limited		450 (1,117)	- (450)
3	<b>Rent Paid:</b> Sajid Malik  Saroja Malik		840,000 (840,000)	3,000,000 (3,000,000)
4	<b>Remuneration Paid:</b> Mr. Hemant Majethia  Mr. Juzer Gabajiwala		6,000,000 (5,200,000) 2,971,800 (2,912,000)	
5	<b>Dividend paid:</b> Genesys International Corporation Ltd.	650,000 (650,000)		
6	<b>Loan / Advance Given:</b> Kashmira Investments and Leasing Private Limited	2,500,000 (15,200,000)		
7	<b>Loan / Advance Received Back:</b> Kashmira Investments and Leasing Private Limited	2,500,000 (32,725,891)		
8	<b>Business Development Expenses:</b> Fatima Gabajiwala			38,935 (75,180)
9	<b>Interest Received:</b> Kashmira Investments and Leasing Private Limited	199,446 (1,111,044)		
10	<b>Purchase of Shares of Ventura Commodities Limited:</b> Hemant Majethia		9,497,487 (-)	
11	<b>Outstanding Debit/Credit:</b> Hemant Majethia  Juzer Gabajiwala  Mrs. Saroja Malik  Shazia Sajid Malik		14,529 (37,295 CR) 8,366 CR (34,531 CR)	- (735,000 CR) 450 DR (55,154 CR)

*(Handwritten signatures)*





**VENTURA GUARANTY LIMITED**

Sohel Malik		291 CR (442 DR)
Fatima Gabajiwala		126,870 CR (31,833 CR)
Kashmira Investments and Leasing Private. Limited.	44,98,444 CR (-)	

35. Disclosure in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Particulars			
<b>Liabilities Side:</b>			
<b>1</b>	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
(a)	Debtures :Secured		
	: Unsecured	-	
	(other than falling within the meaning of Public Deposits*)		
(b)	Deferred Credits	-	
(c)	Term Loans	-	
(d)	Inter-Corporate Loans and Borrowings	-	
(e)	Commercial Paper	-	
(f)	Other loans (Specify nature)	-	
	Total:		
	* Please see Note 1 below		
<b>Assets Side:</b>			
		<b>Amount outstanding</b>	
<b>2</b>	<b>Break-up of Loans and Advances including bills receivables (Other than those included in (4) below):</b>		
(a)	Secured	-	
(b)	Unsecured	-	
<b>3</b>	<b>Break-up of Leased assets and Stock on Hire and Other Assets counting towards AFC activities</b>		
(i)	Lease Assets including Lease Rentals under Sundry Debtors		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
(ii)	Stock on Hire including Hire Charges under Sundry Debtors		
	(a) Assets on Hire		NIL
	(b) Repossessed Assets		NIL
(iii)	Other Loans towards AFC activities		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		NIL

4



**VENTURA GUARANTY LIMITED**

<b>4</b>	<b>Break-up of Investments:</b>			
	Current Investments:			
1	<b>Quoted:</b>		NIL	
	(i) Shares			
	(a) Equity			
	(b) Preference			
	(ii) Debentures and Bonds			
	(iii) Units of Mutual Funds			
	(iv) Government Securities			
	(v) Others (Please specify)			
2	<b>Unquoted:</b>		NIL	
	(i) Shares			
	(a) Equity			
	(b) Preference			
	(ii) Debentures and Bonds			
	(iii) Units of Mutual Funds			
	(iv) Government Securities			
	(v) Others (Please specify)			
	<b>Long Term Investments:</b>			
1	<b>Quoted:</b>		NIL	
	(i) Shares			
	(a) Equity			
	(b) Preference			
	(ii) Debentures and Bonds			
	(iii) Units of Mutual Funds			
	(iv) Government Securities			
	(v) Others (Please specify)			
2	<b>Unquoted:</b>			
	(i) Shares			
	(a) Equity	66,045,400		
	(b) Preference			
	(ii) Debentures and Bonds			
	(iii) Units of Mutual Funds			
	(iv) Government Securities			
	(v) Others (Please specify)			
<b>5</b>	<b>Borrower Group-wise Classification of Assets as in (3) and (4) above:</b>			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	NIL	NIL
2	Other related parties			
	Total:			NIL

Handwritten signature and initials in blue ink.



**VENTURA GUARANTY LIMITED**

<b>6 Investor Group-wise Classification of all Investments (Current and Long-Term) in Shares and Securities (Both Quoted and Unquoted)</b>			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties:		
	(a) Subsidiaries	48,991,600	48,991,600
	(b) Companies in the same group		
	(c) Other related parties	9,958,000	9,958,000
2	Other than Related Parties:	7,095,800	7,095,800
	Total:	<b>66,045,400</b>	<b>66,045,400</b>
<b>7</b>	<b>Other information:</b>		
	Particulars		
(i)	Gross Non-Performing Assets		
	(a) Related Parties	NIL	NIL
	(b) Other than Related Parties	NIL	NIL
(ii)	Net Non-Performing Assets		
	(a) Related Parties	NIL	NIL
	(b) Other than Related Parties	NIL	NIL
(iii)	Assets acquired in satisfaction of debt	NIL	NIL

**Notes:**

- 1) As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
  - 2) Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
  - 3) All Accounting Standards and Guidance Notes Issued by ICAI are applicable including for Valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break-up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current investments in column (5) & (6) above.
36. Securities received from clients as collateral for margins are held by the Company in its own name in a fiduciary capacity.
37. Quantitative Information in Respect of Investments bought and sold during the year

Bonds	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Qty	Qty
Perpetual NCD of Tata Motor Finance Ltd	-	110

**38. Inventory**

Stock	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
Cotton Oil seed cake	762,054	-

*Handwritten signature*

*Handwritten signature*





**VENTURA GUARANTY LIMITED**

**39. Earnings Per share:**

Basic and Diluted	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
Number of equity shares of ₹10/-	3,194,800	3,194,800
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Number of Equity Shares after potential dilution	3,194,800	3,194,800
Weighted average no. of equity shares outstanding after potential dilution	3,194,800	3,194,800
Net profit after tax (basic)	58,799,958	47,756,993
Net profit after tax (diluted)	58,799,958	47,756,993
Basic earnings per share ( ₹ )	18.40	14.95
Diluted earnings per share ( ₹ )	18.40	14.95
Nominal Value per share ( ₹ )	10	10

**40. Segmental Reporting**

In the opinion of the Management, there is only one reportable business segment viz. broking in securities and allied activities as envisaged by AS-17 "Segment Reporting". Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives there is no significant difference in its risk and returns in operating from different geographic areas in India.

**41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.**

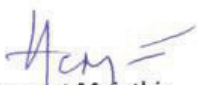
Signature to Notes 1 to 41  
As per our Report of even date attached

For and on behalf of  
**Dixit Dattatray & Associates**  
Chartered Accountants  
Firm Registration No: 102665W

  
D B Dixit  
Partner  
Membership No: 40032  
Place : Mumbai  
Dated : 30<sup>th</sup> May, 2014



For and on behalf of  
**Ventura Guaranty Limited**

  
Hemant Majethia  
Whole time Director

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2014

  
Sajid Malik  
Director



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956  
RELATING TO SUBSIDIARY COMPANY

1	Name of the Subsidiary	Ventura Securities Limited	Ventura Insurance Broker's Limited	Ventura Allied Services Private Limited	Ventura Commodities Limited
2	Financial year of the subsidiary Company ended on	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014
3	Holding Company's Interest Number of shares – Equity Shares Extent of holding	4,899,160 88.29%	44,145 88.29%	8,829 88.29%	87,849 88.29%
4	The net aggregate amount of the subsidiary's profits/(Losses) so far as it concerns members of the Holding Company and is not dealt with in the Holding Company's accounts.	(i) 45,840,763 (ii) 272,850,223	(1,766) (180,559)	2,658	2,973,351
5	Net aggregate amounts of the profits/(losses) of the subsidiary dealt with in the Holding Company's accounts	(i) 4,899,160 (ii) 29,394,680	Nil Nil	Nil Nil	Nil Nil

ON BEHALF OF THE BOARD OF DIRECTORS

SAJID MALIK  
DIRECTOR

HEMANT MAJETHIA  
DIRECTOR

Mumbai, 30th May 2014



Resolution Number	Resolution	Vote		
		FOR	AGAINST	ABSTAIN
<b>Ordinary Business</b>				
1	Adoption of Accounts both on Standalone and Consolidated basis, Report of the Auditors and Directors thereon			
2	Declaration of Dividend			
3	Appointment of a director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, seeks re-appointment			
4	Appointment of a director in place of Mr. Jaidev Rajnikant Shroff, who retires by rotation and being eligible, seeks re-appointment			
5	Re-appointment of M/s Dixit Dattatray & Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company			
<b>Special Business</b>				
6	Appointment of Mr. Ganesh Acharya as an Independent Director			
7	Appointment of Mr. Ashish Nanda as an Independent Director			
8	Appointment of Mr. Sridhar Vaidyanathan as an Independent Director			
9	Change of Place of keeping of registers			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

\_\_\_\_\_  
Signature of the member

Affix Revenue Stamp
---------------------------

\_\_\_\_\_  
Signature of the shareholder

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting

# VENTURA GUARANTY LIMITED

Registered Office: Dhannur, E 15, Sir P.M.Road, Fort, Mumbai-400001

Ph: 022-22660969; Fax: 022-22653179

Website: [www.venturagaranty.com](http://www.venturagaranty.com); E-mail: [investors.vgl@ventura1.com](mailto:investors.vgl@ventura1.com)

CIN: L29299MH1984PLC034106

## ATTENDANCE SLIP

(For physical holding)

Registered Folio No.																				
No. of shares held																				

(For demat holding)

Client ID																				
D.P. ID																				

I certify that I am a Member / Proxy for the Member of the Company.

I hereby record my presence at the **Thirtieth Annual General Meeting** of the Company at C-112/116, Kailash Industrial Complex, Building No. 1, Park Site, Vikhroli (W), Mumbai-400079, Maharashtra on Tuesday, September 30, 2014 at 4.00 P.M.

Members' / Proxy's Name in Block Letters:

\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall



# VENTURA GUARANTY

## FORM A

### COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH STOCK EXCHANGE - FOR STANDALONE ACCOUNTS

1	Name of the Company	VENTURA GUARANTY LIMITED
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit observation	Unqualified
4	Frequency of observation	Not Applicable

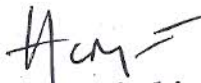
For Dixit Dattatray & Associates  
Chartered Accountants  
Firm Registration No. 102665W



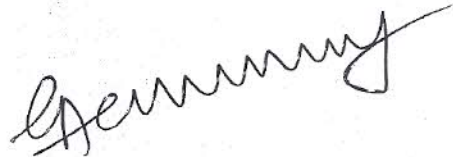
D.B. Dixit  
Proprietor  
Membership No. 40032



Place: Mumbai  
Date: 30<sup>th</sup> May, 2014



Hemant Majethia  
Director



Ganesh Acharya  
Chairman - Audit Committee



Sajid Malik  
Director

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014

CIN : L29299 MH1984PLC034106

VENTURA GUARANTY LIMITED, Dhannur, 15, Sir P.M. Road, Fort, Mumbai - 400 001 Telefax: 022-2266 0969

Registered Office : VENTURA GUARANTY LIMITED, Dhannur, 15, Sir P.M. Road, Fort, Mumbai - 400 001.

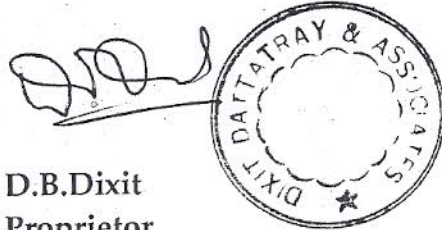
# VENTURA GUARANTY

## FORM A

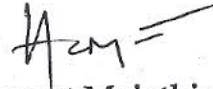
### COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH STOCK EXCHANGE - FOR CONSOLIDATED ACCOUNTS

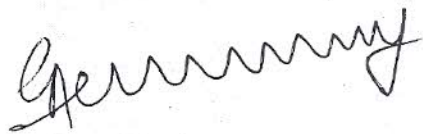
1	Name of the Company	VENTURA GUARANTY LIMITED
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit observation	Unqualified
4	Frequency of observation	Not Applicable

For Dixit Dattatray & Associates  
Chartered Accountants  
Firm Registration No. 102665W



D.B. Dixit  
Proprietor  
Membership No. 40032

  
Hemant Majethia  
Director

  
Ganesh Acharya  
Chairman - Audit Committee

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014

  
Sajid Malik  
Director

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014