

VENTURA GUARANTY LIMITED
ANNUAL REPORT
2011-12

NOTICE

Notice is hereby given that the Annual General Meeting of **Ventura Guaranty Limited** will be held on **Wednesday, September 26, 2012** at **A-107, Kailash Industrial Complex, Building No. 2, Parksite, Vikhroli (West), Mumbai – 400079** at **3.00 p.m** to transact the following business:

Ordinary business

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2012 and the Audited Balance Sheet as at that date together with the Report of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To appoint a Director in place of Mr. Jaidev Rajnikant Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Mr. KulinKumar Majethia, 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 M/s Dixit Dattatray & Associates, Chartered Accountants, Mumbai, bearing ICAI Registration No. 102665W, the retiring Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

6) Appointment of Mr. Ganesh Acharya as Director of the Company :

To consider and, if thought fit, to pass with or without modification, the following resolution as an ‘Ordinary Resolution’

“RESOLVED THAT Mr. Ganesh Acharya who was appointed by the Board of Directors of the Company as an ‘Additional Director’ with effect from March 30, 2012 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 (“the Act”) and in

respect of whom the Company has received notice in writing from a Member under Section 257 of the Act proposing his candidature for the Office of Director of the Company, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."

7) Appointment of Mr. Ashish Nanda as Director of the Company :

To consider and, if thought fit, to pass with or without modification, the following resolution as an 'Ordinary Resolution'

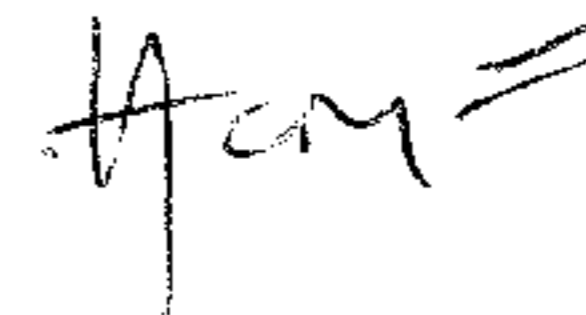
"RESOLVED THAT Mr. Ashish Nanda who was appointed by the Board of Directors of the Company as an 'Additional Director' with effect from March 30, 2012 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received notice in writing from a Member under Section 257 of the Act proposing his candidature for the Office of Director of the Company, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."

8) Appointment of Mr. Sridhar Vaidyanathan as Director of the Company :

To consider and, if thought fit, to pass with or without modification, the following resolution as an 'Ordinary Resolution'

"RESOLVED THAT Mr. Sridhar Vaidyanathan who was appointed by the Board of Directors of the Company as an 'Additional Director' with effect from March 30, 2012 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received notice in writing from a Member under Section 257 of the Act proposing his candidature for the Office of Director of the Company, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."

For and on behalf of the Board of Directors



**HEMANT MAJETHIA
DIRECTOR**

**Place: Mumbai
Dated: July 10, 2012**

NOTES:

1. An Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, September 17, 2012 to Wednesday, September 26, 2012 (both days inclusive) for the purpose of Annual General Meeting.
4. Corporate members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution pursuant to Section 187 of the Companies Act, 1956 authorizing their representative to attend and vote on their behalf at the meeting.
5. Members seeking any information or clarification on the Annual Accounts of the company for the year ended March 31, 2012 are requested to send in queries in writing to the Company, at least 5 days before the date of the Meeting, so that the information required by them may be made available to them.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 10, 2012


HEMANT MAJETHIA
DIRECTOR

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE Companies Act, 1956:

Item No. 6

Mr. Ganesh Acharya was appointed as Additional Director of the Company on March 30, 2012. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Ganesh Acharya holds Office upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment. The Company has received a Notice from the Member of the Company under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Ganesh Acharya as Director of the Company alongwith the requisite deposit.

Brief Profile of Mr. Ganesh Acharya is given in the Corporate Governance Section of the Annual Report.

Approval of the Members of the Company is sought to the appointment of Mr. Ganesh Acharya as Director of the Company.

The Board recommends his appointment as set out in this resolution.

No other Director is concerned or interested in this resolution except Mr. Ganesh Acharya in so far as it relates to his own appointment.

Item No. 7

Mr. Ashish Nanda was appointed as Additional Director of the Company on March 30, 2012. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Ashish Nanda holds Office upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment. The Company has received a Notice from the Member of the Company under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Ashish Nanda as Director of the Company alongwith the requisite deposit.

Brief Profile of Mr. Ashish Nanda is given in the Corporate Governance Section of the Annual Report.

Approval of the Members of the Company is sought to the appointment of Mr. Ashish Nanda as Director of the Company.

4

The Board recommends his appointment as set out in this resolution.

No other Director is concerned or interested in this resolution except Mr. Ashish Nanda in so far as it relates to his own appointment.

Item No. 8

Mr. Sridhar Vaidyanathan was appointed as Additional Director of the Company on March 30, 2012. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Sridhar Vaidyanathan holds Office upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment. The Company has received a Notice from the Member of the Company under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Sridhar Vaidyanathan as Director of the Company alongwith the requisite deposit.

Brief Profile of Mr. Sridhar Vaidyanathan is given in the Corporate Governance Section of the Annual Report.

Approval of the Members of the Company is sought to the appointment of Mr. Sridhar Vaidyanathan as Director of the Company.

The Board recommends his appointment as set out in this resolution.

No other Director is concerned or interested in this resolution except Mr. Sridhar Vaidyanathan in so far as it relates to his own appointment.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 10, 2012


HEMANT MAJETHIA
DIRECTOR

Your Directors are pleased to present the Annual Report along with the Audited Statements of Accounts and the Auditors' Report of the Company for the year ended March 31, 2012.

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

| Particulars | (Amount in ₹) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2012 | Year ended March 31, 2011 |
| Gross Income | 28,768 | 4,57,032 |
| Expenditure | 5,43,691 | 13,75,501 |
| Profit from Operations before other income, interest and exceptional items | (5,14,923) | (9,18,469) |
| Other Income | 70,294 | 8,714 |
| Profit / Loss before Tax | (4,44,629) | (9,09,755) |
| Less: Provision for Income Tax | - | 1,50,000 |
| Less: Deferred Tax | 10,884 | 2,392 |
| Less: Tax Provision for earlier years | 33,601 | - |
| Profit / Loss after Tax | (4,89,114) | (10,62,147) |

Your Directors regret their inability to recommend Dividend for the year ended 31st March, 2012 owing to losses.

During the year under review the Gross Income has decreased from 4.57 lakhs to 0.29 lakhs. The Company incurred a loss of Rs. 4.89 lakhs as compared to Rs. 10.62 lakhs in the previous year. This has been mainly due to volatile financial market conditions and shrinking of operations by the Company. Management is taking appropriate steps to mend the financial situation and improve the workings of the Company.

M/s. Ventura Securities Limited and M/s. Ventura Insurance Brokers Limited are wholly owned subsidiaries of your Company. In view of general exemption granted by MCA under Sec. 212 of the Companies Act, 1956, vide **General Circular No. 2/2011 dated 8th**

February, 2011 from the requirement of attaching Balance Sheet, Profit & Loss A/c, etc. of its subsidiaries to its accounts, your company has decided to take the benefit of the said exemption. The consolidated financial statement is forming part of this Annual Report. Your Company undertakes that Annual Accounts of the subsidiary company and related information will be made available to the members on request. Further; the annual account of subsidiary company will be kept at registered office of the company for inspection by any member.

The Audited Standalone and Consolidated Financial Statements of the Company along with its subsidiary companies 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 ended 31st March, 2012.

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

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.

Mrs. Saroja Malik, Mr. Jaidev Rajnikant Shroff and Mr. Kulinkumar Majethia - Directors of the Company retires by rotation and being eligible, offers themselves for re-appointment.

Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan have been appointed as an Additional Directors of the Company by the Board with effect from March 30, 2012. As per the provisions of Section 260 of the Companies Act, 1956, ("Act"), Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan holds the position till the date of the forthcoming Annual General Meeting of the Company.

The Company has received notice in writing from a member under Section 257 of the Act, proposing appointments of Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan as Directors of the Company.



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.

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.

Being an investment company, information 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 annexed in this report.

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

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. The Audit Committee and your Board recommend their reappointment as Auditors of the Company. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

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;
- iv) That the Directors have prepared the annual accounts on a going concern basis.

Your Directors would like to express their gratitude appreciation for the assistance and co-operation received from Bankers, Government Authorities, clients, investors and shareholders during the period under review.

ON BEHALF OF THE BOARD OF DIRECTORS


SAJID MALIK
DIRECTOR


HEMANT MAJETHIA
DIRECTOR

Mumbai, July 10, 2012

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

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

Good governance refers to a set of requirements that conform to the organization's agenda, making "good governance" imply many different things in many different contexts.

Governance analysis of your company serves as a means to organize, structure and to establish an efficient prioritization of interests of its stakeholders including its shareholders. The dichotomy we have described sets its roots in long-standing philosophical traditions.

We present hereunder our report on compliance of governance conditions specified in Clause 49 of the Listing Agreement(s).

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

The Board has been constituted in a manner, which results in an appropriate mix to ensure proper governance and management. As at 31st March, 2012, the Board of Directors of the Company consisted of nine Directors all of which are Non-Executive Directors including 3 Independent Directors. The Directors are elected based on their experience in related fields of the Company's business needs.

None of the Directors hold directorship in more than 15 public limited companies, nor is any of them a member of more than ten Committees or Chairman of more than five Committees across all public limited companies in which they are Directors.

VENTURA GUARANTY LIMITED

During the financial year 2011-12, Seven meetings of the Board of Directors were held on 30th April, 2011; 14th June, 2011; 30th June, 2011; 31st July, 2011; 31st October, 2011; 31st January, 2012 and 30th March, 2012 with the time gap between any two consecutive meetings being not more than three months. The maximum time gap between any two meetings during this period did not exceed four months at any point in time.

VENTURA GUARANTY LIMITED

Composition of the board and attendance record of directors for financial year 2011-12:-

| Name of the Director | Category | No. of Board Meetings attended | Attendance at last AGM |
|---|------------------------|--------------------------------|------------------------|
| Mr. Sajid Malik DIN: 00400366 | Non Executive Director | 7 | Yes |
| Mrs. Saroja Malik DIN: 00400421 | Non Executive Director | 2 | No |
| Mr. Jaidev Shroff DIN: 00191050 | Non Executive Director | 0 | No |
| Mrs. Sandra Shroff DIN: 00189012 | Non Executive Director | 0 | No |
| Mr. Hemant Majethia DIN: 00400473 | Non Executive Director | 7 | Yes |
| Mr. Kulinkumar Majethia DIN: 02448261 | Non Executive Director | 4 | No |
| Mr. Ganesh Acharya* DIN: 00702346 | Additional director | 1 | N.A@ |
| Mr. Ashish Nanda* DIN: 03163927 | Additional director | 1 | N.A@ |
| Mr. Sridhar Vaidyanathan* DIN: 05242265 | Additional director | 1 | N.A@ |
| * Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan were appointed as Additional Directors w.e.f. March 30, 2012. @ Not Applicable. They were not Directors at the time of Last Annual General Meeting | | | |

Directorships and memberships of Board Committees

Number of Directorships/Committee positions of directors as on 31 March 2012

| Name of the Director | In other Public Limited Companies as on March 31, 2012 | Committee Positions | |
|----------------------|--|---------------------|-----------|
| | | As Chairman | As Member |
| Mr. Sajid Malik | 4 | - | - |
| Mrs. Saroja Malik | 2 | - | 2 |
| Mr. Jaidev Shroff | 10 | - | 1 |
| Mrs. Sandra Shroff | 8 | - | - |
| Mr. Hemant Majethia | 2 | - | - |

| | | | |
|--------------------------|---|---|---|
| Mr. Kulinkumar Majethia | - | - | - |
| Mr. Ganesh Acharya | 2 | - | 4 |
| Mr. Ashish Nanda | - | - | - |
| Mr. Sridhar Vaidyanathan | - | - | - |

Notes: Private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 are excluded for the above purposes.

Only audit committee and shareholders' grievance committee are considered for the purpose of committee positions as per listing agreement. None of the directors was a member in more than 10 committees or a chairman in more than five committees across all companies, in which he/she was a director.

Shares held by Directors

Shares held by Directors

| Name of Director | No. of Equity Shares |
|--------------------------|----------------------|
| Mr. Sajid Malik | 7,31,500 |
| Mrs. Saroja Malik | 5,20,000 |
| Mr. Jaidev Shroff | 2,85,000 |
| Mrs. Sandra Shroff | 90,000 |
| Mr. Hemant Majethia | 4,13,600 |
| Mr. Kulinkumar Majethia | 1,202 |
| Mr. Ganesh Acharya | 10,000 |
| Mr. Ashish Nanda | Nil |
| Mr. Sridhar Vaidyanathan | 650 |

Review of legal compliance reports

During the year, the board periodically reviewed compliance reports with respect to the various laws applicable to the company, as prepared and placed before it by the management.

AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee inter-alia includes following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

- b. Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fee;
- c. Approval of payments to the statutory auditors for any other services rendered by them;
- d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of sub section (2AA) of Section 217 of the Companies Act, 1956;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions; and
 - vii) Qualifications in the draft audit report.
- e. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- f. Reviewing, with the management, the performance of statutory auditors, and adequacy of the internal control systems;
- g. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- h. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management
- i. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Constitution and Composition

Audit Committee was set up by Ventura Guaranty Limited on March 30, 2012 with the aforementioned terms of reference. The present Audit Committee consists of the following directors:

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

All members of the audit committee are independent, non-executive directors and are 'financially literate' in accordance with the provisions of Section 292A read with Clause 49 of the Listing Agreement.

SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE

Terms of reference:

The terms of reference of the Shareholders' / Investors' Grievances Committee *inter alia* includes:

- i) To approve Transfer / Transmission / Dematerialisation of Equity Shares of the Company.
- ii) To approve issue of Duplicate/Consolidated/Split Share Certificate(s)
- iii) To do all necessary acts, deeds and things, as may be required, including authorizing any person(s) to endorse the Share Certificate(s), affixing Common Seal of the Company on Share Certificate(s) as per the Articles of Association of the Company, etc.
- iv) To do all acts, deeds and things as may be required consequent to admission of Equity Shares of the Company with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].
- v) To carry out such functions for redressal of shareholders' and investors' complaints, including but not limited to, transfer of shares, non-receipt of balance sheet, non-receipt of dividends and any other grievance that a shareholder or investor of the Company may have against the Company.
- vi) To do all other acts, deeds and things or otherwise deal with all matters in relation to the Shareholders and Investors Grievances.
- vii) To do all such acts, deeds and things as may be required under any act(s), rule(s), regulation(s), guideline(s), circular(s), etc. issued by the any authority including Securities and Exchange Board of India, Stock Exchange, Depositories, etc., in relation to the Shareholders/Investors of the Company.

Constitution and Composition

The board of directors constituted its shareholders' and investors' grievance committee in 2012. This committee has been constituted 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

SUBSIDIARY COMPANIES

Company has one materially unlisted Indian Subsidiary viz. Ventura Securities Limited and another one Indian Subsidiary Ventura Insurance Brokers Limited. A statement of all significant transactions and arrangements entered into by the subsidiary companies was regularly placed before the board.

CODE OF CONDUCT

The board at its meeting laid down a code of conduct for all directors of the company, which has been posted on the website www.venturagaranty.com

All directors have affirmed compliance with the code for 2011-12. A declaration to this effect signed by the Hemant Majethia, Director is given in this annual report.

COMPLIANCES REGARDING INSIDER TRADING

Comprehensive guidelines in accordance with the SEBI regulations in this regard are in place. A code of conduct and corporate disclosure practices framed by the company helps in ensuring compliance with the requirements.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

Non-executive directors of the company play a crucial role in the independent functioning of the board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the company.

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

DISCLOSURES

A) Basis of Related Party Transactions

Details of all transactions entered into by the Company with the related parties as per Accounting Standard – 18 have been disclosed under “Related Party Transactions”.

None of the materially significant related party transactions during the financial year 2011-12 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

The Company lays down the procedures to inform the Board of Directors about the Risk Assessment and Minimization of Risk. Audit Committee has been entrusted to review these procedures regularly in order to ensure that management controls risk through means of properly defined framework.

APPOINTMENT AND/OR RE-APPOINTMENT OF DIRECTORS

According to the statutes, at least two third of the board should consist of directors liable to retire by rotation. Of these, one third are required to retire every year and, if eligible, may seek re-appointment by the shareholders. Accordingly, Mrs. Saroja Malik, Mr. Jaidev Shroff and Mr. Kulinkumar Majethia retire from the board by rotation this year and being eligible offer themselves for re-appointment.

Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan holds office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from Member(s) of the Company under Section 257 of the Companies Act, 1956 proposing appointments of Mr. Ganesh Acharya, Mr. Ashish Nanda and Mr. Sridhar Vaidyanathan as candidates for the office of Directors of the Company, along with deposit of Rs.500 against the Notice.

Brief profiles of the Directors seeking Appointment/re-appointment are given below:

Mrs. Saroja Malik

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.

Mr. Jaidev Shroff

Mr. Jaidev Shroff is a Science Graduate. He has substantial experience in various areas. He is promoter of United Phosphorus Ltd. He is also Director on the Boards of various other public limited Companies.

Mr. Kulinkumar Majethia

Mr. Kulinkumar Majethis is an Arts Graduate. He has exhaustive experience in the management and internal administration of the companies. He is also thorough in the practice and procedures of Excise laws.

Mr. Ganesh Acharya

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.

Mr. Ashish Nanda

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 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. He is also engaged in the family business.

OTHER DISCLOSURES

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:

| YEAR | LOCATION | DATE & TIME | SPECIAL RESOLUTION(S) PASSED |
|-----------|--|----------------------------------|------------------------------|
| 2008-2009 | C-112/116, Kailash Industrial Complex, Building No. 1, Parksit, Vikhroli (W), Mumbai 400 079 | September 30, 2009 5.30 p.m. | NIL |
| 2009-2010 | C-112/116, Kailash Industrial Complex, Building No. 1, Parksit, Vikhroli (W), Mumbai 400 079 | September 30, 2010 10.00 a.m. | NIL |
| 2010-2011 | C-112/116, Kailash Industrial Complex, Building No. 1, Parksit, Vikhroli (W), Mumbai 400 079 | September 30, 2011 03.30 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, the Directors incharge of operations and entrusted with finance of the Company have certified to the Board regarding the Financial Statements for the Year ended 31st March, 2012.

Compliance of mandatory requirements under Clause 49

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

GENERAL SHAREHOLDER INFORMATION

Communication to shareholders

Quarterly, half-yearly and annual financial results are published in numerous leading dailies, such as The Free Press Journal and Navshakti . Ventura Guaranty Ltd. has its own website, www.venturaguaranty.com , which contains all important public domain information.

The company also files the following information, statements, reports on the website as specified by SEBI:

- Full version of the annual report including the balance sheet, profit and loss account, directors' report and auditors' report, cash flow statement, half-yearly financial statement and quarterly financial statements.
- Corporate governance report.
- Shareholding pattern.

Annual general meeting

Day & Date: Wednesday, September 26, 2012

Time : 3:00 p.m.

Venue : A-107, Kailash Industrial Complex,
Building No. 2, 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 17, 2012 to September 26, 2012 (both days inclusive).

Registrar and share transfer agent

The Company appointed Bigshare Services Private Limited as Registrar and Share transfer agent. The details of R&T Agents are as follows:

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 following Stock Exchange:

- BSE Limited

During 2011-12, 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 scrips at BSE Limited during the year. Hence the data regarding the price movements are not available.

Shareholding Pattern

The shareholding of different categories of the shareholders as on March 31, 2011 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 |
| Total | 112 | 31,94,800 | 100 |

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,15, Sir P.M. Road,

Fort,

Mumbai-400001

Tel: 022- 6754 7000

Fax: 022-2266 0969

e-mail: investors.vgl@ventura1.com

Website: 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;

Plant Location:

The Company is into the business of Investment and hence does not require any manufacturing plants.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL 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, 2012.

For **VENTURA GUARANTY LIMITED**


HEMANT MAJETHIA
DIRECTOR

Place: Mumbai
Dated: July 10, 2012

CEO/ CFO CERTIFICATION

The Board of Directors
Ventura Guaranty Limited

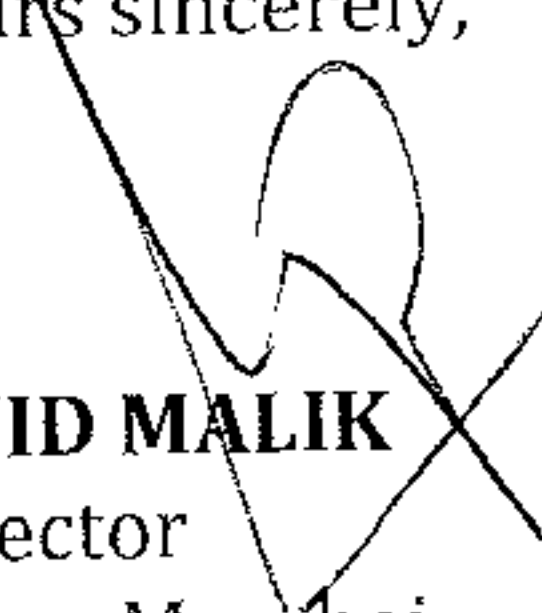
We have reviewed the financial statements, read with the cash flow statement of **Ventura Guaranty Limited** for the year ended March 31, 2012 and that to the best of our knowledge and belief, we state that;


- 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, 2012 there were no such changes or instances.

Yours sincerely,


SAJID MALIK
Director
Place: Mumbai
Dated: July 10, 2012


HEMANT MAJETHIA
Director

Dattatray B. Dixit

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

REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE

CERTIFICATE

To

The Members of Ventura Guaranty Limited

We have examined the compliance of the conditions of the Corporate Governance by Ventura Guaranty Limited ("the Company") for the financial year ended on 31st March, 2012 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. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

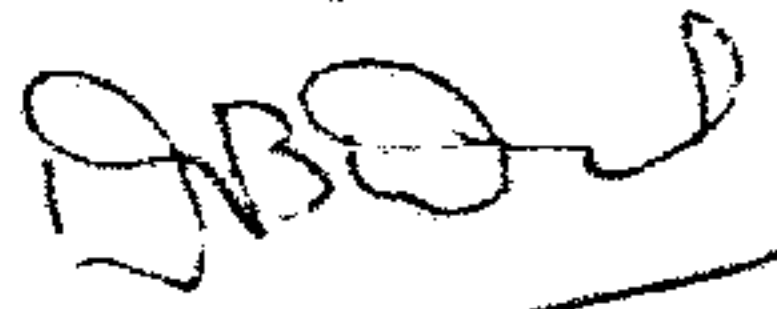
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fulfilled with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement as on March 31, 2012 though the Company did not comply with some of the conditions during the year.

We 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.

For DIXIT DATTATRAY & ASSOCIATES,

Chartered Accountants

Firm Registration No. : 102665W



D.B.DIXIT

Proprietor

Membership No 40032

Place: Mumbai

Dated: July 10, 2012



MANAGEMENT DISCUSSION AND ANALYSIS

The last year was tough, but the long-term historic trend reaffirms India's economic strength. The immediate year gone by saw India caught between conflicting challenges of managing economic growth vis-a-vis inflation. Nevertheless, the long-term historic trend, signified by the last 25 years, has seen India deliver strong economic growth over the years.

ECONOMIC OVERVIEW

India's growth story is slowly losing its sheen and has hit a three year low with the GDP growing at just 6.5 percent in 2011-12, as compared to an impressive 8.4 percent in the previous fiscal. The GDP growth in the January-March Quarter, 2011-12, was just 5.3% compared to 9.2% in the same period in 2010-11.

OPPORTUNITIES AND THREATS

- Regulatory reforms would aid greater participation by all class of investors
- Economy is growing which is leading to investments
- Tremendous brand strength and extensive distribution reach
- Important role in the financial sector, particularly in a developing Economy

THREATS

- Competition from local and multinational players
- Execution risk
- Regulatory changes

RISKS AND CONCERNS

Ventura Guaranty Limited is primarily 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 global fund flows and politics. Any economic event across the globe can have a direct or indirect impact on your Company.

Competition Risk

The Company's main competitors are Indian Non-banking Financial companies, both in the public and private sector, mutual funds, broking houses, mortgage lenders, depository participants and other financial services providers. The Company's growth will depend on its ability to compete effectively in this context.

Credit risk

The Board considers all proposals for credit and finance business. The Board also reviews the risk management processes covering credit and underwriting controls, operations, technology, compliance risks, etc.

Liquidity and Interest Rate Risk

Any failure with regard to raise 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.

Operational Risk

While commencing businesses in new markets 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.

Regulatory risk

The Company is subject to regulations by Indian governmental authorities. Also as the Company is governed by different Indian regulators across these businesses, there may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect the Company's performance.

Economic risk

Any slowdown in economic growth in India could cause the business of the Company to suffer.

ADEQUACY OF INTERNAL CONTROL

The Company has an adequate system of management-supervised internal control which is aimed at achieving efficiency in operations, optimum utilization of resources, and compliance with all applicable laws and regulations. The internal control mechanism comprises a well-defined organization structure, pre-determined authority levels with segregation of duties, risk assessment and management framework. The Company has a defined risk policy and risk management frame work

FINANCIAL OVERVIEW

LIABILITIES AND ASSETS

Share Capital

Share Capital

As on March 31, 2012, the Issued, Subscribed And Paid-up Equity Share capital of the Company is Rs. 3,19,48,000/-, comprising of 31,94,800 equity 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 only Profit And Loss Account, amounting to Rs. 2,60,48,174/-.

Secured and Unsecured Loans

The Company did not have any Secured Loans as on March 31, 2012. However Unsecured Loans was at Rs. 1,84,35,000/-, same as against the end of earlier year, consisting of Inter-Corporate Deposits and Loan from Directors / Shareholders.

Net Current Assets

Current Assets as on March 31, 2012 include Debtors, Cash & Bank Balances And Loans & Advances, which stood at Rs. 2,15,30,297/-. Current Liabilities And Provisions was Rs. 2,99,68,091/- as on March 31, 2012. The balance represents Net Current Assets.

INCOME & EXPENDITURE

The table below presents consolidated results of operations as on March 31, 2012:

| Particulars | (Amt in Rs) | |
|-----------------|---------------------------|----------|
| | Year Ended March 31, 2012 | |
| Income | | 99,062 |
| Expenditure | | 5,43,691 |
| Loss Before Tax | | 4,44,629 |
| Loss After Tax | | 4,89,114 |

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report may constitute 'forward-looking-statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc., whether express or implied. Several factors could make a significant difference to

Dattatray B. Dixit

B.Com., F.C.A., LL.B.

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
VENTURA GUARANTY LIMITED**

1. We have audited the attached Balance Sheet of Ventura Guaranty Limited as at 31st March 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - 4.1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 4.2. 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.
 - 4.3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - 4.4. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable, and
5. On the basis of written representations by all the directors of the Company as at 31st March, 2012, and taken on record by the Board of Directors, and the information and explanations as made available to us by the Company, we report that none of the directors of the Company prima facie, have any disqualifications as referred to in clause (g) of sub section (1) of section 274 of the Companies Act, 1956.



Dixit Dattatray & Associates

CHARTERED ACCOUNTANTS

264, Maru Sadan, N. C. Kelkar Road,

Dadar, Mumbai - 400 028.

☎ Off. 2430 7707 E-mail : dbdixit@hotmail.com

Dattatray B. Dixit

B.Com., F.C.A., LL.B.

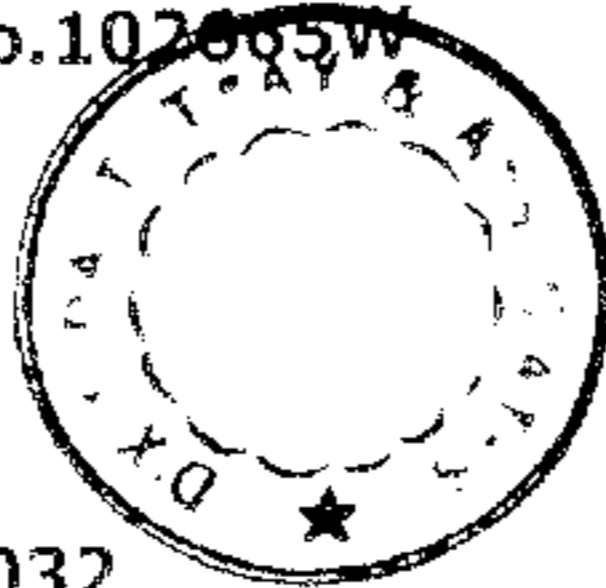
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2012
- in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date and
- in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Dixit Dattatray & Associates

Chartered Accountants

Firm registration No.102865W



D B Dixit

Proprietor

Membership No 40032

Mumbai, Dated: 10th July 2012

Dattatray B. Dixit

B.Com., F.C.A., LL.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 2012 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 loan a party covered in the register maintained under section 301 of the companies Act 1956. The maximum amount involved during the year was ₹ 17,525,891/- and the year end balance was ₹ 1,75,25,891/-.
 - b) The 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.
 - b) According to the information and explanations given to us, during the year the Company has not taken loans from parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly clause (iii) (f) - (iii) (g) of the order is not applicable
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.
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.



Dixit Dattatray & Associates

CHARTERED ACCOUNTANTS

264, Maru Sadan, N. C. Kelkar Road,

Dadar, Mumbai - 400 028.

☎ Off. 2430 7707 E-mail : dbdixit@hotmail.com

Dattatray B. Dixit

B.Com., F.C.A., LL.B.

- 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 as at the year-end for a period of 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 incurred 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.



Dixit Dattatray & Associates

CHARTERED ACCOUNTANTS

264, Maru Sadan, N. C. Kelkar Road.

Dadar, Mumbai - 400 028.

☎ Off. 2430 7707 E-mail : dbdixit@hotmail.com

Dattatray B. Dixit

B.Com., F.C.A., LL.B.

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. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us and on overall examination, the term loans have been applied for the purpose for which they were raised.
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 does not have any outstanding debentures during the year.
19. The Company has not raised any money by public issues during the year.
20. 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 Dixit Dattatray & Associates

Chartered Accountants

Firm Registration No.102665W



D B Dixit

Proprietor

Membership No 40032

Mumbai, Dated: 10th July 2012


VENTURA GUARANTY LIMITED
BALANCE SHEET AS AT 31ST MARCH 2012

| | Note No. | 31st March 2012 Amount ₹ | 31st March 2011 Amount ₹ |
|------------------------------------|----------|--------------------------------|--------------------------------|
| I. EQUITY & LIABILITIES | | | |
| 1) Shareholders' Funds | | | |
| A) Share Capital | 3 | 31,948,000 | 31,889,200 |
| B) Reserves and Surplus | 4 | 26,048,174 | 26,537,288 |
| | | 57,996,174 | 58,426,488 |
| 2) Current Liabilities | | | |
| A) Short Term Borrowings | 5 | 18,435,000 | 18,435,000 |
| B) Other Current Liabilities | 6 | 11,533,091 | 10,000 |
| C) Short Term Provisions | 7 | - | 91,937 |
| | | 29,968,091 | 18,536,937 |
| Total | | 87,964,265 | 76,963,425 |
| II. ASSETS | | | |
| 1) Non-Current Assets | | | |
| A) Fixed Assets | | | |
| (i) Tangible assets | 8 | - | |
| B) Non-Current Investments | 9 | 66,045,400 | 66,045,400 |
| C) Deferred Tax Asset (Net) | 10 | 88,568 | 99,452 |
| D) Long Term Loans & Advances | 11 | 300,000 | 300,000 |
| 2) Current Assets | | | |
| A) Trade Receivables | 12 | 81,752 | 173,079 |
| B) Cash and Bank Balances | 13 | 3,916,956 | 63,965 |
| C) Short Term Loans and Advances | 14 | 17,525,891 | 10,281,329 |
| D) Other Current Assets | 15 | 5,697 | - |
| | | 21,530,297 | 10,518,573 |
| Total | | 87,964,265 | 76,963,425 |

III. Notes forming integral part of the Financial Statements

1 to 23

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 : 10th July, 2012



For and on behalf of
Ventura Guaranty Limited


Hemant Majethia
(Director)

Place : Mumbai
Dated : 10th July, 2012


Sajid Malik
(Director)

VENTURA GUARANTY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

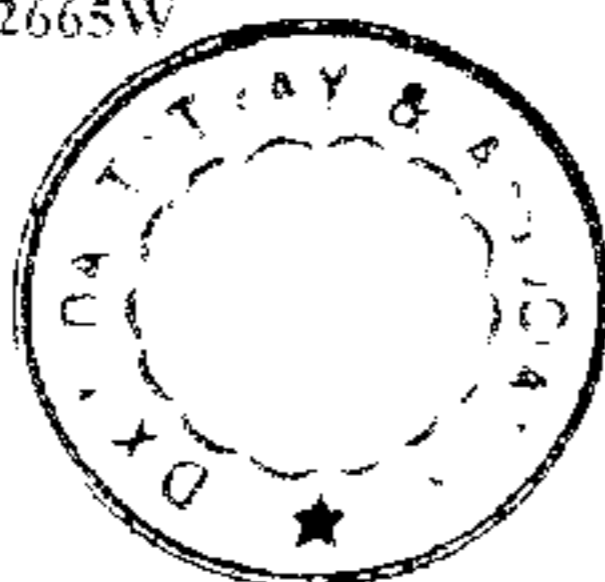
| | Note No. | 31st March 2012 Amount ₹ | 31st March 2011 Amount ₹ |
|---|----------|--------------------------------|--------------------------------|
| I. Revenue from Operations | 16 | 28,768 | 457,032 |
| II. Other Income | 17 | 70,294 | 8,714 |
| III. Total Revenue (I + II) | | 99,062 | 465,746 |
| IV. EXPENSES | | | |
| (i) Depreciation/ Amortisation | 8 | - | 11,993 |
| (ii) Other Expenses | 18 | 543,691 | 1,343,508 |
| Total | | 543,691 | 1,375,501 |
| V. PROFIT BEFORE TAX (III - IV) | | (444,629) | (909,755) |
| VI. TAX EXPENSES | | | |
| Current Tax | | - | (50,000) |
| Deferred Tax Provision/ (Benefit) | | 10,884 | 2,392 |
| Tax Adjustments in respect of earlier years | | 33,601 | - |
| VII. PROFIT AFTER TAX (V - VI) | | (489,114) | (1,062,147) |
| VIII. Earning per Share (Equity Share, par value of ₹ 10 each) | | | |
| Basic | | (0.15) | (0.33) |
| Diluted | | (0.15) | (0.33) |

IX. Notes forming integral part of the Financial Statements

1 to 23

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 - 10th July, 2012



For and on behalf of
Ventura Guaranty Limited


Hemant Majethia
(Director)

Place - Mumbai
Dated - 10th July, 2012


Sandeep Malik
(Director)

VENTURA GUARANTY LIMITED

NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF FINANCIAL STATEMENT FOR THE
YEAR ENDED 31ST MARCH 2012

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. 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 on a time proportion basis taking into account the amount outstanding and the rate applicable.
- v) All other income is recognized on accrual basis.

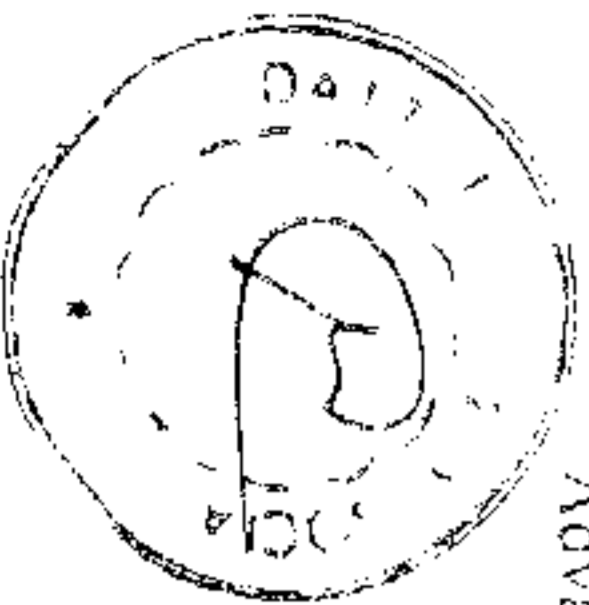
2. Expenditure

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

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.



Handwritten signature

VENTURA GUARANTY LIMITED

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

Long Term Investments are stated at cost. Provision for diminution is made, if in the opinion of the management such a decline is other than temporary.

Current Investments are stated at lower of Cost or Fair Value.

h) 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.

i) 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.



VENTURA GUARANTY LIMITED

j) 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 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.

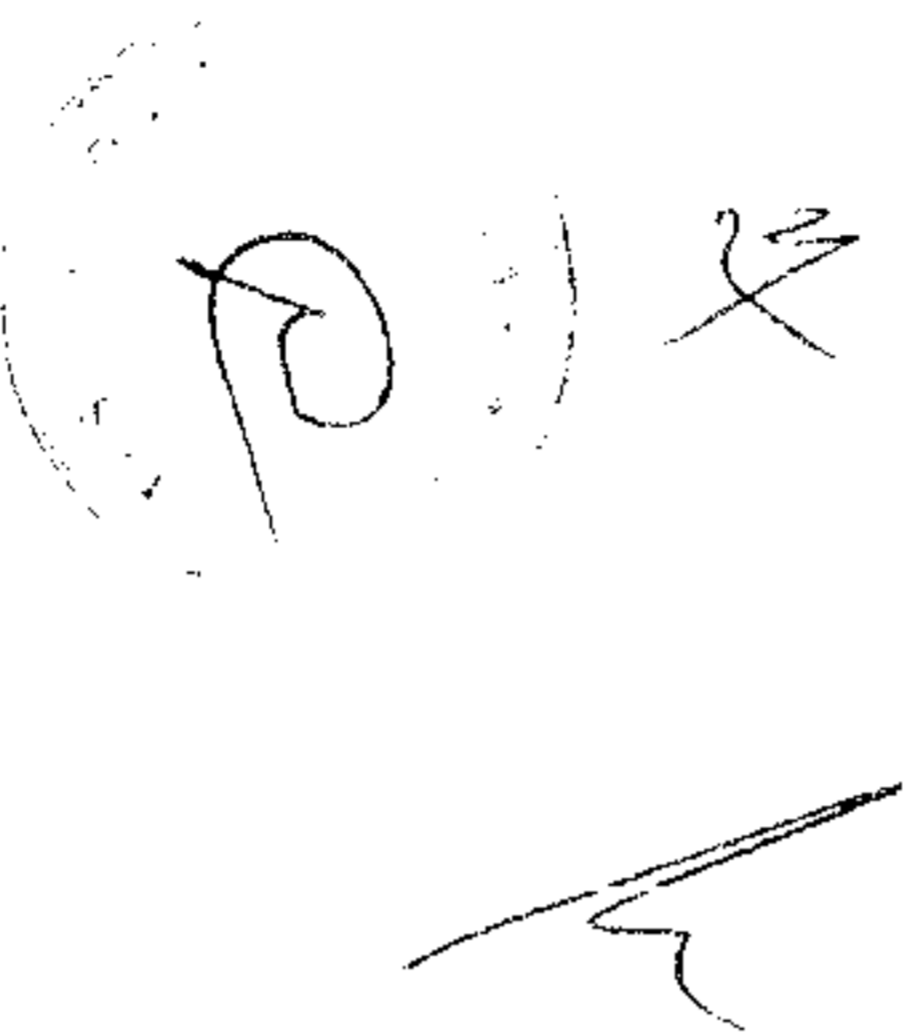
Contingent Assets are neither recognised nor disclosed.

k) 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.

l) 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, 2012

NOTE 3: SHARE CAPITAL

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|-------------------|-------------------|
| Authorised Shares: | | |
| 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 |
| | 100,000,000 | 100,000,000 |
| Issued, Subscribed and Fully Paid up Share Capital: | | |
| 3,194,800 Equity shares of ₹ 10/- Fully paid up (P. Y. 3,194,800 Equity Shares of ₹ 10/- each fully paid up) | 31,948,000 | 31,948,000 |
| Less: Allotment In Arrears | - | (58,800) |
| Total Issued, Subscribed and Fully Paid up Shares: | 31,948,000 | 31,889,200 |

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

EQUITY SHARES

| Particulars | Equity Shares | | Equity Shares | |
|---|---------------|------------|---------------|------------|
| | 31.03.2012 | | 31.03.2011 | |
| | 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.

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

| Class of Shares/Name of the Shareholders | As on 31.03.2012 | | As on 31.03.2011 | |
|--|----------------------|--------------------|----------------------|--------------------|
| | % 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 | 285,600 | 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 31.03.2012 | As on 31.03.2011 |
|--|-------------------|-------------------|
| Surplus/ (deficit) in the statement of profit & loss | | |
| Balance as per financial statements | 26,537,288 | 27,509,435 |
| Add: Profit for the year | (489,114) | (1,062,747) |
| Less: Appropriations | - | - |
| Net Surplus in the statement of profit & loss | 26,048,174 | 26,537,288 |
| | 26,048,174 | 26,537,288 |

(Handwritten signatures and initials)

NOTE 5: SHORT-TERM BORROWINGS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|----------------------------------|-------------------|-------------------|
| Unsecured | | |
| Loan From Director / Shareholder | 735,000 | 735,000 |
| Inter Corporate Deposits | 17,700,000 | 17,700,000 |
| | 18,435,000 | 18,435,000 |

(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 ² | As on 31.03.2012 | As on 31.03.2011 |
|--------------------------|-------------------|------------------|
| Other Payables | 11,533,091 | 10,000 |
| | 11,533,091 | 10,000 |

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

NOTE 7: SHORT TERM PROVISIONS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|------------------|------------------|
| (a) Others | | |
| Provision for Taxation (Net of Advance Tax) | | 91,937 |
| | | 91,937 |

NOTE 9: NON-CURRENT INVESTMENTS

(in ₹)

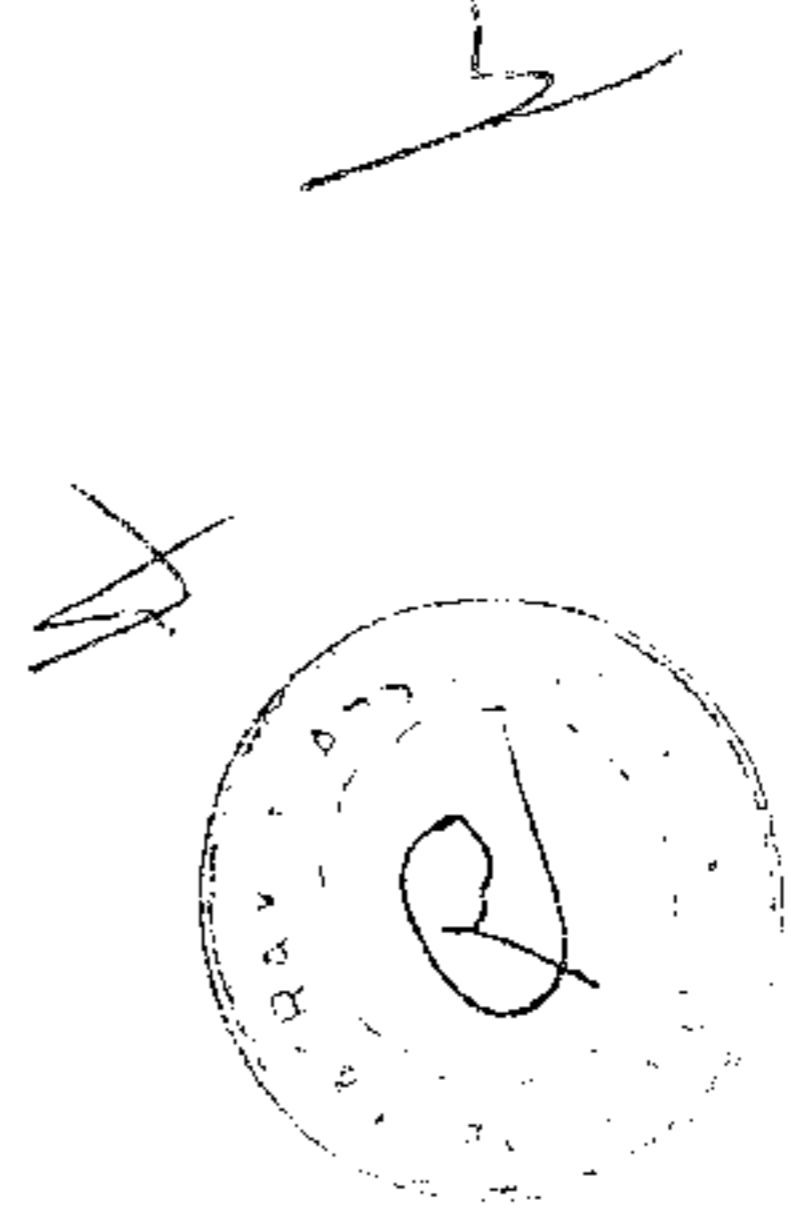
| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|-------------------|-------------------|
| Long Term Investments | | |
| Non Trade Investments - Unquoted at cost | | |
| Investment in Equity Instruments | | |
| Subsidiary | | |
| Ventura Securities Limited | 48,991,600 | 48,991,600 |
| 4,899,160 (P.Y. 4,899,160) Equity Shares of ₹ 10/-each fully paid up | | |
| Others | | |
| Multiflex Lamiprint Ltd. | 6,000,000 | 6,000,000 |
| 600,000 (P.Y. 600,000) Equity Shares of ₹ 10/-each fully paid up | | |
| Kashmira Investments & Leasing Pvt. Ltd. | 9,958,000 | 9,958,000 |
| 497,900 (P.Y. 497,900) Equity Shares of ₹ 10/-each fully paid up | | |
| Associated Hotels Ltd. | 492,800 | 492,800 |
| 17,600 (P.Y. 17,600) Equity Shares of ₹ 10/-each fully paid up | | |
| Nivi Trading Ltd | 603,000 | 603,000 |
| 50,000 (P.Y. 50,000) Equity Shares of ₹ 10/-each fully paid up | | |
| | 66,045,400 | 66,045,400 |



VENTURA GUARANTY LIMITED

NOTE 8 : FIXED ASSETS

| Sr. No. | Description of Asset | Gross Block | | Depreciation | | | Net Block | |
|---------|-------------------------|---------------------------------|----------------------------------|---------------------------------|----------------------------|-----------------------|----------------------------|----------------------------|
| | | Cost as on 01/04/2011 (₹) | Additions (Deductions) (₹) | Cost as on 31/03/2012 (₹) | As at 01/04/2011 (₹) | For the period (₹) | As on 31/03/2012 (₹) | As on 31/03/2011 (₹) |
| A | <u>TANGIBLE ASSETS</u> | | | | | | | |
| | Motor Cars | 2,349,475 | - | 2,349,475 | 2,349,475 | - | - | - |
| | Furniture & Fixtures | 1,587,211 | - | 1,587,211 | 1,587,211 | - | - | - |
| | Total | 3,936,686 | - | 3,936,686 | 3,936,686 | - | - | - |
| | Previous Period's Total | 3,936,686 | - | 3,904,693 | 31,993 | - | - | 31,993 |



NOTE 10: DEFERRED TAX ASSETS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|-----------------------------|------------------|------------------|
| Deferred Tax Assets* | | |
| Fixed assets | 88,568 | 99,452 |
| | 88,568 | 99,452 |

* Net Deferred Tax Assets of ₹ 10,884/- for the current year have been recognized in the statement of profit & loss (Previous year - ₹ 7,392/-).

NOTE 13: LONG-TERM LOANS & ADVANCES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|------------------|------------------|
| Unsecured, considered good Loans & Advances | 300,000 | 300,000 |
| Total | 300,000 | 300,000 |

NOTE 12: TRADE RECEIVABLES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|------------------|------------------|
| 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 | 81,752 | 173,279 |
| | 81,752 | 173,279 |

NOTE 13: CASH AND BANK BALANCES

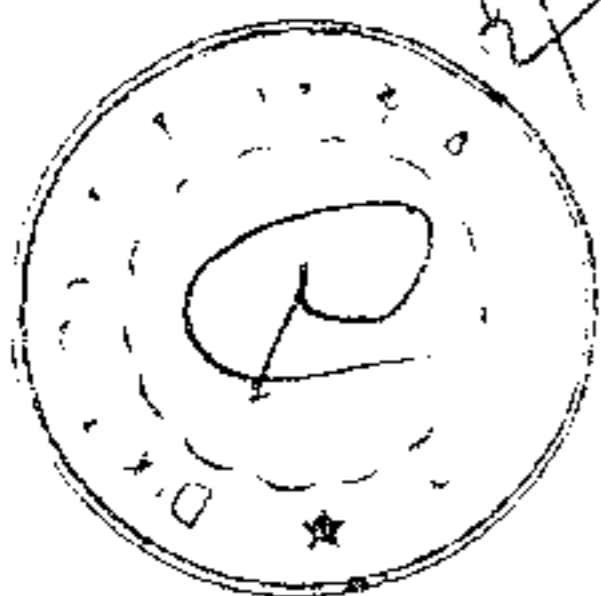
(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|-----------------------------|------------------|------------------|
| (a) Cash & Cash Equivalents | | |
| Cash on hand: | 82,190 | 28,390 |
| Balances with Banks | | |
| In Current Accounts | 3,834,766 | 35,575 |
| | 3,916,956 | 63,965 |

NOTE 14: SHORT-TERM LOANS & ADVANCES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|-------------------|-------------------|
| Unsecured, considered good Loans & Advances | | |
| Loans to Other Body Corporates | 17,525,891 | 10,281,329 |
| Total | 17,525,891 | 10,281,329 |



NOTE 15 : OTHER CURRENT ASSETS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---------------------------------------|------------------|------------------|
| Advance Income Tax (Net Of Provision) | 5,697 | - |
| Total | 5,697 | |

NOTE 16: REVENUE FROM OPERATIONS

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|--------------------------|---------------|----------------|
| (a) Income from Interest | 28,768 | 457,032 |
| | 28,768 | 457,032 |

NOTE 17: OTHER INCOME



(in ₹)


| Particulars | 2011 - 12 | 2010 - 11 |
|--------------------------------|---------------|--------------|
| (a) Dividend Income: | | |
| Current Investments | 51,453 | 8,714 |
| (b) Income on Arbitrage | 15,044 | - |
| (c) Other non-operating income | 3,797 | - |
| | 70,294 | 8,714 |

NOTE 18: OTHER EXPENSES

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|---------------------------------|----------------|------------------|
| (a) Legal and Professional Fees | 18,500 | 26,172 |
| (b) Loss on Arbitrage | - | 16,800 |
| (c) Listing Fee | 468,875 | 24,260 |
| (d) Membership Fees | 18,236 | - |
| (e) Advertisement Expenses | 14,091 | - |
| (f) Payment to auditor | | |
| For Statutory Audit | 5,000 | 5,000 |
| For Tax Audit | 5,000 | 5,000 |
| For Other services | 2,500 | - |
| (g) Loss on Investment | - | 1,254,642 |
| (h) Other expenses | 11,489 | 11,322 |
| | 543,691 | 1,343,508 |



VENTURA GUARANTY LIMITED

19. Contingent liabilities and Commitments

a) Contingent liabilities

- i) Corporate Guarantees issued on behalf of Ventura Securities Ltd., a Subsidiary Company of ₹ 60,000,000/- (P. Y. ₹ 50,000,000/-).

20. 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 | Ventura Securities Limited |
| II) | Associate Enterprise | a) Ventura Commodities Private Ltd. b) Kashmir Investments & Leasing Pvt. Ltd. |
| III) | Key Management Personnel | a) Mr. Hemant Majethia b) Mr. Sajid Malik |
| IV) | 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 (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| 1 | Securities Traded Value: Ventura Securities Ltd | 241,776,618 (2,046,282) | | | |
| 2 | Brokerage Earned: Ventura Securities Ltd | 3,709 (1,586) | | | |
| 3 | Loan / Advance Given: Ventura Securities Ltd Kashmira Investments & Leasing Pvt. Ltd. | - (10,000,000) | 17,807,500 (-) | | |
| 4 | Loan / Advance Received Back: Ventura Securities Ltd Kashmira Investments & Leasing Pvt. Ltd. | - (10,000,000) | 307,500 (-) | | |

R

A

[Signature]

VENTURA GUARANTY LIMITED

| | | | | | |
|---|--|-------------|------------|-----|--------------------------|
| 5 | Interest received: | | | | |
| | Ventura Securities Ltd | - | | | |
| | Kashmira Investments & Leasing Pvt. Ltd. | (4,57,032) | 28,768 | (-) | |
| 6 | Outstanding Debit/Credit: | | | | |
| | Ventura Securities Ltd | 348DR | | | |
| | Kashmira Investments & Leasing Pvt. Ltd. | (173,120DR) | 17,525,891 | (-) | |
| | Mrs. Saroja Malik | | | | 735,000CR (735,000CR) |

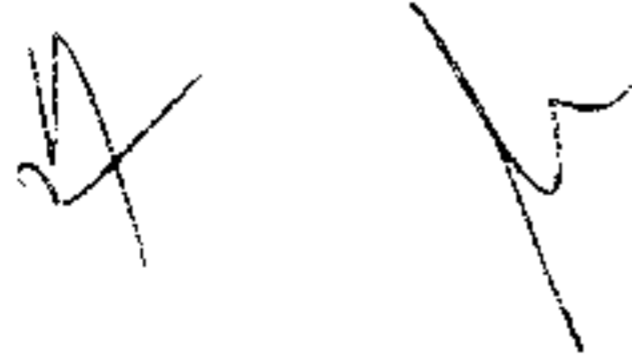
21. Earnings Per share:

| Basic and Diluted | 31 st March 2012 | 31 st March 2011 |
|--|-----------------------------|-----------------------------|
| 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) | (489,114) | (1,062,147) |
| Net profit after tax (diluted) | (489,114) | (1,062,147) |
| Basic earnings per share (₹) | (0.15) | (0.33) |
| Diluted earnings per share (₹) | (0.15) | (0.33) |
| Nominal Value per share (₹) | 10 | 10 |

22. 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/




VENTURA GUARANTY LIMITED

23. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of the financial statements. This has significantly impacted the disclosures and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

Signature to Notes 1 to 23
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 : 10th July, 2012

For and on behalf of
Ventura Guaranty Limited



Hemant Majethia
(Director)

Place : Mumbai
Dated : 10th July, 2012



Sajid Malik
(Director)

Dattatray B. Dixit
B.Com., F.C.A., LL.B.

AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of
Ventura Guaranty Limited,

1. We have audited the attached consolidated Balance Sheet of Ventura Guaranty Limited, and its Subsidiaries as at 31st March 2012, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibility of the Company's management and have been prepared on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary companies whose financial statements reflect total assets of ₹ 1,223,611,002/- as at 31st March, 2012, the total revenues of ₹ 575,090,881/- and cash flows amounting to ₹ (177,469,387) for the year ended on that date. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary company is based solely on the report of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (AS - 21) 'Consolidated Financial Statements' and Accounting Standard 23 (AS - 23) 'Accounting for Investments in Associates in Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2006 (as amended)



Dixit Dattatray & Associates

CHARTERED ACCOUNTANTS

264, Maru Sadan, N. C. Kelkar Road,

Dadar, Mumbai - 400 028.

☎ Off. 2430 7707 E-mail : dbdixit@hotmail.com

Dattatray B. Dixit

B.Com., F.C.A., LL.B.

5. Based on our audit and on consideration of report of other auditors on separate financial statements and on the other financial information of the components and to the best of our information and according to explanations given to us, we are of the opinion that the attached 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 Ventura Guaranty Limited Group as at 31st March, 2012;

(b) In the case of the Consolidated Statement of Profit and Loss, 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.

For Dixit Dattatray & Associates

Chartered Accountants

Firm's Registration No.: 102665W



D B Dixit

Proprietor

Membership No: 40032

Place : Mumbai.

Dated : 10th July, 2012



VENTURA GUARANTY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

| | Note No. | 31st March 2012 Amount ₹ | 31st March 2011 Amount ₹ |
|------------------------------------|----------|--------------------------------|--------------------------------|
| I. EQUITY & LIABILITIES | | | |
| 1) Shareholders' Funds | | | |
| A) Share Capital | 3 | 31,948,000 | 31,889,200 |
| B) Reserves and Surplus | 4 | 337,534,972 | 287,409,355 |
| | | <u>369,482,972</u> | <u>319,298,555</u> |
| 2) Minority Interest | | 47,613,458 | |
| 3) Non-Current Liabilities | | | |
| A) Long Term Provisions | 5 | 8,602,672 | 8,090,090 |
| | | <u>8,602,672</u> | <u>8,090,090</u> |
| 4) Current Liabilities | | | |
| A) Short Term Borrowings | 6 | 18,435,000 | 83,435,000 |
| B) Trade Payables | 7 | 637,331,535 | 811,341,649 |
| C) Other Current Liabilities | 8 | 171,694,126 | 144,231,570 |
| D) Short Term Provisions | 9 | 5,482,105 | 2,037,673 |
| | | <u>832,942,766</u> | <u>1,041,045,892</u> |
| Total | | <u><u>1,258,641,868</u></u> | <u><u>1,368,434,537</u></u> |
| II. ASSETS | | | |
| 1) Non-Current Assets | | | |
| A) Fixed Assets | 10 | | |
| (i) Tangible assets | | 57,825,905 | 66,271,523 |
| (ii) Intangible assets | | 11,535,966 | 11,716,860 |
| | | <u>69,361,871</u> | <u>77,988,483</u> |
| B) Non-Current Investments | 11 | 40,870,149 | 40,116,375 |
| C) Deferred Tax Asset (Net) | 12 | 2,482,563 | 1,313,837 |
| D) Long Term Loans & Advances | 13 | 34,951,873 | 34,510,646 |
| E) Trade Receivables | 14 | 7,190,428 | |
| 2) Current Assets | | | |
| A) Current Investments | 15 | 5,193 | 4,961 |
| B) Trade Receivables | 14 | 299,202,792 | 227,713,630 |
| C) Cash and Bank Balances | 16 | 727,243,370 | 900,859,765 |
| D) Short Term Loans and Advances | 17 | 43,404,594 | 54,585,221 |
| E) Other Current Assets | 18 | 33,929,035 | 31,341,619 |
| | | <u>1,103,784,984</u> | <u>1,214,505,196</u> |
| Total | | <u><u>1,258,641,868</u></u> | <u><u>1,368,434,537</u></u> |

III. Notes forming integral part of the Financial Statements

1 to 33


As per our Report of even date attached

For and on behalf of

For Dixit Dattatrya & Associates

Chartered Accountants

Firm registration No.102665W


D B Dixit
(Proprietor)
Membership No. 40032
Place : Mumbai
Dated : 10th July, 2012



For and on behalf of
Ventura Guaranty Limited


Hemant Majethia
(Director)

Place : Mumbai
Dated : 10th July, 2012


Sajid Malik
(Director)

VENTURA SECURITIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

| | Note No. | 31st March 2012 Amount ₹ | 31st March 2011 Amount ₹ |
|---|----------|--------------------------------|--------------------------------|
| I. Revenue from Operations | 19 | 521,708,006 | 595,958,960 |
| II. Other Income | 20 | 53,481,937 | 40,200,285 |
| III. Total Revenue (I + II) | | 575,189,943 | 636,159,245 |
| IV. EXPENSES | | | |
| i) Operating Expenses | 21 | 163,120,741 | 250,276,012 |
| ii) Employee Benefit Expenses | 22 | 176,732,597 | 155,331,962 |
| iii) Finance Expenses | 23 | 10,476,708 | 10,823,194 |
| iv) Depreciation/ Amortisation | 10 | 17,748,540 | 22,810,786 |
| v) Other Expenses | 24 | 156,597,411 | 150,107,956 |
| Total | | 524,675,997 | 589,349,910 |
| V. PROFIT BEFORE TAX (III - IV) | | 50,513,946 | 46,809,335 |
| VI. TAX EXPENSES | | | |
| Current Tax | | 18,700,000 | 20,150,000 |
| Deferred Tax Provision/ (Benefit) | | (1,168,725) | (3,465,311) |
| Tax Adjustments in respect of earlier years | | (552,842) | (171,655) |
| VII. PROFIT AFTER TAX (V - VI) | | 33,535,513 | 30,296,301 |
| Less: Share of Minority | | 1,423,108 | - |
| Add: Share of Profit/(Loss) of Associate | | 753,774 | 57,591 |
| Balance Available for Appropriation | | 32,866,179 | 30,353,892 |
| VIII. Earning per Share (Equity Share, par value of ₹ 10 each) | 31 | | |
| Basic | | 10.29 | 9.50 |
| Diluted | | 10.29 | 9.50 |
| IX. Notes forming integral part of the Financial Statements | 1 to 33 | | |

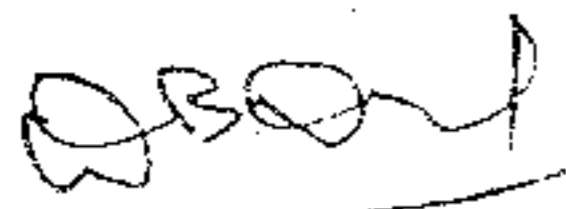
As per our Report of even date attached

For and on behalf of

Dixit Dattatray & Associates

Chartered Accountants

Firm Registration No: 102665W



D B Dixit
Proprietor
Membership No:40032
 Place : Mumbai
 Dated : 10th July, 2012



For and on behalf of

Ventura Securities Limited



Hemant Majethia
Director

Place : Mumbai
 Dated : 10th July, 2012



Sajid Malik
Director

VENTURA GUARANTY LIMITED

Consolidated Cash Flow Statement for the year ended 31st March 2012

| Particulars | 31st March 2012 | 31st March 2011 |
|---|----------------------|---------------------|
| | Amount | Amount |
| | ₹ | ₹ |
| A. Cash Flow from Operating activities | | |
| Net profit after tax | 32,866,179 | 30,353,892 |
| Adjustments for: | | |
| Tax | 16,978,433 | 16,513,034 |
| Net Profit before tax and extraordinary Items | 49,844,612 | 46,866,926 |
| Adjustments for : | | |
| Depreciation | 17,748,540 | 22,810,786 |
| Profit on sale of Current Investments | (253,456) | (1,799) |
| Wealth Tax Expenses | 100,000 | 35,000 |
| Share of Minority | 1,423,108 | |
| Share of Profit of Associate company | (753,774) | (57,591) |
| Loss on Assets Sold/Scrapped | 587,593 | 149,236 |
| Investment Written off | - | 1,254,642 |
| Dividend received on Current Investments | (167,559) | (1,298,932) |
| Interest paid | 2,764,370 | 6,248,207 |
| Interest received | (52,962,772) | (38,634,381) |
| Operating profit before working capital changes | 18,330,662 | 37,372,094 |
| Adjustment for: | | |
| Trade Receivables | (78,679,590) | (79,870,913) |
| Loans & Advances | 10,739,400 | (19,434,140) |
| Trade Payables and Other Liabilities | (146,441,379) | 434,193,504 |
| Provisions | 1,542,245 | 2,686,151 |
| Cash generated from Operations | (194,508,662) | 374,946,696 |
| Tax paid (Net) | (20,635,199) | (18,048,823) |
| Net Cash from Operating Activities | (215,143,861) | 356,897,874 |
| B. Cash Flow from investing activities | | |
| Purchase of Fixed Assets | (9,815,702) | (22,809,914) |
| Purchase of Investments | (25,280,838) | (418,784,642) |
| Sale of Fixed Assets | | 448,000 |
| Sale of Investments | 25,534,062 | 418,967,318 |
| Dividend received on Current Investments | 167,559 | 1,298,932 |
| Net Cash from Investing Activities | (9,394,920) | (20,890,306) |
| C. Cash Flow from Financing Activities | | |
| Interest received | 53,627,955 | 35,684,885 |
| Interest paid | (2,764,370) | (5,224,874) |
| Arrears money of Equity shares received | 56,800 | |
| Repayment/Proceeds of Long Term Loan | - | (394,366) |
| Net Cash from Financing Activities | 50,922,386 | 30,065,645 |
| Net Increase in Cash & Cash Equivalents (A+B+C) | (173,616,395) | 366,073,213 |
| Net increase in Cash and Cash equivalents | (173,616,395) | 366,073,213 |
| Cash and Bank balances at beginning of period | 900,859,765 | 534,786,552 |
| Cash and Bank balances at end of period | 727,243,370 | 900,859,765 |
| Cash & Bank Balance comprise | | |
| Cash in Hand | 695,334 | 1,216,452 |
| Balance with Banks | 726,548,035 | 899,643,313 |
| includes fixed deposits of ₹ 521,343,546/- Previous Year ₹ 643,292,661/- (Fixed deposits pledged against Bank Guarantee is ₹ 300,000,000/- Previous Year ₹ 250,017,000/-) | | |
| Cash & Cash Equivalents as at the end of the year | 727,243,370 | 900,859,765 |

Note: The Optionally Convertible Debenture has been converted into 650,000 Equity Shares @ ₹ 10/- each at a premium of ₹ 90/- per share

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



D B Dixit
(Proprietor)
Membership No. 40032
Place : Mumbai
Dated : 10th July, 2012



For and on behalf of
Ventura Guaranty Limited


Hemant Majethia
(Director)


Sajid Malik
(Director)

Place : Mumbai
Dated : 10th July, 2012

VENTURA GUARANTY LIMITED

NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

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 unrealised 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 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 has been considered in the consolidated financial statements:

| Name of the Entity | Nature of Relationship | Country of Incorporation | Extent of holding as on 31 st March 2012 |
|------------------------------------|------------------------|--------------------------|---|
| Ventura Securities Ltd | Subsidiary | India | 82.29% |
| Ventura Insurance Brokers' Limited | Step down Subsidiary | India | 100% |



VENTURA GUARANTY 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 st March 2012 |
|---|------------------------|--------------------------|---|
| Kashmira Investment & 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. 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 is 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.
- iv) Dividend income is recognized when right to receive is established.
- v) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) All other income is recognized on accrual basis.

2. Expenditure

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



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.

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.

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**

Long Term Investments are stated at cost. Provision for diminution is made, if in the opinion of the management such a decline is other than temporary.

Current Investments are stated at lower of Cost or Fair Value.

h) **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

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 Company 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 Company. 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.



[Handwritten signature]

VENTURA GUARANTY LIMITED

- 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 & loss in the period in which the contribution is due. Both the employee and the Company 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 & loss.

i) 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 Statement of Profit & 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 Statement of Profit & Loss.

j) Earning 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.

k) 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.

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.



Two handwritten signatures in black ink, one above the other, positioned to the right of the stamp.

VENTURA GUARANTY LIMITED

l) 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 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.

m) 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.

n) 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 LIMITED
NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

NOTE 3: SHARE CAPITAL

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|---------------------|------------------------|
| Authorised Share Capital: 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 |
| | 100,000,000 | 100,000,000 |
| Issued, Subscribed and Fully Paid up Share Capital: 3,194,800 Equity shares of ₹ 10/- Fully paid up (P. Y. 3,194,800 Equity Shares of ₹ 10/- each fully paid up) Less: Calls In Arrears | 31,948,000 | 31,948,000 (58,800) |
| Total Issued, Subscribed and Fully Paid up Shares: | 31,948,000 | 31,889,200 |

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

EQUITY SHARES

| Particulars | Equity Shares | | Equity Shares | |
|---|---------------|------------|---------------|------------|
| | 31.03.2012 | | 31.03.2011 | |
| | 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.

C] Names of Shareholders holding more than 5% of Shares

| Class of Shares/Name of the Shareholders | As on 31.03.2012 | | As on 31.03.2011 | |
|--|----------------------|--------------------|----------------------|--------------------|
| | % 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 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| Securities Premium Account Received during the year | 51,647,612 | - |
| Closing Balance (Share premium on 650,000 equity shares @ ₹ 90/- per share, converted from Optionally convertible debenture of ₹ 100/- each) | 51,647,612 | - |
| Capital Reserve (on consolidation) | 3,167,184 | 3,167,184 |
| General Reserve Balance as per last Balance Sheet | 27,275,000 | 27,275,000 |
| Add: Transfer for the year | 1,800,000 | - |
| Less: Adjustment on account of change in stake of subsidiary | 3,405,696 | - |
| Closing Balance | 25,669,304 | 27,275,000 |
| Surplus/ (deficit) in the statement of profit & loss Balance as per last Balance Sheet | 256,967,171 | 226,613,279 |
| Add: Profit for the year | 32,866,179 | 30,353,892 |
| Less: Adjustment on account of change in stake of subsidiary | 30,082,266 | - |
| Less: Appropriations Proposed Dividend | - | - |
| Tax on Proposed Dividend | 900,212 | - |
| Amount transferred to General Reserve | 1,800,000 | - |
| Share of Minority Interest | - | - |
| Net Surplus in the statement of profit & loss | 257,050,872 | 256,967,171 |
| | 337,534,972 | 287,409,355 |

NOTE 5: LONG TERM PROVISIONS

(in ₹)

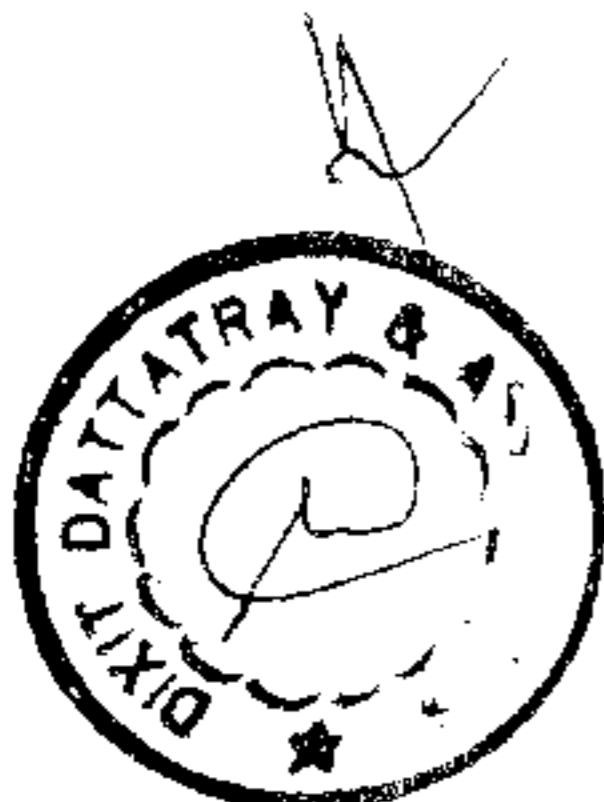
| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|---------------------|---------------------|
| Provision for Employee benefits (Refer Note No. 29) Gratuity | 8,602,672 | 8,090,090 |
| | 8,602,672 | 8,090,090 |

NOTE 6: SHORT-TERM BORROWINGS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| Unsecured Loan From Director / Shareholder* | 735,000 | 735,000 |
| Inter Corporate Deposits* | 17,700,000 | 17,700,000 |
| Unsecured Debentures NIL (P.Y. 650,000) 9% Optionally Convertible Debentures of ₹ 100/- each (Issued on 14/07/2009 for 24 months, convertible into one fully paid up shares of ₹ 10/- each at a premium of ₹ 90 at any point of time within 24 months of allotment of the debenture at the option of the investor or on completion of the 24 months) | 65,000,000 | 65,000,000 |
| | 18,435,000 | 83,435,000 |

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



NOTE 7: TRADE PAYABLES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|------------------------|---------------------|---------------------|
| Trade and Margin Money | 637,331,535 | 811,341,649 |
| | 637,331,535 | 811,341,649 |

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) ₹637,331,883/- (Previous year ₹811,514,928/-) 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.

NOTE 8: OTHER CURRENT LIABILITIES

(in ₹)

| Particulars ² | As on 31.03.2012 | As on 31.03.2011 |
|---|---------------------|---------------------|
| Current maturities of long-term debt [refer note (a) below] | - | 229,223 |
| Trade Deposits | 115,367,820 | 93,321,906 |
| Other Payables | 55,326,306 | 50,680,441 |
| | 171,694,126 | 144,231,570 |
| Other Payables Includes: | | |
| Statutory Liabilities | 16,397,022 | 17,189,799 |
| Sundry Creditors for Capital Expenditure | 194,044 | 862,859 |
| Stock Exchange Dues | 2,813,830 | 2,874,205 |

(a) Vehicle loans under vehicle finance from financial institutions amount to ₹ NIL (Previous Year ₹ 229,223/-) carrying interest rate 11.6% secured by hypothecation of vehicle acquired by utilising the said loan.

NOTE 9: SHORT TERM PROVISIONS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|---------------------|---------------------|
| (a) Provision for employee benefits (Refer Note No. 29) | | |
| Gratuity | 955,852 | 898,899 |
| Compensated Absence | 972,710 | |
| (b) Others | | |
| Proposed Dividend | 650,000 | |
| Provision for tax on Dividend | 900,212 | |
| Provision for Taxation (Net of Advance Tax) | 2,003,331 | 1,138,774 |
| | 5,482,105 | 2,037,673 |

NOTE 11: NON-CURRENT INVESTMENTS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| Long Term Investments | | |
| Trade Investments | | |
| (a) In Associate Company | | |
| Kashmira Investments & Leasing Pvt. Ltd. 497,000 (P.Y. 497,000) of ₹ 10/-each fully paid up | 13,936,549 | 13,182,775 |



VENTURA SECURITIES LIMITED

Note : 10 Fixed Assets

| SR. NO. | Description of Asset | Gross Block | | | | | Depreciation | | | Net Block | |
|----------|--------------------------|--------------------|------------------|------------------|--------------------|-------------------|----------------------------------|-------------------|--------------------|-------------------|-------------------|
| | | As at 01/04/2011 | Additions | Sales / Deletion | As at 31/03/2012 | As at 01/04/2011 | Depreciation in Sales / Deletion | For the period | As at 31/03/2012 | As at 31/03/2012 | As at 31/03/2011 |
| A | TANGIBLE ASSETS | | | | | | | | | | |
| 1 | Building Premises | 8,245,750 | | | 8,245,750 | 657,265 | | 134,406 | 791,671 | 7,454,079 | 7,588,485 |
| 2 | Plant & Equipments | 58,712,905 | 2,442,169 | 106,180 | 61,048,894 | 41,859,536 | 60,040 | 3,948,253 | 45,747,749 | 15,301,145 | 16,853,369 |
| (A) | Computer Equipments | 14,845,245 | 2,803,844 | | 17,649,089 | 2,693,811 | | 803,798 | 3,497,609 | 14,151,479 | 12,151,434 |
| (B) | Office Equipment | | | | | | | | | | |
| 3 | Furniture & Fixtures | 7,905,199 | 980,713 | | 8,885,912 | 3,523,946 | | 400,560 | 3,924,506 | 4,961,406 | 4,381,753 |
| 4 | Leasehold Improvements | 41,367,995 | 325,913 | | 41,693,908 | 22,725,740 | | 8,678,783 | 31,404,523 | 10,289,385 | 18,642,255 |
| 5 | Motor Car | 12,732,798 | | | 12,732,798 | 6,077,971 | | 986,416 | 7,064,387 | 5,668,411 | 6,654,827 |
| | TANGIBLE ASSETS | 143,809,892 | 6,552,639 | 106,180 | 150,256,351 | 77,538,270 | 60,040 | 14,952,216 | 92,430,445 | 57,825,905 | 66,271,623 |
| B | INTANGIBLE ASSETS | | | | | | | | | | |
| 1 | Computer Softwares | 24,946,576 | 3,263,063 | 780,500 | 27,429,139 | 13,229,716 | 132,867 | 2,796,324 | 15,893,173 | 11,535,966 | 11,716,860 |
| | INTANGIBLE ASSETS | 24,946,576 | 3,263,063 | 780,500 | 27,429,139 | 13,229,716 | 132,867 | 2,796,324 | 15,893,173 | 11,535,966 | 11,716,860 |
| | Total | 168,756,468 | 9,815,702 | 886,680 | 177,685,490 | 90,767,985 | 192,907 | 17,748,540 | 108,323,618 | 69,361,871 | 77,988,483 |
| | Current Year's | 143,102,412 | 22,809,914 | 1,092,544 | 164,819,782 | 64,547,814 | 495,308 | 22,778,793 | 86,831,299 | 77,988,483 | 78,554,598 |
| | Previous Year's | | | | | | | | | | |



NOTE 11: Non-Current Investments (cont.....)

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| Non Trade Investments - Unquoted at cost | | |
| (a) Investments in Equity Instruments | | |
| Subsidiary | | |
| Ventura Securities Limited | - | - |
| 4,899,160 (P.Y. 4,899,160) Equity Shares of ₹ 10/-each fully paid up | | |
| Ventura Insurance Brokers Ltd. (100% Subsidiary) | - | - |
| 50,000 (P.Y. 50,000) Equity Shares of ₹ 10/-each fully paid up | | |
| Others | | |
| Multiflex Lamiprint Ltd | 25,837,800 | 25,837,800 |
| 1,320,000 (P.Y. 1,320,000) Equity Shares of ₹ 10/-each fully paid up | | |
| Associated Hotels Ltd. | 492,800 | 492,800 |
| 17,600 (P.Y. 17,600) Equity Shares of ₹ 10/-each fully paid up | | |
| Nivi Trading Ltd | 603,000 | 603,000 |
| 50,000 (P.Y. 50,000) Equity Shares of ₹ 10/-each fully paid up | | |
| | 40,870,149 | 40,116,375 |

NOTE 12: DEFERRED TAX ASSETS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|-------------------------------|---------------------|---------------------|
| Deferred Tax Assets | | |
| Depreciation and Amortisation | (2,957,139) | (3,957,669) |
| Employee Benefits | 3,147,196 | 3,196,331 |
| Others | 2,292,506 | 2,075,175 |
| | 2,482,563 | 1,313,837 |

Net Deferred Tax Assets of ₹ 1,168,725/- for the current year have been recognized in the statement of profit & loss
(Previous year - ₹ 3,465,311/-).

NOTE 13: LONG-TERM LOANS & ADVANCES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---------------------------------|---------------------|---------------------|
| (A) Capital advances | | |
| Unsecured, considered good | 2,500,000 | 2,123,875 |
| Total | 2,500,000 | 2,123,875 |
| (B) Security deposits | | |
| Unsecured, considered good | | |
| Deposits With Stock Exchanges | 16,695,000 | 13,769,701 |
| Other Deposits | 15,456,873 | 18,317,070 |
| (C) Loans & Advances | | |
| Unsecured, considered good | | |
| Loans & Advances | 300,000 | 300,000 |
| Total | 32,451,873 | 32,386,771 |
| Total (A+B) | 34,951,873 | 34,510,646 |



24

12

NOTE 14: TRADE RECEIVABLES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---|---------------------|---------------------|
| Non-Current | | |
| 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 | 7,190,428 | |
| | 7,190,428 | - |
| Current | | |
| Trade Receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Unsecured | | |
| Considered Good | 47,319,180 | 24,999,194 |
| Other Trade Receivables | | |
| Unsecured | | |
| Considered Good | 251,883,612 | 202,714,436 |
| | 299,202,792 | 227,713,630 |

NOTE 15: CURRENT INVESTMENTS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| Non Trade Investments - Quoted | | |
| Investments in Mutual Funds | | |
| 494.573 (P.Y. 378,230) Units of HDFC Cash | | |
| Management Fund - Treasury Advantage Plan - Retail | | |
| - Daily Dividend - Reinvest option | 5,193 | 4,961 |
| | 5,193 | 4,961 |

NOTE 16: CASH AND BANK BALANCES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|--|---------------------|---------------------|
| (a) Cash & Cash Equivalents | | |
| Cash on hand | 695,334 | 1,216,452 |
| Balances with Banks | | |
| In Current Accounts | 205,204,489 | 256,350,652 |
| | 205,899,824 | 257,567,104 |
| (b) Other Bank Balances | | |
| Deposit accounts with less than 12 months maturity | 221,343,546 | 393,275,661 |
| Balances with banks held as margin money deposits against guarantees | 300,000,000 | 250,017,000 |
| | 521,343,546 | 643,292,661 |



NOTE 17: SHORT-TERM LOANS & ADVANCES

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|-----------------------------------|---------------------|---------------------|
| Unsecured, considered good | | |
| Loan to subsidiary | | |
| Loans & Advances | | |
| Loan to Other Body Corporates | 17,525,891 | 31,557,944 |
| Prepaid Expenses | 14,315,444 | 12,884,482 |
| Loans & Advances to Employees | 5,087,665 | 3,471,633 |
| Other Advances | 6,475,594 | 6,671,162 |
| Total | 43,404,594 | 54,585,221 |

NOTE 18: OTHER CURRENT ASSETS

(in ₹)

| Particulars | As on 31.03.2012 | As on 31.03.2011 |
|---------------------------------------|---------------------|---------------------|
| Interest Accrued but not Due | 9,323,366 | 9,988,549 |
| Advance Income Tax (Net Of Provision) | 23,590,713 | 20,341,377 |
| Fringe Benefit Tax (Net Of Provision) | 1,014,956 | 1,011,693 |
| Total | 33,929,035 | 31,341,619 |

NOTE 19: REVENUE FROM OPERATIONS

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|---|--------------------|--------------------|
| (a) Income from Brokerage and Depository services | 499,329,815 | 574,919,499 |
| (b) Financial Products Distribution | 20,117,829 | 21,039,461 |
| (c) Other Operating Income | 2,260,362 | |
| | 521,708,006 | 595,958,960 |

NOTE 20: OTHER INCOME

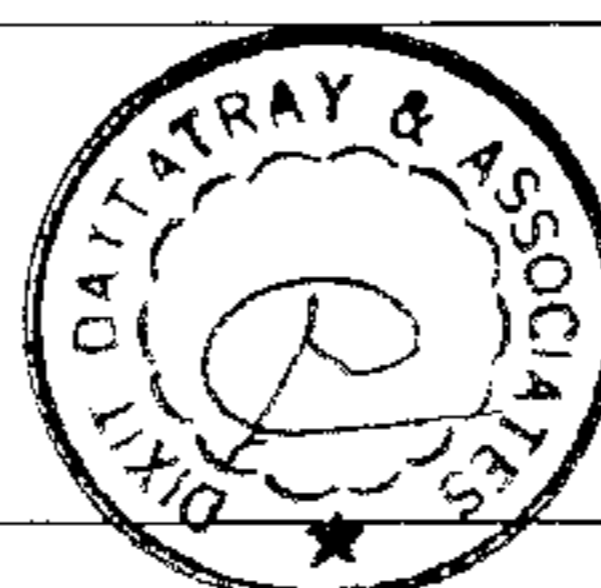
(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|--|-------------------|-------------------|
| (a) Interest Income on: | | |
| Bank Deposits | 48,472,515 | 25,306,919 |
| Others | 4,490,257 | 18,327,462 |
| (b) Dividend Income; | | |
| Current Investments | 167,559 | 1,298,932 |
| (c) Net gain/loss on sale of investments | 253,456 | 1,799 |
| (d) Income on Arbitrage | 18,753 | |
| (e) Miscellaneous Income | 79,397 | 265,173 |
| | 53,481,937 | 40,200,285 |

NOTE 21 : OPERATING EXPENSES

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|--|--------------------|--------------------|
| (a) Sub Brokerage and Commission | 135,602,246 | 216,034,377 |
| (b) Administration Charges of Franchisee | 22,553,862 | 28,125,858 |
| (c) Depository Transaction Charges | 4,964,633 | 6,115,777 |
| Total | 163,120,741 | 250,276,012 |



NOTE 22: EMPLOYEE BENEFIT EXPENSES

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|---|--------------------|--------------------|
| (a) Salaries and wages | 159,822,940 | 140,433,907 |
| (b) Contribution to provident and other funds | 4,203,243 | 2,548,236 |
| (c) Staff welfare expense | 7,872,119 | 6,535,727 |
| (d) Gratuity Expenses (Refer Note No. 29) | 694,907 | 2,975,643 |
| (e) Compensated Absence | 4,139,388 | 2,838,449 |
| | 176,732,597 | 155,331,962 |

NOTE 23: FINANCE EXPENSES

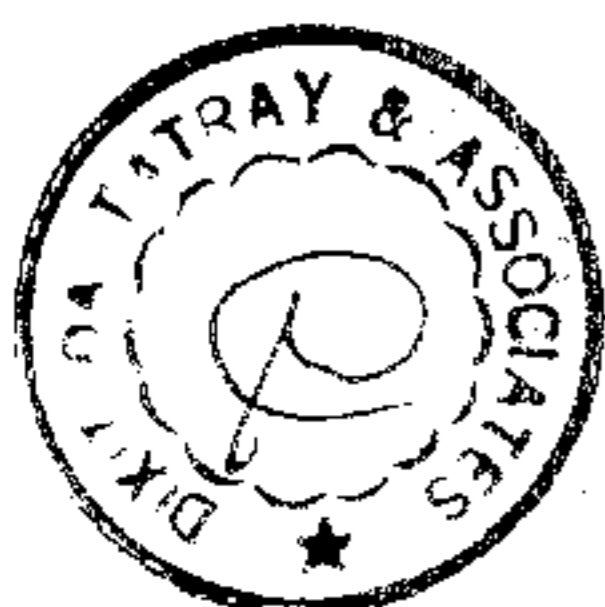
(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|----------------------------|-------------------|-------------------|
| (a) Interest Expense | 2,764,370 | 6,248,207 |
| (b) Bank Charges | 199,149 | 78,276 |
| (c) Bank Guarantee Charges | 7,513,190 | 4,496,711 |
| | 10,476,708 | 10,823,194 |

NOTE 24: OTHER EXPENSES

(in ₹)

| Particulars | 2011 - 12 | 2010 - 11 |
|--|--------------------|--------------------|
| (a) Electricity Expenses | 8,639,837 | 8,905,973 |
| (b) Rent | 33,941,195 | 28,838,290 |
| (c) Repairs to buildings | 931,368 | 550,801 |
| (d) Repairs to machinery | 12,481,427 | 21,700,116 |
| (e) Repairs to Others | 526,872 | 433,142 |
| (f) Communication expenses | 20,861,686 | 18,209,238 |
| (g) Travelling and Conveyance Expenses | 14,955,194 | 12,188,115 |
| (h) Legal and Professional Fees | 11,063,662 | 10,061,667 |
| (i) Stock Exchange Charges | 1,453,615 | 232,455 |
| (j) Stamps / Documentation charges | 4,823,849 | 6,001,499 |
| (k) Service Tax | 5,008,616 | 4,985,965 |
| (l) Advertisement Expense | 196,354 | 504,999 |
| (m) Business Development Charges | 18,260,381 | 16,570,945 |
| (n) Printing & Stationery | 6,355,029 | 6,678,213 |
| (o) Payment to auditor | | |
| For Statutory Audit | 505,000 | 405,000 |
| For Tax Audit | 55,000 | 55,000 |
| For Other services | 152,500 | 150,000 |
| (p) Loss on Assets Sold/Scrapped | 587,593 | 149,236 |
| (p) Loss on Investment | - | 1,254,642 |
| (q) ROC Filing Fees | 13,000 | - |
| (r) Preliminary Expenses | - | 178,300 |
| (r) Listing Fee | 468,875 | 24,266 |
| (s) Courier & Postage Charges | 4,420,149 | 4,506,319 |
| (t) Bad debts | 1,799,545 | - |
| (u) Other expenses | 9,096,664 | 7,523,772 |
| | 156,597,411 | 150,107,956 |



VENTURA GUARANTY LIMITED

25. Contingent liabilities and Commitments

a) Contingent liabilities

i) Guarantees issued by the banks:

| Stock Exchanges | 31st March 2012 Amount (₹) | 31st March 2011 Amount (₹) |
|--|--|--|
| National Stock Exchange – Cash Segment | 147,500,000 | 76,500,000 |
| National Stock Exchange – F&O Segment | 282,500,000 | 253,500,000 |
| Bombay Stock Exchange – Cash Segment | 170,000,000 | 170,000,000 |

ii) The bank guarantees have been secured by personal guarantees of the directors, corporate guarantee of the parent company and fixed deposits of ₹ 300,000,000/- (P. Y. ₹ 250,017,000/-).

iii) Claims against the Company not acknowledged as debts are ₹ 6,071,000/- (P.Y. ₹ 1,942,000/-).

b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 10,500,000/- (P.Y. ₹ 977,000/-).

c) No provision has been made in respect of disputed Income Tax dues of ₹ 1,877,268/- (P.Y. ₹ 1,426,642/-) 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 & 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 Company has also taken some other assets under operating lease.

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

| Minimum Lease Rental | 31st March 2012 Amount (₹) | 31st March 2011 Amount (₹) |
|-----------------------------|--|--|
| Upto one year | 3,920,479 | 8,000,873 |
| One to five years | 2,089,871 | 3,225,964 |
| Over five years | - | - |

26. Details of Directors Remuneration are as under:

| | 31st March 2012 | | 31st March 2011 | |
|----------------------|-----------------------------------|-------------------------|-----------------------------------|-------------------------|
| | Amount (₹) | | Amount (₹) | |
| | Hemant Majethia | Juzer Gabajiwala | Hemant Majethia | Juzer Gabajiwala |
| Salaries | 5,000,000 | 1,798,000 | 4,800,000 | 1,864,375 |
| House Rent Allowance | - | 852,000 | - | 852,000 |
| Other Allowances | - | 156,000 | - | 232,008 |
| Value of Perquisites | 39,600 | 39,600 | 39,600 | 21,600 |
| Total | 5,039,600 | 2,845,600 | 4,839,600 | 2,969,983 |



Handwritten signature and initials.

VENTURA GUARANTY LIMITED

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

27. Expenditure in Foreign Currency:

| Expenditure (at actuals) | 31 st March 2012 | 31 st March 2011 |
|-------------------------------|-----------------------------|-----------------------------|
| | Amount (₹) | Amount (₹) |
| Business Development Expenses | - | 1,134,480 |

28. Exchange Differences

During the year, realized and unrealized exchange loss (net) amounting to ₹ 117,400/- (Previous Year exchange loss of ₹ 55,229/-) is included in the consolidated financial statements. There are no forward exchange contracts/options outstanding as on 31st March, 2012.

29. 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 ₹ 9,558,524/- (Previous Year ₹ 8,988,989/-) and Compensated Absence liability of ₹ 972,775/- (Previous Year ₹ NIL) 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 Profit & Loss account for the period in which they occur.

Principal actuarial assumptions:

| | Gratuity | | (In ₹) |
|-------------------|-----------------------------|-----------------------------|-----------------------------|
| | 31 st March 2012 | 31 st March 2011 | 31 st March 2012 |
| Increment Rate: | 4% p.a. | 6% p.a. | 4% p.a. |
| Discounting Rate: | 8% p.a. | 8% p.a. | 8% p.a. |

Balance sheet Statement:

| | | | |
|---|-----------|-----------|---------|
| Present value of the obligation at 31.03.2012 | 9,558,524 | 8,988,989 | 972,710 |
| Fair Value of plan assets at 31.03.2012 | Nil | Nil | Nil |
| Un-funded Liability at 31.03.2012 | 9,558,524 | 8,988,989 | 972,710 |
| Unrealized actuarial gains/losses | Nil | Nil | Nil |
| Un-funded Liability recognized in Balance Sheet | 9,558,524 | 8,988,989 | 972,710 |



VENTURA GUARANTY LIMITED

Profit and Loss Statement:

| | | | |
|--|-------------|-----------|-----------|
| Interest Cost from 01.04.2011 to 31.03.2012 | 719,119 | 504,227 | NIL |
| Service Cost from 01.04.2011 to 31.03.2012 | 2,559,669 | 2,111,635 | 3,746,697 |
| Actual return on plan assets from 01.04.2010 to 31.03.2012 | N.A. | N.A. | N.A. |
| (Gain)/Loss recognized as on 31.03.2012 | (2,583,881) | 70,289 | 1,258,431 |
| Net Loss to be shown in Statement of P&L as expense | 694,907 | 2,686,151 | 5,005,128 |

Reconciliation of Benefit Obligations:

| | | | |
|---|-------------|-----------|-------------------|
| Liability at the beginning of the year | 8,988,989 | 6,302,838 | NIL |
| Interest Cost | 719,119 | 504,227 | NIL |
| Current Service Cost | 2,559,669 | 2,111,635 | 3,746,697 |
| Benefit Paid | NIL | NIL | 4,032,418 |
| Actuarial (Gain)/Loss on Obligation | (2,583,881) | 70,289 | 1,258,431 LOSS |
| Amount recognized and disclosed under the head 'Provision for Employees Benefits' | 9,558,524 | 8,988,989 | 972,710 |

30. 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) Ventura Commodities Private Ltd. b) Kashmira Investments & Leasing Pvt. Ltd. c) Genesys International Corporation Ltd. |
| II) | Key Management Personnel | a) Mr. Hemant Majethia b) Mr. Sajid Malik c) Mr. Juzer Gabajiwala |
| III) | Relatives of Key Management Personnel | a) Mrs. Shazia Sajid Malik b) Mr. Sohel Malik c) Mrs. Saroja Malik d) Mrs. Fatima Gabajiwala |



VENTURA GUARANTY LIMITED

ii) Details of Transactions with the Related Parties

| | Nature Of Transaction | Associate Enterprise Amount (₹) | Key Management Personnel Amount (₹) | Relatives of Key Management Personnel Amount (₹) |
|--------------|--|---------------------------------|-------------------------------------|--|
| 1 | Securities Traded Value: | | | |
| | Hemant Majethia | | 12,662,032 | |
| | Sajid Malik | | (3,488,095) | |
| | Juzer Gabajiwala | | (2,305,166) | |
| | Shazia Sajid Malik | | 2,643,120 | |
| | Sohel Malik | | (4,554,368) | |
| | Fatima Gabajiwala | | | 49,878 |
| 2 | Kashmira Investments & Leasing Pvt. Ltd. | 33,216,115 | | (783,549) |
| | | (697,519,038) | | 1,678,141 |
| | Brokerage Earned: | | | (5,765,732) |
| | Hemant Majethia | | 68,953 | 2,891,295 |
| | Sajid Malik | | (8,740) | (5,002,106) |
| | Juzer Gabajiwala | | (58,019) | |
| | Fatima Gabajiwala | | 5,856 | |
| 3 | Shazia Sajid Malik | | (11,495) | 11,113 |
| | Sohel Malik | | | (13,738) |
| | Kashmira Investments & Leasing Pvt. Ltd. | 1,497 | | 150 |
| | | (49,285) | | (2,340) |
| | Rent Paid: | | | 5,030 |
| Sajid Malik | | 840,000 | | (17,251) |
| Saroja Malik | | (840,000) | | |
| 4 | Remuneration Paid: | | | |
| | Mr. Hemant Majethia | | 5,000,000 | |
| | Mr. Juzer Gabajiwala | | (4,800,000) | |
| | | | 2,806,000 | |
| | | | (2,948,383) | |
| | | | | 3,000,000 |
| | | | | (2,640,000) |

W



VENTURA GUARANTY LIMITED

31. Earnings Per share:

| Basic and Diluted | 31 st March 2012 | 31 st March 2011 |
|--|-----------------------------|-----------------------------|
| 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) | 32,866,178 | 30,353,893 |
| Net profit after tax (diluted) | 32,866,178 | 30,353,893 |
| Basic earnings per share (₹) | 10.29 | 9.50 |
| Diluted earnings per share (₹) | 10.29 | 9.50 |
| Nominal Value per share (₹) | 10 | 10 |

32. 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 consolidated 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/.

33. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of the consolidated financial statements. This has significantly impacted the disclosures and presentation made in the consolidated financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

Signature to Notes 1 to 33
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




Hemant Majethia
Director

For and on behalf of
Ventura Guaranty Limited


Sajid Malik
Director

Place : Mumbai
Dated : 10th July, 2012

Place : Mumbai
Dated : 10th July, 2012

**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 |
| 2. | Financial year of the subsidiary Company ended on | : | 31 st March, 2012 | 31 st March, 2012 |
| 3. | Holding Company's Interest | | | |
| | Number of shares – Equity Shares | : | 4,899,160 | 500,000 |
| | Extent of holding | : | 88.29% | 100% |
| 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) for the financial year of the subsidiary | : | 24,360,410 | (16,104) |
| | (ii) for the previous financial years of the subsidiary since it became the Holding Company's subsidiary | : | 217,326,132 | (179,403) |
| 5. | Net aggregate amounts of the profits/(losses) of the subsidiary dealt with in the Holding Company's accounts | | | |
| | (i) for the financial year of the subsidiary | : | 4,899,160 | Nil |
| | (ii) for the previous financial years of the subsidiary since it became the Holding Company's subsidiary. | : | 19,596,360 | Nil |

ON BEHALF OF THE BOARD OF DIRECTORS



SAJID MALIK **HEMANT MAJETHIA**
DIRECTOR **DIRECTOR**
 Mumbai, 10th July 2012

VENTURA GUARANTY LIMITED

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

ATTENDANCE SLIP

Regd. Folio No. Client ID.....

No. of Shares held.....

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

I hereby record my presence at the **Annual General Meeting** of the Company at A-107, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079 on Wednesday, September 30, 2009 at 5.30 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 LIMITED

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

PROXY FORM

Regd. Folio No. Client ID.....

No. of Shares held.....

I/We _____ of _____ being a Member / Members of the Company, hereby appoint _____ of _____ or falling him / her _____ of _____ as my/our proxy to vote for me / us on my / our behalf at the

Annual General Meeting of the Company to be held at A-107,, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079 on Wednesday, September 30, 2009 at 5.30 p.m. or at any adjournment(s) thereof.

Signed this _____ day of September 2009 Signature _____

Rupee 1
Revenue
Stamp

Note: This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered office of the Company, not less than 48 hours before the meeting.