

VENTURA GUARANTY

NOTICE

Notice is hereby given that the Annual General Meeting of **Ventura Guaranty Limited** will be held on Friday, September 30, 2011 at 03.30 p.m. at C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079 to transact the following Ordinary business:

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2011 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 Mr. Sajid Malik, who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. Hemant Majethia, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) 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.”

For and on behalf of the Board of
Directors

Place: Mumbai
Dated: June 30, 2011


HEMANT MAJETHIA
DIRECTOR

VENTURA GUARANTY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, September 28, 2011 to Friday, September 30, 2011 (both days inclusive) for the purpose of Annual General Meeting.
3. 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.
4. Members seeking any information or clarification on the Annual Accounts of the company for the year ended March 31, 2011 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: June 30, 2011



HEMANT MAJETHIA

DIRECTOR

VENTURA GUARANTY

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present Company's Annual Report alongwith the Audited Accounts of your Company for the year ended March 31, 2011.

FINANCIAL RESULTS

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

(Amount in ₹)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Gross Income	465,746	8,330,989
Expenditure	1,375,501	8,409,995
Profit / (Loss) before Tax	(909,755)	(79,006)
Less: Provision for Income Tax	150,000	145,000
Less: Deferred Tax	2,392	(17,187)
Profit / (Loss) after Tax	(1,062,147)	(206,819)
Add: Balance brought forward from earlier years	27,599,435	27,806,254
Balance carried to Balance sheet	26,537,288	27,599,435

DIVIDEND:

During the year under review, no dividend has been recommended by the Directors.

BUSINESS PERFORMANCE:

During the year under review, the Gross Income of the Company decreased from ₹ 83.31 lakhs to ₹ 4.66 lakhs. Consequently, the loss of the company after tax increased from ₹ 2.07 lakhs to ₹10.62 lakhs.

SHARE CAPITAL

During the year under review, the authorised and paid up share capital of the Company remained unchanged in comparison to previous year.

SUBSIDIARY:

M/s. Ventura Securities Limited is a wholly owned subsidiary of your Company. M/s Ventura Securities Limited has made a Net Profit of ₹ 31,537,851/- for the year ended March 31, 2011.

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

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

VENTURA GUARANTY

As required under Section 212 of the Companies Act, 1956, the Auditors' Report together with the financial statements for the year ended March 31, 2011 of M/s Ventura Securities Ltd and Ventura Insurance Brokers Ltd, wholly owned subsidiary of Ventura Securities Ltd are appended to this report.

CONSOLIDATED FINANCIAL STATEMENTS:

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchanges, the consolidated financial statements have been prepared by the Company in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The audited consolidated financial statements together with Auditors Report form part of the Annual Report.

DIRECTORS:

Mr. Sajid Malik and Mr. Hemant Majethia, Directors of the Company retires by rotation and being eligible, offers themselves for re-appointment.

FIXED DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

PARTICULARS OF EMPLOYEES

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

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

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.

AUDITORS:

M/s. Dixit Dattatray & Associates, Chartered Accountants, the Statutory Auditors of the Company, bearing ICAI Registration No.102665W will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. 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.

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

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

VENTURA GUARANTY

DIRECTORS' RESPONSIBILITY STATEMENT


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

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Banks and Statutory Authorities.

ON BEHALF OF THE BOARD OF DIRECTORS


SAJID MALIK
DIRECTOR


HEMANT MAJETHIA
DIRECTOR

Mumbai, June 30, 2011

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



Compliance Certificate
U/s.383 (A)(1) of the Companies Act, 1956

CIN: L29299MH1984PLC034106

Authorised Capital :Rs.100,000,000/-
Paid-Up Capital : Rs.31,889,200/-

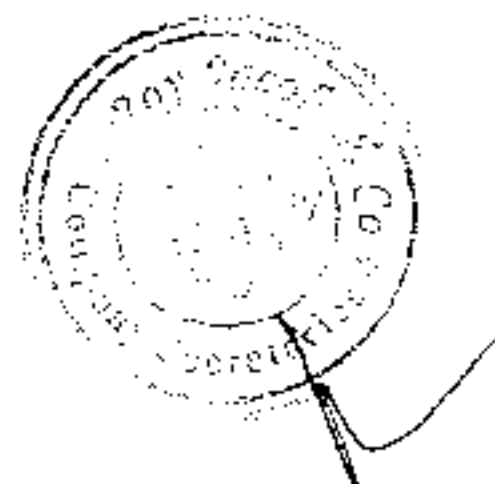
To,

The Members
Ventura Guaranty Limited
Dhannur, E 15, Sir P. M. Road,
Fort, Mumbai – 400001.

I have examined the registers, records, books and papers of M/s **Ventura Guaranty Limited**, having its Registered office at Dhannur, E 15, Sir P.M. Road, Fort, Mumbai - 400001 as required to be maintained under the Companies Act, 1956, and the rules made there under and also under the provisions contained in the Memorandum and Articles of Association of the Company.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the financial year ended 31st March 2011:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company is a Public Limited Company and hence comments are not required.
4. The Board of Directors duly met during Seven times respectively on 25/05/2010, 11/06/2010, 20/07/2010, 02/09/2010, 23/10/2010, 13/12/2010 and 10/02/2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members or Debenture holders for the financial year ended on 31st March 2011.
6. The Annual General Meeting for the financial year ended 31st March 2010 was held on 30th September 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. The Company has not held any extra-ordinary meeting during the financial year.






8. The Company has not advanced any loan to its Directors and / or persons firms or companies referred in Specified in that section.
9. The Company has duly complied with the Provisions of section 297 of the Act in respect of contracts specified in the section.
10. The company has made necessary entries to be made in the register maintained under section 301 of the Act.
11. There were no instances falling within the purview of section 314 of the Act.
12. The Company has not issued any duplicate share certificates during the financial year under the review.
13. The Company:
 - i. has not made any allotment / transfer / transmission shares or securities during the year under review.
 - ii. has not deposited any amount of dividend in a separate bank account as no dividend was paid during the financial year.
 - iii. was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - iv. has no unpaid/unclaimed dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon for a period of seven years required to be transferred to Investor Education and Protection Fund.
 - v. duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company duly constituted. There were no appointment of Additional Directors, Alternate Directors and Directors to fill casual Vacancy.
15. The Company has not made any appointment of Managing Director /Whole Time Director/Manager during the year.
16. The Company has not appointed any sole-selling agents during the year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued shares/debentures/other securities allotted any shares during the financial year.



20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence not redeemed preference shares/debentures during the year.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposit as referred under sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. We have been informed that the Company has not made any borrowings during the financial year.
25. The Company has been made loans or advances or given guarantees or provided securities to other bodies corporate during the year under review in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was/were no prosecution was initiated against or show cause notices received by the Company for alleged offences under the Act and also no fines and penalties or any other punishment imposed on the company in such cases.
32. The Company has not received any security from its employees during the year under certification.
33. The Company has generally regular in depositing Employer's and Employee's Provident Fund with prescribed authorities as per Section 418 of the Act .

Place: Mumbai
Date: 30/06/2011

For *Roy Jacob & Co.*
company Secretaries

(Roy Jacob)
Proprietor
C. P. No.: 8220



Annexure A

Registers as maintained by the Company

1. Register of Members and share ledger u/s. 150 (1)
2. Board Meeting Minutes u/s 193
3. General Meeting Minutes u/s 193 & 196
4. Annual Accounts u/s 209.
5. Register of Fixed Assets u/s 227 (4) (A)
6. Register of Disclosure of Interest by Directors u/s 299
7. Register of Share Transfers.
8. Register of Directors, Managing Directors etc. u/s. 303 (1)
9. Register of Director's Share holding u/s. 307 (1)
10. Register of Contracts in which Directors are interested u/s 301 (1)

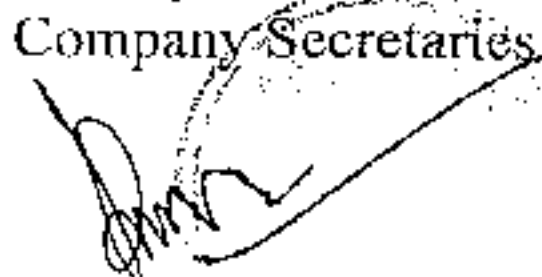
Annexure B

**Forms and Returns as filed by the Company with the Registrar of Companies / Regional Director/
Central Government during the year under report.**

Date of Filing	Document Filed	Financial year to which document related	SRN No.
10/11/2010	Form 66	2009-10	P59268789
24/01/2011	Form 23AC	2009-10	P65534653
25/01/2011	Form 20 B	2009-10	P65550493

Place: Mumbai
Date: 30/06/2011

For Roy Jacob & Co
Company Secretaries


(Roy Jacob)
Proprietor
C. P. No.: 8220

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The financial year 2010-11, saw credit growth restored across the World. India saw the return of over 8 per cent growth in Gross Domestic Product (GDP). The Indian economy continued to remain resilient owing to proactive actions on the part of the country's policymakers.

A loose monetary and fiscal regime helped boost demand and translated into strong economic growth in the last two years. The inflation figure stood at 9 per cent at the end of March 2011, 100 basis points (bps) above RBI's expectations, which have been revised twice. RBI raised interest rates nine times since March 2010 and the government announced containing fiscal deficit to 4.6 % of GDP for the current year.

INDIAN NBFC SECTOR

The consistent growth of the Indian economy, in turn resulted in the growth of Indian Financial Sector. To induce all inclusive growth, the Government of India has taken further initiatives for rural housing development and employment generation. Aforementioned factors resulted robust growth in the Indian NBFC space as it caters mainly to the financing needs of Indian rural and semi-urban areas. In retail finance, the share of NBFCs stood at 38 per cent in 2010-11, which is anticipated to match the market share of banks by the end of 2013.

OPPORTUNITIES

- 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 exposed to specific risks that are particular to its businesses and the environment within which it operates, including market risk, credit risk, operational risk, competition risk, liquidity and interest rate risk, regulatory risk, execution risk and economic cycle.

4

Market Risk

The financial services sector is affected by a variety of factors linked to 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

For credit and finance business, all proposals are considered only at the Board level. The Board also reviews the risk management processes covering credit and underwriting controls, operations, technology, compliance risks, etc.

Liquidity and Interest Rate Risk

There can be no guarantee that the Company will be able to raise debt on competitive terms, in the required quantum and in a cost effective manner. Any failure to do so may adversely impact the Company's business, its future financial performance and the price of its shares. The Company is also hedged to some extent against this risk through the variable interest clause in its advances portfolio.

Operational Risk

The Company may encounter operational and control difficulties when commencing businesses in new markets. 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.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has put necessary processes and system in place in order to effectively control and monitor its operations. Review of processes / outcome of processes take place on periodic basis by the Board of the Company. Having regard to the nature and size of the operations of the Company, the Board believes, the internal control processes in place, are adequate to take care of the current need.

FINANCIAL OVERVIEW

LIABILITIES AND ASSETS

Share Capital

As on March 31, 2011, the Issued, Subscribed And Paid-up Equity Share capital of the Company remains the same as per the previous Year at Rs. 3,18,89,200/-, comprising of 31,94,800 equity shares of Rs 10 each. The Calls in Arrears amounts to Rs. 58,800/-.

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. 2,65,37,288/- .

Secured and Unsecured Loans

The Company did not have any Secured Loans as on March 31, 2011. 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, 2011 include Debtors, Cash & Bank Balances And Loans & Advances, which stood at Rs. 1,08,18,573/-. Current Liabilities And Provisions was Rs. 1,01,937/- as on March 31, 2011. The balance represents Net Current Assets.



VENTURA GUARANTY

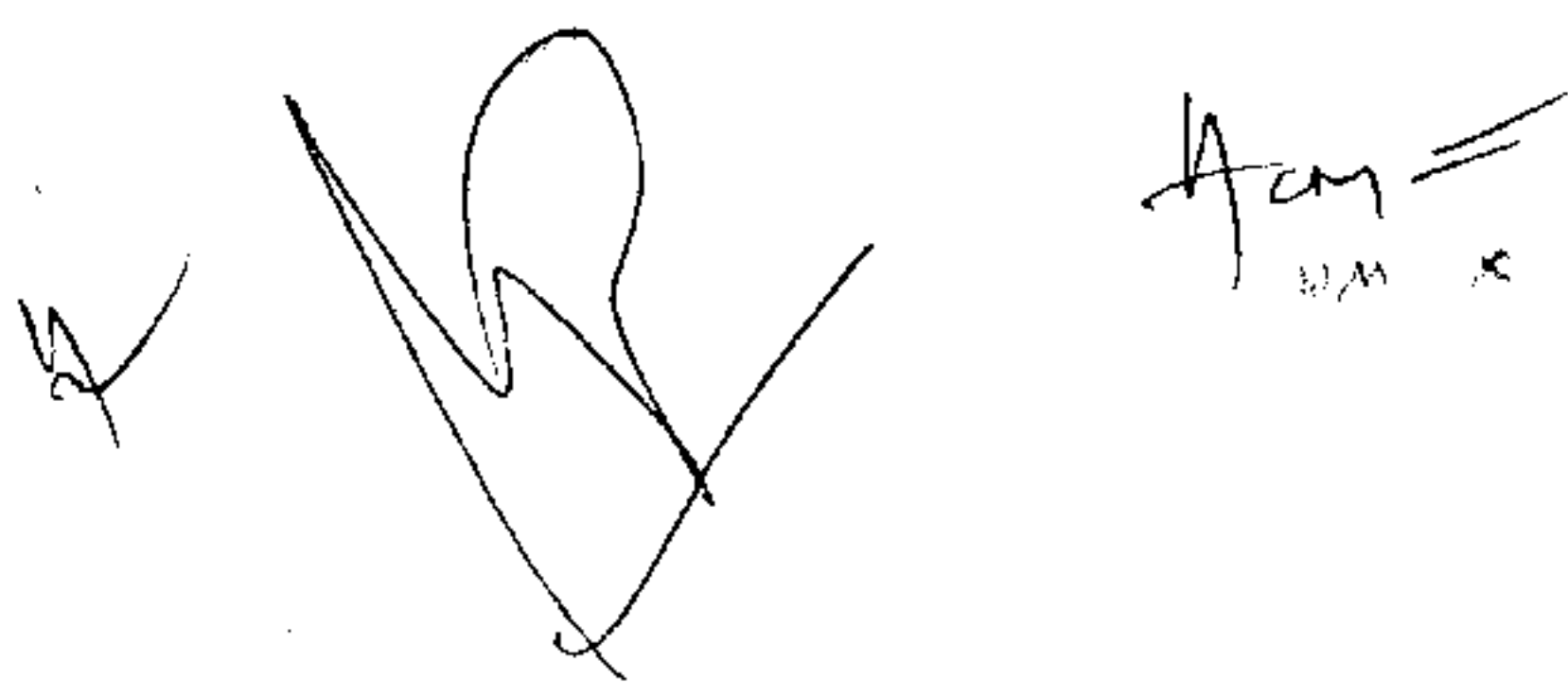
INCOME & EXPENDITURE

The table below presents consolidated results of operations as on March 31, 2011:

(Amt in Rs)	Year Ended March 31, 2011
Income	4,65,746
Expenditure	13,75,501
Loss Before Tax	9,09,755
Loss After Tax	10,62,147

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 the Company's operations. These include climate and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc. over which the Company does not have any direct control.

The image shows three handwritten signatures or initials in black ink. The first is a small, stylized mark on the left. The second is a large, bold, and somewhat abstract signature in the center. The third is a signature on the right that includes the name 'Ajay' followed by a horizontal line and some smaller, less legible characters below it.

VENTURA GUARANTY

CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company is in the process of initiating steps directed at achieving better standards in areas of its business operations and plans to adopt best governance practices and stick to its adherence in the true spirit

The Board considers itself as a trustee of its stakeholders including its shareholders and acknowledges its responsibilities towards them for safeguarding their interest.

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

BOARD OF DIRECTORS

Composition of the Board

The Company is managed and controlled through Board of Directors comprising of 6 Non-executive Directors all belonging to Promoter Group. The Company is in the process of reconstituting its Board of Directors to comply with the existing provisions of Clause-49 of the Listing Agreement.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees, across all the companies in which he is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

Attendance of each Director at the Board Meetings and the last Annual General Meeting during the year under review and details of number of outside Directorships and Committee position(s) held by each of your Directors as on date are given below:

Name of the Director	Category	No. of Board Meetings attended out of 7 Meetings held	Attendance at last AGM	Number of Directorship (s) held in other Public Limited Companies as on March 31, 2011	Number of Committee(s) position held in other Companies as on March 31, 2011	
					Member	Chairman
Mr. Sajid Malik DIN: 00400366	Non Executive Director	7	Yes	4	NIL	NIL

Mrs. Saroja Malik DIN: 00400421	Non Executive Director	5	Yes	2	2	NIL
Mr. Jaidev Shroff DIN: 00191050	Non Executive Director	0	No	14	1	NIL
Mrs. Sandra Shroff DIN: 00189012	Non Executive Director	0	No	9	NIL	NIL
Mr. Hemant Majethia DIN: 00400473	Non Executive Director	7	Yes	2	1	NIL
Mr. Kulinkumar Majethia DIN: 02448261	Non Executive Director	5	No	NIL	NIL	NIL

Details of Shareholdings

Details of Equity Shares held by Directors as on March 31, 2011

Name	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	652

Board Functioning & Procedures

The Board meets at desired intervals and the Company places all relevant matters of importance before the Board.

During the financial year ended March 31, 2011, seven (7) Board Meetings were held on May 25, 2010, June 11, 2010, July 20, 2010, September 2, 2010, October 23, 2010, December 13, 2010 and February 10, 2010. The interval between any two meetings was not more than four calendar months.

Brief Resume of Directors who are proposed to be re-appointed:

Abbreviated resume of the Directors of the Company seeking re-appointment

Name of Director	Mr. Sajid Malik	Mr. Hemant Majethia
Nature of Resolution	Re-appointment as Director	Re-appointment as Director
Date of Birth	April 1, 1964	May 24, 1966
Date of Appointment	December 1, 1993	December 1, 1993
Director Identification Number	00400366	00400473
Qualifications	B. Com. , ACA	B. Com. , ACA
Experience in specific functional areas	Corporate advisory, structured finance and international exposure to developed markets in Europe, US and the Far East.	Corporate Finance, Capital Markets Intermediation and Research
Directorship held in other Companies (including Foreign Companies and Private Companies)	<ul style="list-style-type: none"> i) Genesys International Corporation limited ii) GI Engineering Solutions Ltd. iii) Ventura Securities Ltd. iv) Genesys Enterprises Inc. (USA) v) Genesys International (UK) Ltd. vi) Image Intelligence Inc., (USA) vii) Multi-Flex Lami-print Ltd. viii) Ventura Insurance Brokers Ltd ix) GEODC LTD., UK 	<ul style="list-style-type: none"> 1. Genesys International Corporation limited 2. Ventura Securities Limited 3. Ventura Commodities Private Limited 4. Karjat Properties Pvt. Ltd.
Chairman / Member of Committees of other Companies	Nil	1
Number of Equity Shares held in the Company	731500	413600

Mr. Sajid Malik, Director

Mr. Sajid Malik is a Chartered Accountant and has nearly twenty years of varied experience in corporate advisory structured finance. He has an international exposure to developed markets in Europe, US and the Far East. His expertise spans over Banking, Finance, Foreign Exchange Management and Marketing. He is Managing Director of Genesys International Corporation Limited and GI Engineering Solutions Limited

Mr. Hemant Majethia, Director

Mr. Hemant Majethia is a Commerce graduate and Chartered Accountant. He has more than twenty years of varied experience in stock broking, capital market intermediation, corporate finance & advisory, research, management consultancy and taxation. He has an international exposure to the developed markets in Europe, US and the Far East. He is the Whole-Time Director of Ventura Securities Limited.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE & SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Company is in the process of reconstitution of the Board. Consequent to the same, the Company would constitute a new Audit Committee as well as Shareholders' Grievance Committee as per the existing provisions of Listing Agreement. All the important decisions as on date with regard to Financial Results and Investor Grievances are taken up by the Members of the Board at its Board Meeting. The Members of the Board possess vast experience and have adequate knowledge in accounts, finance and principles of good governance.

SUBSIDIARY COMPANIES

Your Company has two Indian Subsidiary Companies viz; Ventura Securities Limited and Ventura Insurance Brokers Limited. The Board reviews the financial statements of the subsidiary companies.

CODE OF CONDUCT

The Company has in place a Code of Conduct. This Code is applicable to all Directors/Senior Management. All the Board members have confirmed compliance with the code. A declaration signed by the Director is attached and forms part of the Annual Report.

BASIS OF RELATED PARTY TRANSACTION

There have been no materially significant related party transactions during the year ended March 31, 2011 that may have potential conflict with the interest of the Company at large. Details of transaction with related parties are reflected in the annual accounts under the head "Notes to Accounts".

OTHER INFORMATION

A. Details of General Meetings and Special Resolutions passed

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

YEAR	LOCATION	DATE & TIME	SPECIAL RESOLUTION(S) PASSED
2007-2008	Dhanur 'E', 15 Sir P.M. Road, Fort, Mumbai – 400 001	September 30, 2008 5.30 p.m.	NIL
2008-2009	C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079	September 30, 2009 5.30 p.m.	NIL
2009-2010	C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079	September 30, 2010 10.00 a.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, 2011.

GENERAL SHAREHOLDERS INFORMATION

A. Registered Office:

Dhanur 'E', 15 Sir P.M. Road,
Fort, Mumbai – 400 001

B. Registrar & Share Transfer Agent:

Bigshare Services Private Limited
Unit: Ventura Guaranty Limited
E/2, Ansa Industrial Estate,
Saki-Vihar Road, Saki-Naka,
Andheri (East), Mumbai 400 072
Telephone: 91.22.40430200
Facsimile: 91.22.2847 5207
Email: info@bigshareonline.com

C. Investors Correspondence

Mr. Hemant Majethia, Director & Compliance Officer
Email id: h_majethia@ventural.com

D. Annual General Meeting:

Day & Date: Friday, September 30, 2011
Time: 3.30 p.m.
Venue: C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai
400 079

E. Book Closure:

The Register of Members and the Share Transfer Books of the Company shall remain closed from September 28, 2011 to September 30, 2011 (both days inclusive) for purpose of Annual general Meeting.

F. Listing on Stock Exchanges:

The equity shares of the Company are listed on the following Stock Exchange:

Name of Stock Exchange	Symbol / Scrip Code	ISIN
Bombay Stock Exchange Limited (BSE) P J towers, Dalal Street, Fort, Mumbai- 400 001	512060	INE139J01019

The Annual Listing fee to Bombay Stock Exchange Limited has been paid as per schedule.

G. Market Price Data:

There was no trading of the scripts at Bombay Stock Exchange Limited during the year. Hence, the data regarding the price movements are not available.

H. 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

I. Share Transfer System:

The shares in physical form which are lodged for transfer are processed, registered and returned by the Registrar and Share Transfer Agent within the stipulated time, if the documents are in order in all respects.

J. Plant Location:

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



VENTURA GUARANTY

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, 2011 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 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:
 - (i) Significant changes in internal control over financial reporting during the year, if any;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; 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.

Yours sincerely,


HEMANT MAJETHIA
Director


SAJID MALIK
Director

Place: Mumbai
Dated: June 30, 2011



DECLARATION UNDER 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, 2011.

For VENTURA GUARANTY LIMITED


HEMANT MAJETHIA
DIRECTOR

Place: Mumbai
Dated: June 30, 2011

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 for the year ended as at 31st March 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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, the Company has kept proper books of account as required by law so far as appears from our examination of those books.
 - 4.3. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - 4.4. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable, and
5. On the basis of written representations by all the directors of the Company for the year ended as at 31st March 2011, 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.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon 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 for the year ended as at 31st March 2011
 - in the case of the Profit and Loss Account, of the Profit 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 Dattatrya & Associates

Chartered Accountants

Firm registration No.102665W



D B Dixit

Proprietor

Membership No 40032

Mumbai, Dated: 30th June 2011.



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 as at 31st March 2011 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 per the explanations and information given to us, no material discrepancies 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. a) According to the information and explanations given to us the Company has granted loan to one party covered in the register maintained under section 301 of the companies Act 1956. The maximum amount involved during the year was Rs.10,000,000/- and the year end balance of loan was Rs.411,329/-.
- b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loan has been granted to the company listed in the register maintained under section 301 of the Companies Act, 1956 is not, prima facie, prejudicial to the interest of the company;
- c) The Company company has received the principal amount and interest as stipulated.
- d) 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 clauses (iii) (f) - (iii) (g) of the order is not applicable
3. 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.
4. a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, 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 relevant time.
5. 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.
6. The Company has no formal internal audit department. However, its control procedures ensure reasonable internal checking of its financial and other records.



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.

Dixit Dattatray & Associates

CHARTERED ACCOUNTANTS

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

Dadar, Mumbai - 400 028.

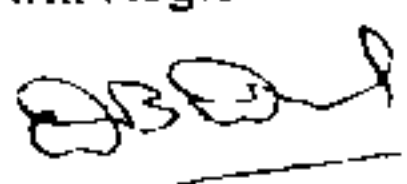
☎ Off. 2430 7707 E-mail : dbdixit@hotmail.com

Dattatray B. Dixit

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

8. 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.
9. The Company does not have any accumulated losses at the end of the period and it has not incurred any cash losses in the current period and in the immediately preceding financial year.
10. 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.
11. According to the information and explanations, the Company has not granted loans and advances based on security by way of pledge of shares, debentures and other securities.
12. 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.
13. In respect of dealing or trading in shares and other investments, in our opinion and according to the information and explanation given to us proper records have been maintained of the transactions and contracts and timely entries have been made therein.
14. The Company has given a corporate guarantee for bank guarantee taken by its subsidiary company from banks.
15. The Company has not availed of any term loans during the year.
16. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used no funds raised on short-term basis for long-term investment.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
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 Dattatrya & Associates
Chartered Accountants
Firm Registration No.102665W


D B Dixit
Proprietor
Membership No 40032
Mumbai, Dated: 30th June 2011.




VENTURA GUARANTY LIMITED
BALANCE SHEET FOR THE YEAR ENDED AS ON 31ST MARCH 2011

	<u>Schedule</u>	<u>31.03.2011</u> <u>Amount (₹)</u>	<u>31.03.2010</u> <u>Amount (₹)</u>
<u>SOURCES OF FUNDS</u>			
<u>Share Holders Funds</u>			
Share Capital	A	31,889,200	31,889,200
Reserves and Surplus	B	26,537,288	27,599,435
<u>Loan Funds</u>			
Unsecured loans	C	18,435,000	18,435,000
Total		76,861,488	77,923,636
<u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets</u>			
Gross Block	D	3,936,686	3,936,686
<u>Less</u> : Depreciation		3,936,686	3,904,693
Net Block		-	31,993
<u>Investments</u>			
	E	66,045,400	67,472,086
Deferred Tax Assets		99,452	101,844
<u>Current Assets, Loans & Advances</u>			
Sundry Debtors	F	173,279	18,427
Cash & Bank Balances	G	63,965	10,116,620
Loans & Advances	H	10,581,329	300,000
		10,818,573	10,435,047
<u>Less : Current Liabilities and Provisions</u>			
Current Liabilities	I	10,000	15,515
Provisions	J	91,937	101,820
		101,937	117,335
Net Current Assets		10,716,636	10,317,712
Total		76,861,488	77,923,636



Significant Accounting Policies M
Notes to Accounts N
The Schedules referred to above form an integral part of the Balance Sheet

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
Mumbai :
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited


 
Sajid Malik **Hemant Majethia**
(Director) (Director)
Mumbai :
Dated : 30th June 2011

VENTURA GUARANTY LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	<u>Schedule</u>	<u>31.03.2011</u> <u>Amount (₹)</u>	<u>31.03.2010</u> <u>Amount (₹)</u>
<u>INCOME</u>			
Interest Received		457,032	-
Tax Deducted at Source ₹ 45,703/- (Previous Year ₹ NIL)			
Dividend			
Income from Investments	K	8,714	7,914,813
Income From Securities Trading		-	416,176
Total		465,746	8,330,989
<u>EXPENDITURE</u>			
Administrative & Other Expenses	L	72,060	119,525
Loss From Securities Trading		16,806	-
Loss on Investment		1,254,642	-
Depreciation		31,993	100,470
Prior Period Item		-	8,190,000
Total		1,375,501	8,409,995
Profit / Loss before Tax		(909,755)	(79,006)
Provision for Income Tax		150,000	145,000
Deferred Tax (Benefit) / Provision		2,392	(17,187)
Profit / Loss after Tax		(1,062,147)	(206,819)
Add: Balance brought forward from earlier years		27,599,435	27,806,254
Balance carried to Balance Sheet		26,537,288	27,599,435
Earning per Share (Equity Share, par value of ₹ 10 each)			
Basic & Diluted		(0.33)	(0.06)
No. of Shares used in computing earnings per share			
Basic & Diluted		3,194,800	3,194,800



Significant Accounting Policies M
Notes to Accounts N
The Schedules referred to above form an integral part of the Profit & Loss Account

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
Mumbai :
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited

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

Mumbai :
Dated : 30th June 2011

VENTURA GUARANTY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

	<u>31.03.2011</u>	<u>31.03.2010</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
Schedule 'A'		
Share Capital		
Authorised:		
1,00,00,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
Issued:		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Subscribed & Paid up:		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Less : Allotment money in arrears-others	58,800	58,800
Total	31,889,200	31,889,200
Schedule 'B'		
Reserves & Surplus		
Profit & Loss Account	26,537,288	27,599,435
Total	26,537,288	27,599,435
Schedule 'C'		
Unsecured loans		
Inter Corporate Deposits	17,700,000	17,700,000
Loan From Directors/ Shareholders	735,000	735,000
Total	18,435,000	18,435,000
Schedule 'E'		
Investments		
Long Term Investment		
Unquoted		
Trade Investment		
	Nos.	
Non-Trade Unquoted		
48,99,160 equity shares of ₹ 10/- each (fully paid-up) of 100% subsidiary company Ventura Securities Limited	4,899,160 (4,899,160)	48,991,600 48,991,600
Non-Trade Investment		
Multiflex Lamiprint Ltd (Equity Shares of ₹ 10 each Fully Paid-up)	600,000 (600,000)	6,000,000 6,000,000
Multiflex Lamiprint Ltd (Warrants of ₹ 53 each Partly Paid-up)	-	1,264,932
Kashmira Investments & Leasing Pvt. Ltd. (Equity Shares of ₹ 10 each Fully Paid-up)	497,900 (497,900)	9,958,000 9,958,000
Associated Hotels Ltd. (Equity Shares of ₹ 10 each Fully Paid-up)	17,600 (17,600)	492,800 492,800
Nivi Trading Ltd (Equity Shares of ₹ 10 each Fully Paid-up)	50,000 (50,000)	603,000 603,000
Quoted		
Non-Trade Investment		
Hindustan Uniliver Ltd (Equity Shares of ₹ 10 each Fully Paid-up)	-	161,754
Total		66,045,400
		67,472,086



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VENTURA GUARANTY LIMITED

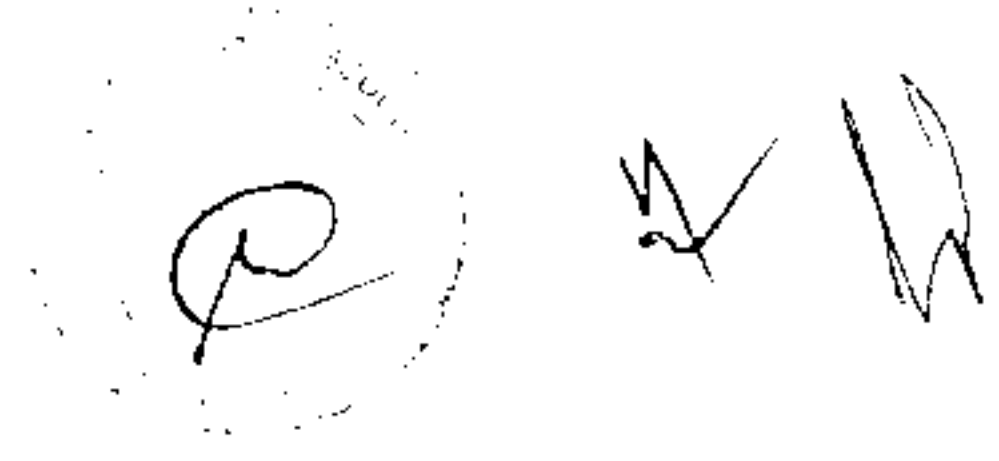
Schedule 'D'
Fixed Assets

S/n	Description of Asset	Gross Block			Depreciation			Net Block	
		Cost as on 01/04/2010 (₹)	Additions (Deductions) (₹)	Cost as on 31/03/2011 (₹)	As at 01/04/2010 (₹)	For the period (₹)	As on 31/03/2011 (₹)	As at 31/03/2011 (₹)	As on 31/03/2010 (₹)
	ASSETS FOR OWN USE:								
	Motor Cars	2,349,475	-	2,349,475	2,349,475	-	2,349,475	-	-
	Furniture & fixtures	1,587,211	-	1,587,211	1,555,218	31,993	1,587,211	-	31,993
	Total	3,936,686	-	3,936,686	3,904,693	31,993	3,936,686	-	31,993
	Previous Period's Total	3,936,686	-	3,936,686	3,804,223	100,470	3,904,693	31,993	132,463

Handwritten signature and circular stamp of Ventura Guaranty Limited.

VENTURA GUARANTY LIMITED

	<u>31.03.2011</u>	<u>31.03.2010</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
Schedule 'F'		
<u>Debtors</u>		
(Unsecured, Considered good)		
Debt outstanding for a period exceeding six months	-	-
Others	173,279	18,427
Total	173,279	18,427
Schedule 'G'		
<u>Cash & Bank Balances</u>		
Cash on hand	28,390	39,170
Balances with Scheduled Banks In Current Account	35,575	10,077,450
Total	63,965	10,116,620
Schedule 'H'		
<u>Loans & Advances</u>		
(Unsecured, considered good)		
Loans & Advances	10,581,329	300,000
Total	10,581,329	300,000
Schedule 'I'		
<u>Current Liabilities</u>		
Sundry Creditors - Expenses		
- Micro, Small & Medium Enterprises		
- Others	10,000	15,515
Total	10,000	15,515
Schedule 'J'		
<u>Provisions</u>		
Provision for Tax (Net of Advance Tax)	91,937	101,820
Total	91,937	101,820
Schedule 'K'		
<u>Income from Investments</u>		
Dividend	8,714	4,065
Income from Sale of Investments	-	7,910,748
Total	8,714	7,914,813
Schedule 'L'		
<u>Administrative & Other Expenses</u>		
Legal & Professional Charges	26,472	67,459
Listing Fee	24,266	25,148
Auditors' Remuneration		
For Audit	10,000	10,000
For Other matters	-	-
General Expenses	11,322	16,918
Total	72,060	119,525

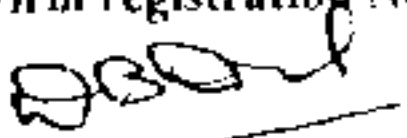


VENTURA GUARANTY LIMITED

Cash Flow Statement for the year ended on 31st March 2011

Particulars	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
A. Cash Flow from Operating activities		
Net profit after tax	(1,062,147)	(206,819)
Adjustments for:		
Tax	152,392	127,813
Net Profit before tax and extraordinary Items	(909,755)	(79,006)
Adjustments for :		
Depreciation	31,993	100,470
Profit on sale of investment	-	(7,910,748)
Investment Written off	1,254,642	-
Dividend received	(8,714)	(4,065)
Operating profit Before working capital changes	368,166	(7,893,349)
Adjustment for:		
Sundry Debtors	(154,852)	912,129
Loans & Advances	(10,281,329)	-
Sundry Creditors	(5,515)	8,515
Cash generated from Operations	(10,073,530)	(6,972,705)
Tax paid (Net)	(159,883)	(15,000)
Net Cash from Operating Activities	(10,233,413)	(6,987,705)
B. Cash Flow from investing activities		
Purchase of Investments	-	(382,587)
Sale of Investments	172,044	29,462,333
Dividend Received	8,714	4,065
Net Cash from Investing Activities	180,758	29,083,811
C. Cash Flow from Financing Activities		
Repayment/Proceeds of long term loan	-	(12,175,000)
Net Cash used in Financing Activities	-	(12,175,000)
Net increase in Cash and cash equivalents	(10,052,655)	9,921,106
Cash and Cash equivalents at beginning of period	10,116,620	195,514
Cash and Cash equivalents at end of period	63,965	10,116,620

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
Mumbai :
Dated : 30th June 2011



VENTURA GUARANTY LIMITED.


Sajid Malik
(Director)


Hemant Majethia
(Director)

Mumbai :
Dated : 30th June 2011

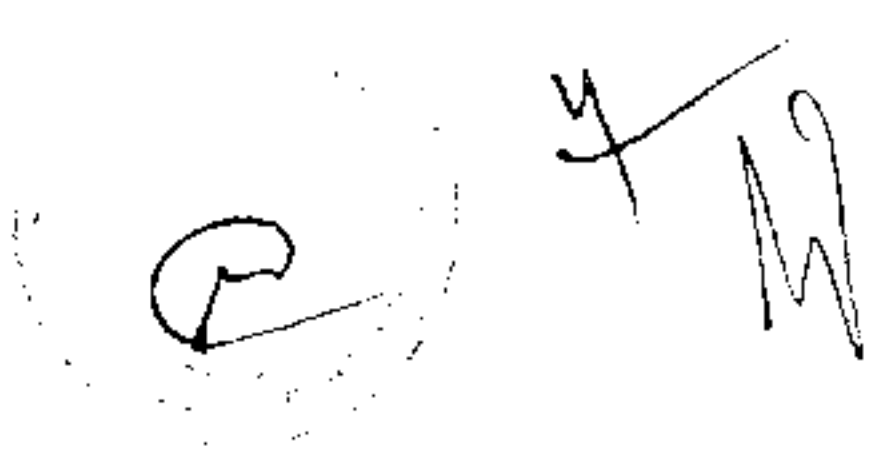
VENTURA GUARANTY LIMITED

Schedule M

Significant Accounting Policies

- a) **Basis for preparation of financial statements**
The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards ("AS") prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956, to the extent applicable.
- 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".
 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.
- e) **Depreciation/Amortisation of Fixed Assets**
Depreciation on tangible fixed assets is provided using the straight-line method, at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired / disposed off during the year is being provided on pro-rata basis with reference to the Date of addition / disposal.
- f) **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.
- g) **Earning per share**
In accordance with the Accounting Standard 20 (AS-20) "Earning per share" issued by the Institute of Chartered Accountants of India, basic earning 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.

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VENTURA GUARANTY LIMITED

h) 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, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date.

i) 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.

Schedule N

Notes to Accounts

a) Contingent liabilities

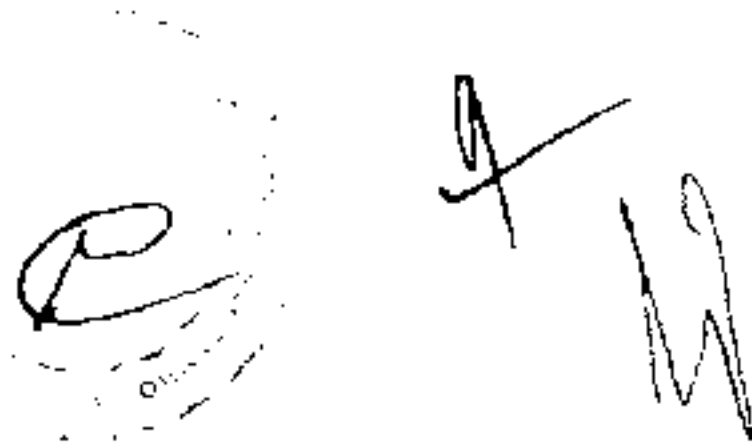
- i) Corporate Guarantees issued on behalf of Ventura Securities Ltd., a Subsidiary Company of ₹ 5000.00 lacs (Previous Year ₹ 2,925 lacs).

b) Details of Auditors' Remuneration are as under:

	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Audit Fees	8,000	8,000
Tax Audit Fees	2,000	2,000
Total	10,000	10,000

c) Deferred Tax:

- i. In accordance with the Accounting Standard – 22 (AS – 22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax assets (on account of timing difference) for the current period amounting to ₹ 99,452/- (Previous year ₹101,844/-). Net deferred tax liability of ₹ 2,392/- for the current year has been recognized in the Profit & Loss account (Previous Year deferred tax benefit of ₹ 17,187/-).



VENTURA GUARANTY LIMITED

2. The breakup of the deferred tax asset as on 31st March, 2011 is as under :

Description	31 st March 2011		31 st March 2010	
	Deferred Tax asset	Deferred Tax liability	Deferred Tax asset	Deferred Tax liability
	₹	₹	₹	₹
Depreciation allowance – Timing difference	99,452		101,844	
Deferred Tax Assets	99,452		101,844	

d) Related Party Transactions
As per Accounting Standard No 18 issued by the Institute of Chartered Accountant of India, related party in terms of the said standard are disclosed below:

i) Names of Related parties and description of relationship

I)	Subsidiary Company	a)	Ventura Securities Limited
II)	Associate Enterprise	a)	Ventura Commodities Private Limited
		b)	Kashmira 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
1	Share Traded Value - Ventura Securities Ltd	2,046,282 (69,917,645)			
2	Brokerage Paid Ventura Securities Ltd	1,586 (34,198)			
3	Loan / Advance Given - Ventura Securities Ltd	10000000 (-)			
4	Loan / Advance Received Back Ventura Securities Ltd	10000000 (-)			
5	Loan repaid - Mrs. Saroja Malik Mr. Sajid Malik			(-) (300000)	(65000)
6	Interest received - Ventura Securities Ltd	(4,57,032) (70,480)			



VENTURA GUARANTY LIMITED

7	Outstanding Debit/Credit - Ventura Securities Ltd. -	584495DR (18,427DR)			
	Mr. Sajid Malik			-	
	Mrs. Saroja Malik			(-)	735,000CR (735,000CR)

e) Earnings Per share:

	31 st March 2011	31st March 2010
Numerator used for calculating basic and diluted earnings per share-Profit after taxation	(1,062,147)	(206,819)
Weighted average number of shares used as denominator for calculating basic and diluted earnings per share	3,194,800	3,194,800
Nominal Value of shares	10	10
Basic and diluted earnings per share	(0.33)	(0.06)


f) Sundry Debtors includes ₹173,166/- (Previous Year ₹18,427/-) due from Subsidiary Company – Ventura Securities Ltd. Maximum amount outstanding ₹173,828/- (Previous year ₹2,869,561/-)

g) Segmental Reporting
The Company's operations comprise of only one segment Investment Banking and therefore there are no other reportable segments as required under Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.


h) None of the company's suppliers has intimated of their being a small-scale industrial undertaking and to the best of the company's knowledge and belief sundry creditors as at the year-end do not include outstanding dues to Small Scale Industrial Undertaking within the meaning of Section 3 of the Industries (Development & Regulation) Act, 1951.

- Signature to Schedule A to N
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
Mumbai
Dated : 30th June 2011

For and un behalf of
Ventura Guaranty Limited


Sajid Malik
(Director)
Mumbai
Dated : 30th June 2011


Hemant Majethia
(Director)

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:
(Amount in Rs.)

I. REGISTRATION DETAILS:

Registration No. [0][3][4][1][0][6] State Code [1][1]

Balance Sheet Date [31] [03] [2011]
Date Month Year

II. CAPITAL RAISED DURING THE YEAR

Public Issue NIL	Right Issue NIL
Bonus Issue NIL	Private Placement NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities 76,861,488	Total Assets 76,861,488
---------------------------------	----------------------------

Source of Funds	Reserve & Surplus
Paid up Equity Share Capital 31,889,200	26,537,288
Paid up Pref.Share Capital NIL	Unsecured Loan 18,435,000
Secured Loan NIL	Deferred Tax Liability NIL

Application of Funds

Application of Funds	Investments
Net Fixed Assets NIL	66,045,400
Net Current Assets 10,716,636	Misc.Expenditure NIL
Accumulated Losses NIL	Deferred Tax Assets 99,452

IV. PERFORMANCE OF COMPANY

Performance	Other Metrics
Turnover 465,746	Total Expenditure 1,375,501
Profit/Loss Before Tax (909,755)	Profit/Loss After Tax (1,062,147)
Earning Per Share In Rs. (0.33)	Dividend Rate % NIL

V. GENERIC NAME OF THREE PRINCIPLE PRODUCTS/SERVICES OF COMPANY

Product Description NIL	Item Code No.(ITC Code) NIL
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VENTURA GUARANTY LTD.

[Signature]
Sajid Mali
(Director)

[Signature]
Hemaht Majethia
(Director)

Place: Mumbai

Dated : 30th June 2011

Dattatray B. Dixit

B.Com., F.C.A., L.L.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 2011, the Consolidated Profit and Loss Account, 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 ₹ 38,06,46,921 as at 31st March, 2011, the total revenues of ₹ 63,61,52,118 and cash flows amounting to ₹ 37,61,25,868 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' issued by the Institute of Chartered Accountants of India.



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., L.L.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, 2011;
- (b) In the case of the Consolidated Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the Cash flows for the year ended on that date.

For Dixit Dattatrya & Associates

Chartered Accountants

Firm's Registration No.:102665W



D B Dixit

Proprietor

Membership No: 40032

Mumbai.

Dated : 30th June, 2011




VENTURA GUARANTY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

	Schedule	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
SOURCES OF FUNDS			
Share Holders Funds			
Share Capital	1	31,889,200	31,889,200
Reserves and Surplus	2	287,409,355	253,888,280
		<u>319,298,555</u>	<u>285,777,480</u>
Loan Funds			
Secured Loans	3	229,223	623,589
Unsecured Loans	4	83,435,000	83,435,000
		<u>83,664,223</u>	<u>84,058,589</u>
Deferred Tax Liability		-	2,151,473
Total		<u><u>402,962,778</u></u>	<u><u>371,987,542</u></u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	168,756,468	147,039,098
Less: Accumulated Depreciation/Amortisation		90,767,985	68,452,507
Net Block		<u>77,988,483</u>	<u>78,586,591</u>
Capital work-in-progress (including capital advances)		2,123,875	2,568,940
		<u>80,112,358</u>	<u>81,155,531</u>
Investments	6	40,121,336	38,322,081
Deferred Tax Asset (Net)		1,313,837	-
Current Assets, Loans & Advances			
Sundry Debtors	7	227,713,630	147,842,717
Cash and Bank Balances	8	900,859,765	534,786,552
Loans and Advances	9	117,174,837	96,310,659
		<u>1,245,748,232</u>	<u>778,939,928</u>
Less : Current Liabilities and Provisions			
Current Liabilities	10	955,343,996	520,127,160
Provisions	11	8,988,989	6,302,838
		<u>964,332,985</u>	<u>526,429,998</u>
Net Current Assets		<u>281,415,247</u>	<u>252,509,930</u>
Total		<u><u>402,962,778</u></u>	<u><u>371,987,542</u></u>

Significant Accounting Policies & Notes to Accounts 18
The Schedules referred to above form an integral part of the Balance Sheet

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


D B Dixit
Proprietor
Membership No: 40032
Mumbai :
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited


Sajid Malik
(Director)


Hemant Majethia
(Director)

Mumbai
Dated : 30th June 2011

VENTURA GUARANTY LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Schedule	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
INCOME			
Income from Operations	12	595,958,960	547,427,786
Investment Gains	13	1,300,731	2,892,924
Income from Arbitrage		-	450,374
Other Income	14	38,899,554	28,777,322
Total		636,159,245	579,548,406
EXPENDITURE			
Personnel Cost	15	155,331,962	92,972,619
Operating and Other Costs	16	399,079,107	411,756,176
Loss from Trading Operation		15,220	-
Loss on Investment		1,254,642	-
Finance Cost	17	10,823,194	16,561,063
Depreciation/ Amortisation		22,810,786	18,450,415
Prior Period Item		-	8,190,000
Total		589,314,911	547,930,274
Profit before Tax		46,844,334	31,618,132
Less: Provision for Tax			
Current Tax		20,150,000	15,145,000
Wealth Tax		35,000	150,000
Deferred Tax Provision/ (Benefit)		(3,465,311)	(2,088,898)
Earlier years		(171,655)	-
Profit after Tax		30,296,300	18,412,030
Add: Share of Profit/(Loss) of Associate		57,591	-
Balance Available for Appropriations		30,353,891	18,412,030
Transfer to General Reserve		-	10,000,000
Interim Dividend		-	-
Dividend Distribution Tax		-	-
Profit / (Loss) brought forward from earlier years		226,613,280	218,201,250
Balance carried to Balance Sheet		256,967,171	226,613,280
Earning per Share (Equity Share, par value of ₹ 10 each)			
Basic		9.50	5.76
Diluted		8.20	4.98

Significant Accounting Policies & Notes to Accounts 18
The Schedules referred to above form an integral part of the Profit & Loss Account

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
Mumbai
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited

Sajid Malik
(Director)



Mumbai
Dated : 30th June 2011

Hemant Majethia
(Director)

Mumbai

VENTURA GUARANTY LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Schedule 1		
Share Capital		
Authorised:		
10,000,000 Equity Shares of ₹ 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued :		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Subscribed & Paid up:		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Less : Allotment money in arrears-others	58,800	58,800
Total	<u>31,889,200</u>	<u>31,889,200</u>
Schedule 2		
Reserves and Surplus		
Capital Reserve (on consolidation)	3,167,184	-
General Reserve		
Opening Balance	27,275,000	17,275,000
Add: Transferred from Profit & Loss Account	-	10,000,000
	<u>30,442,184</u>	<u>27,275,000</u>
Profit and Loss Account	256,967,171	226,613,280
	<u>287,409,355</u>	<u>253,888,280</u>
Total	<u>287,409,355</u>	<u>253,888,280</u>
Schedule 3		
Secured loans		
(Secured by hypothecation of Motor Cars)		
Car Loan		
From bank	-	150,119
From financial institution	229,223	473,470
[Amount due within next 1 year ₹ 229,223/- (P.Y. ₹ 380,175/-)]		
Total	<u>229,223</u>	<u>623,589</u>
Schedule 4		
Unsecured loans		
Inter-corporate Deposits	17,700,000	17,700,000
Unsecured Debentures	65,000,000	65,000,000
650000 (P.Y. 650000) 9% Optionally Convertible		
Debentures of ₹ 100/- each [Refer Note d in Schedule 18 (B)]		
Loan From Directors/ Shareholders	735,000	735,000
Total	<u>83,435,000</u>	<u>83,435,000</u>
Schedule 6		
Investments		
Quoted, At Cost		
NIL (P.Y. 599) Shares of Hindustan Uniliver Ltd		
of ₹ 10 each Fully Paid-up	-	161,754
Aggregate Market Value of Quoted Investments	-	161,754
₹ NIL (Previous year ₹ 142,981/-)		

VENTURA GUARANTY LTD

Schedule 5
Fixed Assets

Sr. No.	Description of Asset	Gross Block (₹)				Depreciation			Net Block (₹)	
		As at 01/04/2010	Additions	Sales / Deletion	As at 31/03/2011	As at 01/04/2010	Depreciation Sales / Deletion	For the period	As at 31/03/2011	As at 31/03/2010
A	TANGIBLE ASSETS									
1	Computers	53,573,351	5,343,554	204,000	58,712,905	34,217,600	132,364	7,774,300	16,853,369	19,355,751
2	Office Equipment	12,358,991	2,498,733	12,480	14,845,245	1,988,167	398	706,042	12,151,434	10,370,824
3	Furniture & Fixtures	5,342,092	2,563,108	-	7,905,199	2,688,706	-	835,240	4,381,253	2,653,385
4	Leasehold improvements	34,739,152	6,628,843	-	41,367,995	14,159,229	-	8,566,511	18,642,255	20,579,923
4	Motor Car	12,191,617	1,417,245	876,064	12,732,798	5,462,805	362,546	977,712	6,654,827	6,728,812
5	Building Premises	7,991,250	254,500	-	8,245,750	523,007	-	134,258	7,588,485	7,468,243
B	INTANGIBLE ASSETS									
1	Computer Software	20,842,645	4,103,931	-	24,946,576	9,412,993	-	3,816,723	11,716,860	11,429,653
	Total	147,039,098	22,809,914	1,092,544	168,756,468	68,452,507	495,308	22,810,786	77,988,483	78,586,591
	Previous Year's Total	125,414,113	23,364,261	2,062,093	147,039,098	51,259,331	1,257,239	18,450,416	78,586,591	74,154,783

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VENTURA GUARANTY LIMITED

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Unquoted, At Cost		
Trade Investments		
In Associate Company		
497000 (P.Y.497000) Kashmir Investments & Leasing Pvt. Ltd. of ₹ 10/-each fully paid up	13,182,775	9,958,000
	13,182,775	9,958,000
Non-Trade Investments		
1920000 (P.Y.1920000) Multiflex Lamiprint Ltd of ₹ 10/-each fully paid up	25,837,800	25,837,800
NIL (P.Y.477333) Multiflex Lamiprint Ltd share warrant of ₹ 53/-each (on conversion) ₹ 2.65 paid	-	1,264,932
17600 (P.Y.17600) Equity shares of Associated Hotels Ltd. ₹ 10 each Fully Paid-up	492,800	492,800
50000 (P.Y.50000) Equity Shares of Nivi Trading Ltd ₹ 10 each Fully Paid-up	603,000	603,000
	26,933,600	28,198,532
Unquoted		
Unquoted, At lower of Cost or Fair Value		
494.573 (P.Y. 378.230) Units of HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend - Reinvest option	4,961	3,794
Total	40,121,336	38,322,081
Schedule 7		
Sundry Debtors		
(Unsecured, Considered good)		
Debts outstanding for a period exceeding six months	24,999,194	31,796,248
Other Debts	202,714,436	116,046,469
Total	227,713,630	147,842,717
Schedule 8		
Cash & Bank Balances		
Cash on Hand	1,215,852	1,753,083
Balances with Scheduled Banks		
In Current Accounts	256,351,252	374,990,808
In Fixed Deposit Accounts	643,292,661	158,042,661
Total	900,859,765	534,786,552
Schedule 9		
Loans & Advances		
(Unsecured, considered good)		
Loans to Body Corporates	20,687,944	-
Advance recoverable in cash or in kind or for the value to be received	21,686,943	20,903,727
Deposits With Stock Exchanges	13,769,701	31,269,701
Other Deposits	17,185,772	12,329,302
Interest Accrued	9,988,549	7,039,054
Other Loans & Advances	13,641,633	2,590,057
Advance Income Tax (Net Of Provision)	19,202,603	21,238,546
Fringe Benefit Tax (Net Of Provision)	1,011,693	940,272
Total	117,174,837	96,310,659




VENTURA GUARANTY LIMITED

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Schedule 10		
Current Liabilities		
Sundry Creditors		
- Micro and Small enterprises	-	-
- Trade	811,341,649	427,366,670
- Expenses	33,490,642	23,901,651
Deposits/Margin received from Sub-Brokers/Clients	93,321,906	60,200,736
Sundry Creditors - Others	17,189,799	8,658,102
Total	955,343,996	520,127,160
Schedule 11		
Provisions		
Provision for Gratuity	8,988,989	6,302,838
Total	8,988,989	6,302,838
Schedule 12		
Income from Operations		
Income from Brokerage and Depository services	574,919,499	530,588,167
Financial Products Distribution	21,039,461	16,839,619
Total	595,958,960	547,427,786
Schedule 13		
Investment Gain		
Income From Sale of Investment (Net)	1,799	2,550,921
Dividend on Investments	1,298,932	342,003
Total	1,300,731	2,892,924
Schedule 14		
Other Income		
Interest Received Gross	38,634,381	28,757,600
TDS ₹ 3,087,561/- (P.Y. ₹ 5,554,269/-)		
Other Income	265,173	19,722
Total	38,899,554	28,777,322
Schedule 15		
Personnel Cost		
Salaries, Allowances and Bonus	143,272,356	86,425,884
Staff Welfare	6,535,727	3,717,596
Contribution to Provident and other Funds	2,548,236	1,036,630
Gratuity	2,975,643	1,792,509
Total	155,331,962	92,972,619

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VENTURA GUARANTY LIMITED

	31st March 2011	31st March 2010
	Amount (₹)	Amount (₹)
Schedule 16		
Operating & Other Costs		
Communication Expenses	18,209,238	12,910,551
Travelling ,Conveyance and Motor Car Expenses	12,188,115	8,390,068
Repairs & Maintenance		
- Buildings	550,801	392,066
- Plant & Machinery	21,700,116	15,960,950
- Others	433,142	908,185
Sub Brokerage	194,039,026	226,035,373
Commission Expenses	21,995,351	31,385,604
Administration Charges for Branches	28,125,858	31,876,601
Rent	28,838,290	20,211,416
Legal and Professional Fees	10,060,564	8,688,702
Stock Exchange Charges	232,455	441,180
Stamp Charges	6,001,499	3,172,132
NSDL DP charges	6,115,777	6,222,153
Service Tax	4,985,965	5,194,548
Settlement Claim / Write off	..	909,381
Advertisement Expenses	13,277,408	3,748,328
Business Development Charges	3,798,536	13,763,532
Printing & Stationery	6,678,213	2,343,887
Auditors' Remuneration	610,000	635,000
Loss on Assets Sold/ Scraped	149,236	269,437
Listing Fees	24,266	25,148
Courier & Postage Charges	4,506,319	4,911,687
Electricity Charges	8,905,973	7,784,191
Other Expenses	7,473,553	5,576,026
Preliminary expenses	179,403	
Total	399,079,107	411,756,176
 Schedule 17		
Finance Cost		
Bank Charges & Commission	78,276	47,220
Bank-Guarantee Commission	4,496,711	3,397,759
Interest Paid	6,248,207	13,116,084
Total	10,823,194	16,561,063

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VENTURA GUARANTY LIMITED

Cash Flow Statement for the year ended 31st March 2011

Particulars	31st March 2011	31st March 2010
	₹	₹
A. Cash Flow from Operating activities		
Net profit after tax	30,353,891	18,412,030
Adjustments for:		
Tax	16,548,034	13,206,102
Net Profit before tax and extraordinary items	46,901,925	31,618,132
Adjustments for :		
Depreciation	22,810,786	18,450,416
Profit on sale of investment	(1,799)	(2,550,921)
Profit on sale of Assets	-	-
Share of Profit of Associate company	(57,591)	-
Loss on Assets Sold/ Scraped	149,236	269,437
Investment Written off	1,254,642	-
Dividend received	(1,298,932)	(342,003)
Interest paid	6,248,207	13,116,084
Interest received	(38,634,381)	(28,757,600)
Operating profit Before working capital changes	37,372,093	31,803,546
Inventories	-	-
Sundry Debtors	(79,870,913)	(5,186,842)
Loans & Advances	(19,879,205)	2,324,988
Sundry Creditors	434,193,504	163,897,080
Provisions	2,686,151	1,792,509
Cash generated from Operations	374,501,630	194,631,280
Tax paid(Net)	(18,048,823)	(15,918,072)
Net Cash from Operating Activities	356,452,807	178,713,208
B. Cash Flow from investing activities		
Purchase of fixed assets	(22,364,849)	(22,089,039)
Purchase of Investments	(418,784,642)	(1,348,406,292)
Sale of Fixed Assets	448,000	212,600
Sale of Investments	418,957,318	1,353,180,315
Dividend received on Current Investments	1,298,932	342,003
Net Cash from Investing Activities	(20,445,240)	(16,760,414)
C. Cash Flow from Financing Activities		
Interest received	35,684,886	31,283,242
Interest paid	(5,224,874)	(12,005,385)
Interim div and distribution tax	-	-
Issue of Debenture	-	65,000,000
Repayment of Inter Corporate Deposit	-	(64,461,729)
Repayment/Proceeds of long term loan	(394,366)	(12,564,844)
Net Cash used in Financing Activities	30,065,646	7,251,284
Net increase in Cash and cash equivalents	366,073,213	169,204,079
Cash and Cash equivalents at beginning of period	534,786,552	365,582,473
Cash and Cash equivalents at end of period	900,859,765	534,786,552

Cash and Cash Equivalents at end of the period includes pledged Bank Fixed Deposits of

₹ 2,500.17 Lacs

₹ 1,580.43 Lacs

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

For and on behalf of

Dixit Dattatrya & Associates

Chartered Accountants

Firm registration No.102665W

D B Dixit

Proprietor

Membership No: 40032

Mumbai

Dated : 30th June 2011



For and on behalf of

Ventura Guaranty Limited

Sajid Malik
(Director)

Mumbai

Dated : 30th June 2011

Hemant Majethia
(Director)

VENTURA GUARANTY LIMITED

Schedule 18

Significant Accounting Policies and Notes to Accounts

A) Significant Accounting Policies

a) Basis for preparation of financial statements

1. The consolidated financial statements of Ventura Guaranty Limited (the 'parent company') and its subsidiaries and associates (collectively referred to as 'the Group'), have been prepared and presented under the historical cost convention method applying accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards ("AS") prescribed in the Companies (Accounting Standards) Rules, 2006.
2. Use of estimates – Preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively in current and future periods.
3. The financial statements of the parent 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/transactions and resulting unrealized profit/(loss) in full as per Accounting Standard -21 "Consolidated Financial Statements" (AS-21).
4. The parent company's investment in Associate Company is accounted for under the equity method as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statement".
5. The Consolidated financial statements have been prepared in Indian Rupees.
6. 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.

b) List of subsidiary considered in the consolidated financial statements includes:

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31 st March 2011
Ventura Securities Limited	Subsidiary	India	100%
Ventura Insurance Brokers Limited	Step Down Subsidiary	India	100%

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".



VENTURA GUARANTY LIMITED

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31 st March 2011
Kashmira Investment Private Limited	Associate	India	49.70%

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) 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 Work-in-progress.

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.

VENTURA GUARANTY LIMITED

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) The Provident Fund scheme is a defined contribution plan for which the contribution accruing during the year as per the scheme is charged to the Profit & Loss Account of the year.

ii) The Employees gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

iii) Provision for leave encashment is made for the leave accrued by the employees as at the year end on the basis of average monthly salary drawn during the year.

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 Profit and Loss Account. 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 Profit & Loss Account.

j) Earning per share

In accordance with the Accounting Standard 20 (AS-20) "Earning per share" issued by the Institute of Chartered Accountants of India, basic earning 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 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.

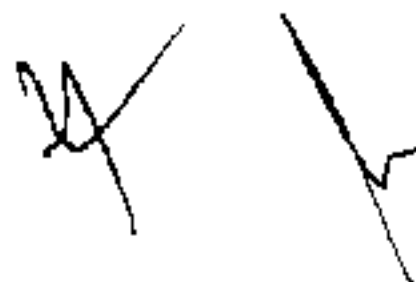
Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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.

l) Preliminary Expenses

Preliminary Expenses are written off in the year in which such expenses are incurred.



VENTURA GUARANTY LIMITED

m) 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.

B) Notes to Accounts

a) Contingent liabilities

i) Guarantees issued by the banks:

	(₹ in Lacs)	
Stock Exchanges	31st March 2011	31st March 2010
National Stock Exchange – Cash Segment	765.00	690.00
National Stock Exchange – F&O Segment	2,535.00	Nil.
Bombay Stock Exchange – Cash Segment	1,700.00	2,235.00

ii) The bank guarantees have been secured by personal guarantees of the directors, corporate guarantee of the parent company, and fixed deposits of ₹ 2,500.17 Lacs (P. Y. ₹ 1,580.43 Lacs).

iii) Claims against the Subsidiary Company not acknowledged as debts are ₹ 19.42 Lacs (P.Y. ₹ 54.19 Lacs).

b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 9.77 Lacs (P.Y. ₹ 6.40 Lacs).

c) No provision has been made in respect of disputed Income Tax dues of ₹ 14.26 lacs (P.Y. ₹ 18.16 lacs) since the Subsidiary Company expects to get relief in appeal.

d) Optionally Convertible Debentures

The Subsidiary Company had issued 650,000 unsecured optionally convertible debentures of ₹ 100 each carrying a minimum interest of 9% on 14th July 2009. Each debenture is convertible into one fully paid up equity share 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. If the option is not exercised, the conversion will automatically take place at the end of 24 months.

e) The Subsidiary Company has taken office premises on operating lease at various locations. Lease rent in respect of the same have been charged to Profit and Loss Account. 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:

VENTURA GUARANTY LIMITED

Minimum Lease Rental	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Upto one year	8,000,873	10,945,485
One to five years	3,225,964	7,900,752
Over five years	-	-

f) Details of Investments purchased and sold during the year:

Name of the Investments	Number of Units / Shares	
	31 st March 2011	31 st March 2010
Reliance Liquid Fund - Daily Dividend Reinvestment Option	41,984,652.08	9,028,743
Reliance Liquidity Fund - Growth Plan	-	85,747,609
HDFC Cash Management Fund- Treasury Advt. Plan - Daily Dividend Option	-	997,624
6.85% IIFCL (Bonds)	-	630

g) Details of Auditors' Remuneration are as under:

	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Audit Fees	408,000	358,000
Tax Audit Fees	52,000	52,000
Certification Fees	50,000	75,000
Other Services	100,000	150,000
Total	610,000	635,000

h) Details of Directors Remuneration are as under:

	31 st March 2011		31 st March 2010	
	Amount (₹)		Amount (₹)	
	Hemant Majethia	Juzer Gabajiwala	Hemant Majethia	Juzer Gaoajiwala
Salaries	4,800,000	1,864,375	4,800,000	1,224,384
House Rent Allowance	-	852,000	-	456,000
Other Allowances	-	232,008	-	-
Value of Perquisites	39,600	21,600	39,600	21,600
Total	4,839,600	2,969,983	4,839,600	1,701,984

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

The Subsidiary Company has applied to the Central Government for approval of payment of remuneration to Mr. Hemant Majethia at enhanced rates from 1st February 2011. Pending receipt of approval of the same, the Subsidiary Company has paid remuneration in accordance with the earlier approval which was valid for a period of five years upto 31st January 2011.

i) Expenditure in Foreign Currency:

Expenditure (at actuals)	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Business Development Expenses	1,134,480	6,004,620
Travelling Expenses	-	76,350

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VENTURA GUARANTY LIMITED

j) Employee Benefits

In accordance with the AS-15 (Revised) issued by the Institute of Chartered Accountants of India, the Group has provided for a Gratuity Liability of ₹ 8,988,989/- (Previous Year ₹6,302,838/-). 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:

	31 st March 2011	31 st March 2010
Increment Rate:	6% p.a.	6% p.a.
Discounting Rate:	8% p.a.	7.5% p.a.

Balance sheet Statement:

Present value of the obligation at 31.03.2011	8,988,989	6,302,838
Fair Value of plan assets at 31.03.2011	Nil	Nil
Un-funded Liability at 31.03.2011	8,988,989	6,302,838
Unrealized actuarial gains/losses	Nil	Nil
Un-funded Liability recognized in Balance Sheet	8,988,989	6,302,838

Profit and Loss Statement:

Interest Cost from 01.04.2010 to 31.03.2011	504,227	360,826
Service Cost from 01.04.2010 to 31.03.2011	2,111,635	1,591,310
Actual return on plan assets from 01.04.2010 to 31.03.2011	N.A.	N.A.
(Gain)/Loss recognized as on 31.03.2011	70,289	(159,627)
Net Loss to be shown in P&L A/c as expense	2,686,151	1,792,509

Reconciliation of Benefit Obligations:

Liability at the beginning of the year	6,302,838	4,510,329
Interest Cost	504,227	360,826
Current Service Cost	2,111,635	1,591,310
Benefit Paid	NIL	NIL
Actuarial (Gain)/Loss on Obligation	70,289	(159,627)
Amount recognized and disclosed under the head 'Provision for Employees Benefits'	8,988,989	6,302,838

k) Deferred Tax:

- In accordance with the Accounting Standard 22 (AS – 22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax asset has been accounted on account of timing difference amounting to ₹ 1,313,837/- (Previous year deferred tax liability ₹ 2,151,474/-).
- Net deferred tax benefit of ₹ 3,465,311/- for the current year has been recognized in the Profit & Loss Account. (Previous year deferred tax benefit ₹ 2,088,898/-).
- The breakup of the deferred tax liability / asset as on 31st March, 2011 is as under :

VENTURA GUARANTY LIMITED

(Amount in ₹)

Description	As at March 31, 2011		As at March 31, 2010	
	Deferred Tax asset	Deferred Tax liability	Deferred Tax asset	Deferred Tax liability
Depreciation allowance - Timing difference		3,957,668		6,186,556
Provision for Gratuity	2,916,477		2,093,645	
Leave Encashment	279,854		-	
Stamp Duty	2,075,171		1,941,437	
Deferred tax liability / (asset)	(1,313,837)			2,151,474

1) Related Party Transactions
As per Accounting Standard 18 issued by the Institute of Chartered Accountant of India, 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) Genesys International Corporation Ltd.
c) Kashmira Investments & Leasing Pvt. 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

ii) Details of Transactions with the Related Parties

	Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
1	Securities Traded Value:				
	Hemant Majethia			3,488,095 (6,346,387)	
	Sajid Malik			2,305,166 (2,806,748)	
	Juzer Gabajiwala			4,554,368 (1,598,044)	
	Shazia Sajid Malik				783,549 (801,085)
	Sohel Malik				5,765,732 (-)
	Fatima Gabajiwala				5,002,106 (4,103,895)
	Kashmira Investments & Leasing Pvt. Ltd.		697,519,038 (317,455,040)		
2	Brokerage Earned:				
	Hemant Majethia			8,740 (66,304)	
	Sajid Malik			58,919	

VENTURA GUARANTY LIMITED

	Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
	Shazia Sajid Malik Sohel Malik Kashmira Investments & Leasing Pvt. Ltd.		49,285 (23,723)		2,340 (2,592) 17,231 (-)
3	Rent Paid: Sajid Malik Saroja Malik			840,000 (840,000)	2,640,000 (840,000)
4	Remuneration Paid: Mr. Hemant Majethia Mr. Juzer Gabajiwala			4,800,000 (4,800,000) 2,948,383 (1,680,384)	
5	Business Development Expenses: Fatima Gabajiwala		54,786 (16,340)		
6	Loan/Deposit taken: Kashmira Investments & Leasing Pvt. Ltd.		- (13,200,000)		
7	Loan/Deposit repaid: Kashmira Investments & Leasing Pvt. Ltd. Saroja Malik Sajid Malik		- (13,315,608)	(-) (300000)	- (65000)
9	Interest paid: Kashmira Investments & Leasing Pvt. Ltd. Genesys International Corporation Ltd.		- (145,602) 5,800,002 (4,183,151)		
10	Outstanding Debit/Credit: Hemant Majethia Sajid Malik Juzer Gabajiwala Ventura Commodities Pvt. Ltd. Kashmira Investments & Leasing Pvt. Ltd. Genesys International Corporation Ltd.			161,887 CR (2,024,048 CR) - (750 CR) 15,453 CR (421 CR) - (17,743 CR) 523,477 CR (2,447,741 CR) 65,000,000 CR (65,000,000 CR)	

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VENTURA GUARANTY LIMITED

Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
Shazia Sajid Malik				30,070 CR
Saroja Malik				(47,361 CR)
Sohel Malik				735,000CR
Fatima Gabajiwala				(735,000CR)
				(147 DR)
				1,021,526 CR
				(31,530 CR)

m) Earnings Per share:

Basic	31 st March 2011	31 st March 2010
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Net profit after tax	30,475,703	18,412,030
Basic earnings per share (₹)	9.50	5.76
Nominal Value per share (₹)	10	10

Diluted	31 st March 2011	31 st March 2010
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Net profit after tax	26,202,091	15,894,987
Diluted earnings per share (₹)	8.20	4.98
Nominal Value per share (₹)	10	10

n) Segmental Reporting

Segment information for the year ended March 2011. Primary segment information (by business segment)

Sr. No.	Particulars	Brokerage and Related Income	Other Segment	Total
	Revenue			
1	Brokerage and Related Income	595,958,960	-	595,958,960
	P.Y.	547,427,786	-	547,427,786
2	Shares Trading Operation	-	-	-
	P.Y.	-	450,374	450,374
	Total Revenue	595,958,960	-	595,958,960
	P.Y.	547,427,786	450,374	547,427,786
	Segment Result			
1	Profit before Tax	48,209,536	(1,307,610)	46,901,926
	P.Y.	39,582,940	(7,964,808)	31,618,132
2	Less Tax			16,548,034
	P.Y.			13,206,102
3	Net Profit after tax			30,353,892
	P.Y.			18,412,030

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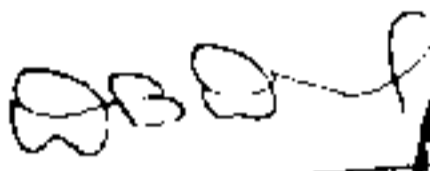
VENTURA GUARANTY LIMITED

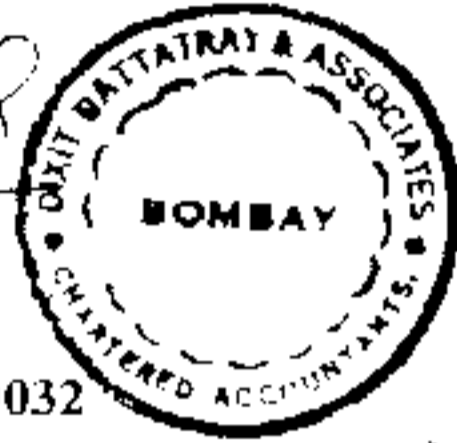
- o) The Group has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (said Act) and to the best of the company's knowledge and belief sundry creditors as at the year end do not include outstanding dues to parties or entities covered by the said Act.
- p) Previous year figures have been regrouped and / or rearranged wherever considered necessary.

Signature to Schedule 1 to 18
As per our Report of even date attached

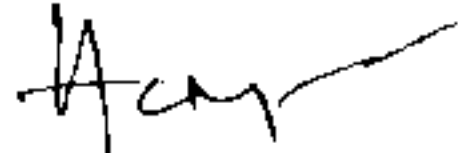
For and on behalf of
For Dixit Dattatrya & Associate
Chartered Accountants
Firm registration No.102665W

For and on behalf of
Ventura Guaranty Limited


D B Dixit
Proprietor
Membership No: 40032
Mumbai
Dated : 30th June 2011




Sajid Malik
(Director)
Mumbai
Dated : 30th June 2011


Hemant Majethia
(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 2011, the Consolidated Profit and Loss Account, 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 ₹ 38,06,46,921 as at 31st March, 2011, the total revenues of ₹ 63,61,52,118 and cash flows amounting to ₹ 37,61,25,868 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' issued by the Institute of Chartered Accountants of India.



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., I.L.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, 2011;
- (b) In the case of the Consolidated Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the Cash flows for the year ended on that date.

For Dixit Dattatrya & Associates

Chartered Accountants

Firm's Registration No.:102665W

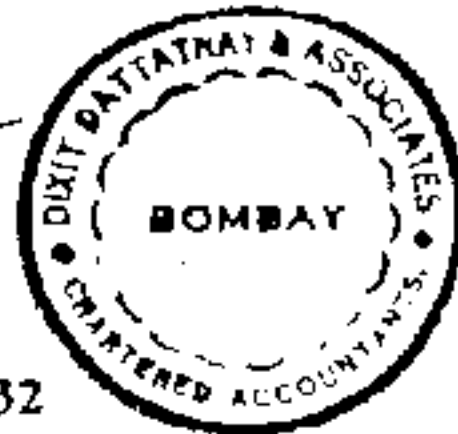

D B Dixit

Proprietor

Membership No: 40032

Mumbai.

Dated : 30th June, 2011



VENTURA GUARANTY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

	Schedule	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
SOURCES OF FUNDS			
Share Holders Funds			
Share Capital	1	31,889,200	31,889,200
Reserves and Surplus	2	287,409,355	253,888,280
		<u>319,298,555</u>	<u>285,777,480</u>
Loan Funds			
Secured Loans	3	229,223	623,589
Unsecured Loans	4	83,435,000	83,435,000
		<u>83,664,223</u>	<u>84,058,589</u>
Deferred Tax Liability			2,151,473
Total		<u>402,962,778</u>	<u>371,987,542</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	168,756,468	147,039,098
Less: Accumulated Depreciation/Amortisation		90,767,985	68,452,507
Net Block		<u>77,988,483</u>	<u>78,586,591</u>
Capital work-in-progress (including capital advances)		2,123,875	2,568,940
		<u>80,112,358</u>	<u>81,155,531</u>
Investments	6	40,121,336	38,322,081
Deferred Tax Asset (Net)		1,313,837	
Current Assets, Loans & Advances			
Sundry Debtors	7	227,713,630	147,842,717
Cash and Bank Balances	8	900,859,765	534,786,552
Loans and Advances	9	117,174,837	96,310,659
		<u>1,245,748,232</u>	<u>778,939,928</u>
Less : Current Liabilities and Provisions			
Current Liabilities	10	955,343,996	520,127,160
Provisions	11	8,988,989	6,302,838
		<u>964,332,985</u>	<u>526,429,998</u>
Net Current Assets		<u>281,415,247</u>	<u>252,509,930</u>
Total		<u>402,962,778</u>	<u>371,987,542</u>

Significant Accounting Policies & Notes to Accounts 18
The Schedules referred to above form an integral part of the Balance Sheet

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

D B Dixit
Proprietor
Membership No: 40032
Mumbai :
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited


Sajid Malik
(Director)
Mumbai
Dated : 30th June 2011



Hemant Majethia
(Director)

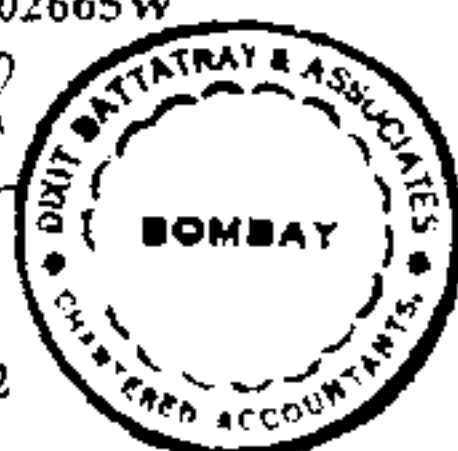
VENTURA GUARANTY LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Schedule	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
INCOME			
Income from Operations	12	595,958,960	547,427,786
Investment Gains	13	1,300,731	2,892,924
Income from Arbitrage		-	450,374
Other Income	14	38,899,554	28,777,322
Total		636,159,245	579,548,406
EXPENDITURE			
Personnel Cost	15	155,331,962	92,972,619
Operating and Other Costs	16	399,079,107	411,756,176
Loss from Trading Operation		15,220	-
Loss on Investment		1,254,642	-
Finance Cost	17	10,823,194	16,561,063
Depreciation/ Amortisation		22,810,786	18,450,416
Prior Period Item		-	8,190,000
Total		589,314,911	547,930,274
Profit before Tax		46,844,334	31,618,132
Less: Provision for Tax			
Current Tax		20,150,000	15,145,000
Wealth Tax		35,000	150,000
Deferred Tax Provision/ (Benefit)		(3,465,311)	(2,088,898)
Earlier years		(171,655)	-
Profit after Tax		30,296,300	18,412,030
Add: Share of Profit/(Loss) of Associate		57,591	-
Balance Available for Appropriations		30,353,891	18,412,030
Transfer to General Reserve		-	10,000,000
Interim Dividend		-	-
Dividend Distribution Tax		-	-
Profit / (Loss) brought forward from earlier years		226,613,280	218,201,250
Balance carried to Balance Sheet		256,967,171	226,613,280
Earning per Share (Equity Share, par value of ₹ 10 each)			
Basic		9.50	5.76
Diluted		8.20	4.98

Significant Accounting Policies & Notes to Accounts 18
The Schedules referred to above form an integral part of the Profit & Loss Account


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
Mumbai :
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited


Sajid Malik
(Director)
Mumbai :
Dated : 30th June 2011


Hemant Majethia
(Director)
Mumbai :
Dated : 30th June 2011

VENTURA GUARANTY LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Schedule 1		
Share Capital		
Authorised:		
10,000,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
Issued :		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Subscribed & Paid up:		
31,94,800 Equity Shares of ₹ 10/- each	31,948,000	31,948,000
Less : Allotment money in arrears-others	58,800	58,800
Total	31,889,200	31,889,200
Schedule 2		
Reserves and Surplus		
Capital Reserve (on consolidation)	3,167,184	-
General Reserve		
Opening Balance	27,275,000	17,275,000
Add: Transferred from Profit & Loss Account	-	10,000,000
	30,442,184	27,275,000
Profit and Loss Account	256,967,171	226,613,280
	287,409,355	253,888,280
Total	287,409,355	253,888,280
Schedule 3		
Secured loans		
(Secured by hypothecation of Motor Cars)		
Car Loan		
From bank	-	150,119
From financial institution	229,223	473,470
[Amount due within next 1 year ₹ 229,223/- (P.Y. ₹ 380,175/-)]		
Total	229,223	623,589
Schedule 4		
Unsecured loans		
Inter-corporate Deposits	17,700,000	17,700,000
Unsecured Debentures	65,000,000	65,000,000
650000 (P.Y. 650000) 9% Optionally Convertible Debentures of ₹ 100/- each [Refer Note d in Schedule 18 (B)]	735,000	735,000
Loan From Directors/ Shareholders		
Total	83,435,000	83,435,000
Schedule 6		
Investments		
Quoted, At Cost		
NIL (P.Y. 599) Shares of Hindustan Uniliver Ltd of ₹ 10 each Fully Paid-up	-	161,754
Aggregate Market Value of Quoted Investments ₹ NIL (Previous year ₹ 142,981/-)	-	161,754

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VENTURA GUARANTY LTD

Schedule 5
Fixed Assets

Sr. No.	Description of Asset	Gross Block (₹)				Depreciation				Net Block (₹)	
		As at 01/04/2010	Additions	Sales / Deletion	As at 31/03/2011	As at 01/04/2010	Depreciation Sales / Deletion	For the period	As at 31/03/2011	As at 31/03/2011	As at 31/03/2010
A	TANGIBLE ASSETS										
1	Computers	53,573,351	5,343,554	204,000	58,712,905	34,217,600	132,364	7,774,300	41,859,536	16,853,369	19,355,751
2	Office Equipment	12,358,991	2,498,733	12,480	14,845,245	1,988,167	398	706,042	2,693,811	12,151,434	10,370,824
3	Furniture & Fixtures	5,342,092	2,563,108	-	7,905,199	2,688,706	-	835,240	3,523,946	4,381,253	2,653,385
4	Leasehold Improvements	34,739,152	6,628,843	-	41,367,995	14,159,229	-	8,566,511	22,725,740	18,642,255	20,579,923
4	Motor Car	12,191,617	1,417,245	876,064	12,732,798	5,462,805	362,546	977,712	6,077,971	6,654,827	6,728,812
5	Building Premises	7,991,250	254,500	-	8,245,750	523,007	-	134,258	657,265	7,588,485	7,468,243
B	INTANGIBLE ASSETS										
1	Computer Software	20,842,645	4,103,931	-	24,946,576	9,412,993	-	3,816,723	13,229,716	11,716,860	11,429,653
	Total	147,039,098	22,809,914	1,092,544	168,756,468	68,452,507	495,308	22,810,786	90,767,985	77,988,483	78,586,591
	Previous Year's Total	125,414,113	23,364,261	2,062,093	147,039,098	51,259,331	1,257,239	18,450,416	68,452,507	78,586,591	74,154,783

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VENTURA GUARANTY LIMITED

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Unquoted, At Cost		
Trade Investments		
In Associate Company		
497000 (P.Y.497000) Kashmira Investments & Leasing Pvt. Ltd. of ₹ 10/-each fully paid up	13,182,775	9,958,000
	13,182,775	9,958,000
Non-Trade Investments		
1920000 (P.Y.1920000) Multiflex Lamiprint Ltd of ₹ 10/-each fully paid up	25,837,800	25,837,800
NIL (P.Y.477333) Multiflex Lamiprint Ltd share warrant of ₹ 53/-each (on conversion) ₹ 2.65 paid	-	1,264,932
17600 (P.Y.17600) Equity shares of Associated Hotels Ltd. ₹ 10 each Fully Paid-up	492,800	492,800
50000 (P.Y.50000) Equity Shares of Nivi Trading Ltd ₹ 10 each Fully Paid-up	603,000	603,000
	26,933,600	28,198,532
Unquoted		
Unquoted, At lower of Cost or Fair Value		
494.573 (P.Y. 378.230) Units of HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend - Reinvest option	4,961	3,794
	40,121,336	38,322,081
Total		
Schedule 7		
Sundry Debtors		
(Unsecured, Considered good)		
Debts outstanding for a period exceeding six months	24,999,194	31,796,248
Other Debts	202,714,436	116,046,469
	227,713,630	147,842,717
Total		
Schedule 8		
Cash & Bank Balances		
Cash on Hand	1,215,852	1,753,083
Balances with Scheduled Banks		
In Current Accounts	256,351,252	374,990,808
In Fixed Deposit Accounts	643,292,661	158,042,661
	900,859,765	534,786,552
Total		
Schedule 9		
Loans & Advances		
(Unsecured, considered good)		
Loans to Body Corporates	20,687,944	-
Advance recoverable in cash or in kind or for the value to be received	21,686,943	20,903,727
Deposits With Stock Exchanges	13,769,701	31,269,701
Other Deposits	17,185,772	12,329,302
Interest Accrued	9,988,549	7,039,054
Other Loans & Advances	13,641,633	2,590,057
Advance Income Tax (Net Of Provision)	19,202,603	21,238,546
Fringe Benefit Tax (Net Of Provision)	1,011,693	940,272
	117,174,837	96,310,659
Total		




VENTURA GUARANTY LIMITED

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Schedule 10		
Current Liabilities		
Sundry Creditors		
- Micro and Small enterprises	-	-
- Trade	811,341,649	427,366,670
- Expenses	33,490,642	23,901,651
Deposits/Margin received from Sub-Brokers/Clients	93,321,906	60,200,736
Sundry Creditors - Others	17,189,799	8,658,102
Total	955,343,996	520,127,160
 Schedule 11		
Provisions		
Provision for Gratuity	8,988,989	6,302,838
Total	8,988,989	6,302,838
 Schedule 12		
Income from Operations		
Income from Brokerage and Depository services	574,919,499	530,588,167
Financial Products Distribution	21,039,461	16,839,619
Total	595,958,960	547,427,786
 Schedule 13		
Investment Gain		
Income From Sale of Investment (Net)	1,799	2,550,921
Dividend on Investments	1,298,932	342,003
Total	1,300,731	2,892,924
 Schedule 14		
Other Income		
Interest Received Gross	38,634,381	28,757,600
TDS ₹ 3,087,561/- (P.Y. ₹ 5,554,269/-)	265,173	19,722
Other Income		
Total	38,899,554	28,777,322
 Schedule 15		
Personnel Cost		
Salaries, Allowances and Bonus	143,272,356	86,425,884
Staff Welfare	6,535,727	3,717,596
Contribution to Provident and other Funds	2,548,236	1,036,630
Gratuity	2,975,643	1,792,509
Total	155,331,962	92,972,619

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VENTURA GUARANTY LIMITED

	31st March 2011 Amount (₹)	31st March 2010 Amount (₹)
Schedule 16		
Operating & Other Costs		
Communication Expenses	18,209,238	12,910,551
Travelling ,Conveyance and Motor Car Expenses	12,188,115	8,390,068
Repairs & Maintenance		
- Buildings	550,801	392,066
- Plant & Machinery	21,700,116	15,960,950
- Others	433,142	908,185
Sub Brokerage	194,039,026	226,035,373
Commission Expenses	21,995,351	31,385,604
Administration Charges for Branches	28,125,858	31,876,601
Rent	28,838,290	20,211,446
Legal and Professional Fees	10,060,564	8,688,702
Stock Exchange Charges	232,455	441,180
Stamp Charges	6,001,499	3,172,132
NSDL DP charges	6,115,777	6,222,153
Service Tax	4,985,965	5,194,548
Settlement Claim / Write off	-	909,381
Advertisement Expenses	13,277,408	3,748,328
Business Development Charges	3,798,536	13,763,532
Printing & Stationery	6,678,213	2,343,887
Auditors' Remuneration	610,000	635,000
Loss on Assets Sold/ Scraped	149,236	269,437
Listing Fees	24,266	25,148
Courier & Postage Charges	4,506,319	4,911,687
Electricity Charges	8,905,973	7,784,191
Other Expenses	7,473,553	5,576,026
Preliminary expenses	179,403	
Total	399,079,107	411,756,176
 Schedule 17		
Finance Cost		
Bank Charges & Commission	78,276	47,220
Bank-Guarantee Commission	4,496,711	3,397,759
Interest Paid	6,248,207	13,116,084
Total	10,823,194	16,561,063

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VENTURA GUARANTY LIMITED

Cash Flow Statement for the year ended 31st March 2011

Particulars	31st March 2011	31st March 2010
	₹	₹
A. Cash Flow from Operating activities		
Net profit after tax	30,353,891	18,412,030
Adjustments for:		
Tax	16,548,034	13,206,102
Net Profit before tax and extraordinary Items	46,901,925	31,618,132
Adjustments for :		
Depreciation	22,810,786	18,450,416
Profit on sale of investment	(1,799)	(2,550,921)
Profit on sale of Assets	-	-
Share of Profit of Associate company	(57,591)	-
Loss on Assets Sold/ Scraped	149,236	269,437
Investment Written off	1,254,642	-
Dividend received	(1,298,932)	(342,003)
Interest paid	6,248,207	13,116,084
Interest received	(38,634,381)	(28,757,600)
Operating profit Before working capital changes	37,372,093	31,803,546
Inventories	-	-
Sundry Debtors	(79,870,913)	(5,186,842)
Loans & Advances	(19,879,205)	2,324,988
Sundry Creditors	434,193,504	163,897,080
Provisions	2,686,151	1,792,509
Cash generated from Operations	374,501,630	194,631,280
Tax paid(Net)	(18,048,823)	(15,918,072)
Net Cash from Operating Activities	356,452,807	178,713,208
B. Cash Flow from investing activities		
Purchase of fixed assets	(22,364,849)	(22,089,039)
Purchase of Investments	(418,784,642)	(1,348,406,292)
Sale of Fixed Assets	448,000	212,600
Sale of Investments	418,957,318	1,353,180,315
Dividend received on Current Investments	1,298,932	342,003
Net Cash from Investing Activities	(20,445,240)	(16,760,414)
C. Cash Flow from Financing Activities		
Interest received	35,684,886	31,283,242
Interest paid	(5,224,874)	(12,005,385)
Interim div and distribution tax	-	-
Issue of Debenture	-	65,000,000
Repayment of Inter Corporate Deposit	-	(64,461,729)
Repayment/Proceeds of long term loan	(394,366)	(12,564,844)
Net Cash used in Financing Activities	30,065,646	7,251,284
Net increase in Cash and cash equivalents	366,073,213	169,204,079
Cash and Cash equivalents at beginning of period	534,786,552	365,582,473
Cash and Cash equivalents at end of period	900,859,765	534,786,552

Cash and Cash Equivalents at end of the period includes pledged Bank Fixed Deposits of

₹ 2,500.17 Lacs

₹ 1,580.43 Lacs

This is the Cash Flow statement referred to in our report of even date For and on behalf of

Dixit Dattatray & Associates
Chartered Accountants

Firm registration No.102665W

D B Dixit
Proprietor
Membership No: 40032
Mumbai
Dated : 30th June 2011



For and on behalf of
Ventura Guaranty Limited

Sajid Malik
(Director)

Heman Majethia
(Director)

Mumbai
Dated : 30th June 2011

VENTURA GUARANTY LIMITED

Schedule 18

Significant Accounting Policies and Notes to Accounts

A) Significant Accounting Policies

a) Basis for preparation of financial statements

1. The consolidated financial statements of Ventura Guaranty Limited (the 'parent company') and its subsidiaries and associates (collectively referred to as 'the Group'), have been prepared and presented under the historical cost convention method applying accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards ("AS") prescribed in the Companies (Accounting Standards) Rules, 2006.
2. Use of estimates – Preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively in current and future periods.
3. The financial statements of the parent 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/transactions and resulting unrealized profit/(loss) in full as per Accounting Standard -21 "Consolidated Financial Statements" (AS-21).
4. The parent company's investment in Associate Company is accounted for under the equity method as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statement".
5. The Consolidated financial statements have been prepared in Indian Rupees.
6. 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.

b) List of subsidiary considered in the consolidated financial statements includes:

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31st March 2011
Ventura Securities Limited	Subsidiary	India	100%
Ventura Insurance Brokers Limited	Step Down Subsidiary	India	100%

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".



VENTURA GUARANTY LIMITED

Name of the Entity	Nature of Relationship	Country of Incorporation	Extent of holding as on 31 st March 2011
Kashmira Investment Private Limited	Associate	India	49.70%

e) 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) 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 Work-in-progress.

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.

VENTURA GUARANTY LIMITED

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) The Provident Fund scheme is a defined contribution plan for which the contribution accruing during the year as per the scheme is charged to the Profit & Loss Account of the year.

ii) The Employees gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

iii) Provision for leave encashment is made for the leave accrued by the employees as at the year end on the basis of average monthly salary drawn during the year.

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 Profit and Loss Account. 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 Profit & Loss Account.

j) Earning per share

In accordance with the Accounting Standard 20 (AS-20) "Earning per share" issued by the Institute of Chartered Accountants of India, basic earning 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 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.

l) Preliminary Expenses

Preliminary Expenses are written off in the year in which such expenses are incurred.



VENTURA GUARANTY LIMITED

m) 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.

B) Notes to Accounts

a) Contingent liabilities

i) Guarantees issued by the banks:

(₹ in Lacs)

Stock Exchanges	31 st March 2011	31 st March 2010
National Stock Exchange – Cash Segment	765.00	690.00
National Stock Exchange – F&O Segment	2,535.00	NIL
Bombay Stock Exchange – Cash Segment	1,700.00	2,235.00

ii) The bank guarantees have been secured by personal guarantees of the directors, corporate guarantee of the parent company, and fixed deposits of ₹ 2,500.17 Lacs (P. Y. ₹ 1,580.43 Lacs).

iii) Claims against the Subsidiary Company not acknowledged as debts are ₹ 19.42 Lacs (P.Y. ₹ 54.19 Lacs).

b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 9.77 Lacs (P.Y. ₹ 6.40 Lacs).

c) No provision has been made in respect of disputed Income Tax dues of ₹ 14.26 lacs (P.Y. ₹ 18.16 lacs) since the Subsidiary Company expects to get relief in appeal.

d) Optionally Convertible Debentures

The Subsidiary Company had issued 650,000 unsecured optionally convertible debentures of ₹ 100 each carrying a minimum interest of 9% on 14th July 2009. Each debenture is convertible into one fully paid up equity share 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. If the option is not exercised, the conversion will automatically take place at the end of 24 months.

e) The Subsidiary Company has taken office premises on operating lease at various locations. Lease rent in respect of the same have been charged to Profit and Loss Account. 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:



VENTURA GUARANTY LIMITED

Minimum Lease Rental	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Upto one year	8,000,873	10,945,485
One to five years	3,225,964	7,900,752
Over five years	-	-

f) Details of Investments purchased and sold during the year:

Name of the Investments	Number of Units / Shares	
	31 st March 2011	31 st March 2010
Reliance Liquid Fund - Daily Dividend Reinvestment Option	41,984,652.08	9,028,743
Reliance Liquidity Fund - Growth Plan	-	85,747,609
HDFC Cash Management Fund- Treasury Advt. Plan - Daily Dividend Option	-	997,624
6.85% IIFCL. (Bonds)	-	630

g) Details of Auditors' Remuneration are as under:

	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Audit Fees	408,000	358,000
Tax Audit Fees	52,000	52,000
Certification Fees	50,000	75,000
Other Services	100,000	150,000
Total	610,000	635,000

h) Details of Directors Remuneration are as under:

	31 st March 2011		31 st March 2010	
	Amount (₹)		Amount (₹)	
	Hemant Majethia	Juzer Gabajiwala	Hemant Majethia	Juzer Gabajiwala
Salaries	4,800,000	1,864,375	4,800,000	1,224,384
House Rent Allowance	-	852,000	-	456,000
Other Allowances	-	232,008	-	-
Value of Perquisites	39,600	21,600	39,600	21,600
Total	4,839,600	2,969,983	4,839,600	1,701,984

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

The Subsidiary Company has applied to the Central Government for approval of payment of remuneration to Mr. Hemant Majethia at enhanced rates from 1st February 2011. Pending receipt of approval of the same, the Subsidiary Company has paid remuneration in accordance with the earlier approval which was valid for a period of five years upto 31st January 2011.

i) Expenditure in Foreign Currency:

Expenditure (at actuals)	31 st March 2011	31 st March 2010
	Amount (₹)	Amount (₹)
Business Development Expenses	1,134,480	6,004,620
Travelling Expenses	-	76,350

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YENTURA GUARANTY LIMITED

j) Employee Benefits

In accordance with the AS-15 (Revised) issued by the Institute of Chartered Accountants of India, the Group has provided for a Gratuity Liability of ₹ 8,988,989/- (Previous Year ₹6,302,838/-). 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:

	31 st March 2011	31 st March 2010
Increment Rate:	6% p.a.	6% p.a.
Discounting Rate:	8% p.a.	7.5% p.a.

Balance sheet Statement:

Present value of the obligation at 31.03.2011	8,988,989	6,302,838
Fair Value of plan assets at 31.03.2011	Nil	Nil
Un-funded Liability at 31.03.2011	8,988,989	6,302,838
Unrealized actuarial gains/losses	Nil	Nil
Un-funded Liability recognized in Balance Sheet	8,988,989	6,302,838

Profit and Loss Statement:

Interest Cost from 01.04.2010 to 31.03.2011	504,227	360,826
Service Cost from 01.04.2010 to 31.03.2011	2,111,635	1,591,310
Actual return on plan assets from 01.04.2010 to 31.03.2011	N.A.	N.A.
(Gain)/Loss recognized as on 31.03.2011	70,289	(159,627)
Net Loss to be shown in P&L A/c as expense	2,686,151	1,792,509

Reconciliation of Benefit Obligations:

Liability at the beginning of the year	6,302,838	4,510,329
Interest Cost	504,227	360,826
Current Service Cost	2,111,635	1,591,310
Benefit Paid	NIL	NIL
Actuarial (Gain)/Loss on Obligation	70,289	(159,627)
Amount recognized and disclosed under the head 'Provision for Employees Benefits'	8,988,989	6,302,838

k) Deferred Tax:

- In accordance with the Accounting Standard 22 (AS – 22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax asset has been accounted on account of timing difference amounting to ₹ 1,313,837/- (Previous year deferred tax liability ₹ 2,151,474/-).
- Net deferred tax benefit of ₹ 3,465,311/- for the current year has been recognized in the Profit & Loss Account. (Previous year deferred tax benefit ₹ 2,088,898/-).
- The breakup of the deferred tax liability / asset as on 31st March, 2011 is as under :

VENTURA GUARANTY LIMITED

(Amount in ₹)

Description	As at March 31, 2011		As at March 31, 2010	
	Deferred Tax asset	Deferred Tax liability	Deferred Tax asset	Deferred Tax liability
Depreciation allowance - Timing difference		3,957,668		6,186,556
Provision for Gratuity	2,916,477		2,093,645	
Leave Encashment	279,854		-	
Stamp Duty	2,075,171		1,941,437	
Deferred tax liability / (asset)	(1,313,837)			2,151,474

1) Related Party Transactions
As per Accounting Standard 18 issued by the Institute of Chartered Accountant of India, 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) Genesys International Corporation Ltd.
c) Kashmir Investments & Leasing Pvt. Ltd.
- II) Key Management Personnel
- a) Mr. Hemant Majethia
b) Mr. Sajid Malik
e) Mr. Juzer Gabajiwala
- III) Relatives of Key Management Personnel
- a) Mrs. Shazia Sajid Malik
b) Mr. Sohail Malik
e) Mrs. Saroja Malik
d) Mrs. Fatima Gabajiwala

ii) Details of Transactions with the Related Parties

Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
1 Securities Traded Value:				
Hemant Majethia			3,488,095 (6,346,387)	
Sajid Malik			2,305,166 (2,806,748)	
Juzer Gabajiwala			4,554,368 (1,598,044)	
Shazia Sajid Malik				783,549 (801,085)
Sohel Malik				5,765,732 (-)
Fatima Gabajiwala				5,002,106 (4,103,895)
Kashmira Investments & Leasing Pvt. Ltd.		697,519,038 (317,455,040)		
2 Brokerage Earned:				
Hemant Majethia			8,740 (66,304)	
Sajid Malik			58,819	

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VENTURA GUARANTY LIMITED

	Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
	Shazia Sajid Malik Sohel Malik Kashmira Investments & Leasing Pvt. Ltd.		49,285 (23,723)		2,340 (2,592) 17,231 (-)
3	Rent Paid: Sajid Malik Saroja Malik			840,000 (840,000)	2,640,000 (840,000)
4	Remuneration Paid: Mr. Hemant Majethia Mr. Juzer Gabajiwala			4,800,000 (4,800,000) 2,948,383 (1,680,384)	
5	Business Development Expenses: Fatima Gabajiwala		54,786 (16,340)		
6	Loan/Deposit taken: Kashmira Investments & Leasing Pvt. Ltd.		- (13,200,000)		
7	Loan/Deposit repaid: Kashmira Investments & Leasing Pvt. Ltd. Saroja Malik Sajid Malik		- (13,315,608)		- (65000)
9	Interest paid: Kashmira Investments & Leasing Pvt. Ltd. Genesys International Corporation Ltd.		- (145,602) 5,800,002 (4,183,151)		
10	Outstanding Debit/Credit: Hemant Majethia Sajid Malik Juzer Gabajiwala Ventura Commodities Pvt. Ltd. Kashmira Investments & Leasing Pvt. Ltd. Genesys International Corporation Ltd.			161,887 CR (2,024,048 CR) - (750 CR) 15,453 CR (421 CR) - (17,743 CR) 523,477 CR (2,447,741 CR) 65,000,000 CR (65,000,000 CR)	

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VENTURA GUARANTY LIMITED

Nature Of Transaction	Holding Company	Associate Enterprise	Key Management Personnel	Relatives of Key Management Personnel
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
Shazia Sajid Malik				30,070 CR (47,361 CR)
Saroja Malik				735,000CR (735,000CR)
Sohel Malik				- (147 DR)
Fatima Gabajiwala				1,021,526 CR (31,530 CR)

m) Earnings Per share:

Basic	31 st March 2011	31 st March 2010
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Net profit after tax	30,475,703	18,412,030
Basic earnings per share (₹)	9.50	5.76
Nominal Value per share (₹)	10	10

Diluted	31 st March 2011	31 st March 2010
Weighted average no. of equity shares outstanding	3,194,800	3,194,800
Net profit after tax	26,202,091	15,894,987
Diluted earnings per share (₹)	8.20	4.98
Nominal Value per share (₹)	10	10

n) Segmental Reporting

Segment information for the year ended March 2011. Primary segment information (by business segment)

Sr. No.	Particulars	Brokerage and Related Income	Other Segment	Total
	Revenue			
1	Brokerage and Related Income	595,958,960	-	595,958,960
		P.Y. 547,427,786	-	547,427,786
2	Shares Trading Operation	-	-	-
		P.Y. -	450,374	450,374
	Total Revenue	595,958,960	-	595,958,960
		P.Y. 547,427,786	450,374	547,427,786
	Segment Result			
1	Profit before Tax	48,209,536	(1,307,610)	46,901,926
		P.Y. 39,582,940	(7,964,808)	31,618,132
2	Less Tax			16,548,034
		P.Y.		13,206,102
3	Net Profit after tax			30,353,892
		P.Y.		18,412,030

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VENTURA GUARANTY LIMITED

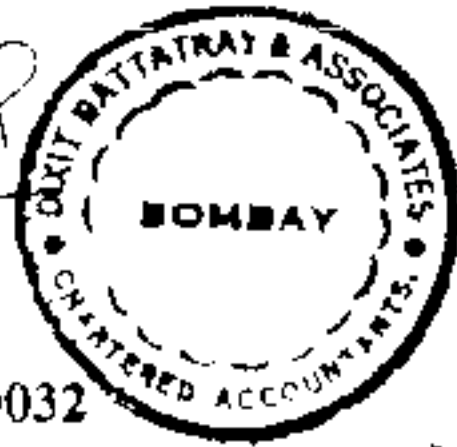
- o) The Group has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (said Act) and to the best of the company's knowledge and belief sundry creditors as at the year end do not include outstanding dues to parties or entities covered by the said Act.
- p) Previous year figures have been regrouped and / or rearranged wherever considered necessary.

Signature to Schedule 1 to 18
As per our Report of even date attached

For and on behalf of
For Dixit Dattatrya & Associate
Chartered Accountants
Firm registration No.102665W

For and on behalf of
Ventura Guaranty Limited


D B Dixit
Proprietor
Membership No: 40032
Mumbai
Dated : 30th June 2011




Sajid Malik
(Director)

Mumbai
Dated : 30th June 2011


Hemant Majethia
(Director)



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

1. Name of the Subsidiary	:	Ventura Securities Limited	Ventura Insurance Broker's Limited
2. Financial year of the subsidiary Company ended on	:	31 st March, 2011	31 st March, 2011
3. Holding Company's Interest Number of shares - Equity Shares	:	4,899,160	500,000
Extent of holding	:	100%	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	:	31,537,851	(179,403)
(ii) for the previous financial years of the subsidiary since it became the Holding Company's subsidiary	:	234,208,844	Nil
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	:	Nil	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
DIRECTOR


HEMANT MAJETHIA
DIRECTOR

Mumbai, 30th June 2011

VENTURA GUARANTY LIMITED

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

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 C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079 on Friday, September 30, 2011 at 3.30 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 – 400 001

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 failing 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 C-112/116, Kailash Industrial Complex, Building No. 1, Parksite, Vikhroli (W), Mumbai 400 079 on Friday, September 30, 2011 at 3.30 p.m. and at any adjournment(s) thereof.

Rupee 1
Revenue
Stamp

Signed this..... day of September, 2011 Signature _____

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.