



Rau & Nathan

CHARTERED ACCOUNTANTS

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V.V. Mohalla, Mysuru - 570 002

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raunathan@gmail.com

To

The Board of Directors,

Venlon Enterprises Limited

We have audited the accompanying statement of financial results ("The Statement") of Venlon Enterprises Limited ("The Company") for the year ended 31st March, 2016 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our audit in accordance with the standards on auditing generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

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

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

The figures for the last quarter are the balancing figures between the audited figures in respect of the full year and the unaudited published figures up to the third quarter ended 31st December, 2015 which were subject to limited review.



In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) Gives a true and fair view of the net loss and other financial information of the Company for the quarter and the year ended 31st March, 2016.

For **RAU & NATHAN**
Chartered Accountants
Firm registration # 003178S

N. Vaidyanathan
N. VAIDYANATHAN
Partner
Membership # 022573

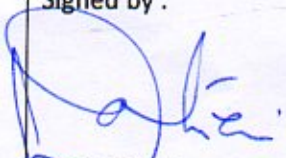
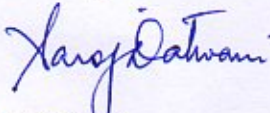
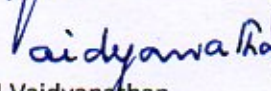
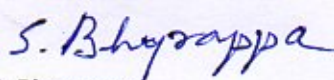



Mysuru
28th May, 2016

BSE SCRIP CODE : 524038

FORM A (for audit report with unmodified opinion relating to Standalone Results)

(Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements)
Regulation 2015)

1	Name of the Company	Venlon Enterprises Limited
2	Annual Financial Statement for the year ended	31 st March, 2016
3	Type of Audit observation	Un-modified/matter of emphasis
	Matter of emphasis	The Company is a sick Industrial Company as defined in Sec 15 of Sick Industrial Companies (Special Provision) Act, 1985.
4	Frequency of observation	First time
5	Signed by :	Signed by :
	 C.D. Datwani Chairman & Managing Director	For Rau & Nathan Chartered Accountants FRN: 0031785
	 Saroj Datwani Chief Finance Officer	 N. Vaidyanathan Partner Mem. No. 22573
	 S. Bhyrappa Chairman of the Audit Committee meeting for the day	
	Place: Mysore Date : May 28, 2016	



VENLON ENTERPRISES LIMITED

Regd. Office : No.26(P), Belavadi Industrial Area, Hunsur Road, Mysuru 570 018

BSE Scrip Code : 524038

₹ in Lakh

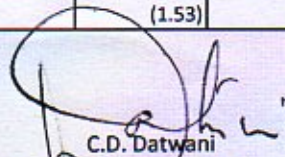
Statement of standalone audited financial results for Quarter and Year ended 31st March 2016

Sl No.	Particulars	3 Months ended			Year ended	
		31-Mar-16 Audited	31-Dec-15 Un-Audited	31-Mar-15 Audited	31-Mar-16 Audited	31-Mar-15 Audited
PART - 1						
01.	Income form Operations					
	a) Net Sales/Income from Operations	693.34	601.66	1,888.44	4,058.15	4,638.02
	b) Other Operating Income	58.74	16.09	0.59	152.30	242.28
	Total Income	752.08	617.75	1,889.03	4,210.45	4,880.30
02.	Expenses					
	a) Cost of Materials consumed	566.18	226.57	1,434.83	2,622.68	2,782.29
	b) Purchases of Stock-in-trade	35.53	9.77	(4.82)	116.66	210.70
	c) Change in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	(223.48)	211.54	(89.97)	(249.09)	260.71
	d) Employee Benefit Expenses	196.01	153.55	183.70	707.98	547.15
	e) Depreciation and amortisation expenses	158.28	155.03	293.01	623.36	620.10
	f) Other Expenses	234.34	240.38	375.21	1,179.52	1,009.78
	Total Expenses	966.86	996.84	2,191.95	5,001.11	5,430.73
03.	Profit/(Loss) from Operations before Other Income and finance Costs and exceptional items (1-2)	(214.78)	(379.08)	(302.92)	(790.66)	(550.43)
04.	Other Income	64.52	36.95	34.35	206.20	139.05
05.	Profit/(Loss) form Ordinary activities before Finance Costs and exceptional items (3+4)	(150.26)	(342.14)	(268.57)	(584.46)	(411.38)
06.	Finance Cost	186.65	31.82	26.79	382.59	277.90
07.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(336.91)	(373.96)	(295.36)	(967.05)	(689.29)
08.	Exceptional Items	0.00	0.00	0.00	0.00	0.00
09.	Profit / (Loss) from ordinary activities before tax (7 + 8)	(336.91)	(373.96)	(295.36)	(967.05)	(689.29)
10.	Tax Expenses	0.00	0.00	(41.58)	0.00	(41.58)
11.	Net Profit / (Loss) from ordinary activities after tax	(336.91)	(373.96)	(253.78)	(967.05)	(647.71)
12.	Extraordinary items	0.00	0.00	0.00	0.00	0.00
13.	Net Profit / (Loss) for the period	(336.91)	(373.96)	(253.78)	(967.05)	(647.71)
14.	Share of Profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00
15.	Minority Interest	0.00	0.00	0.00	0.00	0.00
16.	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates	(336.91)	(373.96)	(253.78)	(967.05)	(647.71)
17.	(Ordinary Share of ₹. 5 each)	2,612.12	2,612.12	2,612.12	2,612.12	2,612.12
18.	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	(1,756.82)	(1,756.82)	(1,095.95)	(1,756.82)	(1,095.95)
19.	i Earnings Per Share (before extraordinary items) (of ₹5 each) (not annualised):					
	(a) Basic	(0.64)	(0.72)	(0.49)	(1.85)	(1.24)
	(b) Diluted	(0.64)	(0.72)	(0.49)	(1.85)	(1.24)
	ii Earnings Per Share (after extraordinary items) (of ₹5 each) (not annualised):					
	(a) Basic	(0.64)	(0.72)	(0.49)	(1.85)	(1.24)
	(b) Diluted	(0.64)	(0.72)	(0.49)	(1.85)	(1.24)
20.	Debt Equity Ratio				3.39	3.18
22.	Debt Service Coverage Ratio				(1.53)	(1.48)
23.	Interest Service Coverage Ratio				(1.53)	(1.48)

Place: Mysuru

Date: 28th May 2016




C.D. Datwani
Chairman and Managing Director



VENLON ENTERPRISES LIMITED

Regd. Office : No.26(P), Belavadi Industrial Area, Hunsur Road, Mysuru -18

BSE Scrip Code : 524038

audited financial results for the quarter and Year ended 31st March 2016

₹ in Lakh

Segment-wise Revenue Results and Capital Employed along with the quarterly results.

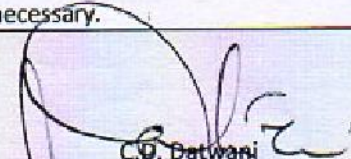
Sl No.	Particulars	3 Months ended			Year ended	
		31-Mar-16 Audited	31-Dec-15 Un-Audited	31-Mar-15 Audited	31-Mar-16 Audited	31-Mar-15 Audited
01.	Segment Revenue					
	a) Film	220.09	155.84	726.79	2,112.65	2,204.45
	b) Windmill	25.42	48.82	37.19	221.20	239.38
	c) Formaldehyde and Para- Formaldehyde	751.99	541.16	719.60	3,120.29	3,382.97
	d) Unallocated	58.74	16.09	0.59	152.30	242.28
	Total	1,056.24	761.91	1,484.17	5,606.44	6,069.08
	Less : Inter-Segment Revenue	304.16	144.16	404.86	1,395.99	1,188.78
	Net sales/Income From Operations	752.08	617.75	1,889.03	4,210.45	4,880.30
02.	Segment Results					
	Profit /(Loss) before Interest and Tax					
	Film	(109.02)	(92.92)	(154.36)	(319.72)	(253.62)
	Windmill	0.89	26.60	17.73	132.71	155.43
	Formaldehyde and Para- Formaldehyde	(247.16)	(260.59)	(171.33)	(589.93)	(453.94)
	Unallocated	13.81	6.31	-	20.12	-
	Total	(341.48)	(320.60)	(307.96)	(756.82)	(552.13)
	Less : (i) Interest	63.89	60.11	26.78	288.12	277.90
	(ii) Other un-allocable expenses net off un-allocable income	(68.46)	(6.75)	(39.38)	(77.89)	(140.75)
	Total Profit/(Loss) before Tax	(336.91)	(373.96)	(295.36)	(967.05)	(689.29)
03.	Capital Employed					
	(Segment Assets-Segment Liabilities)					
	Film	6,621.09	8,034.94	8,034.94	6,621.09	8,034.94
	Windmill	3,509.82	3,180.14	3,180.14	3,509.82	3,180.14
	Formaldehyde and Para- Formaldehyde	2,138.35	1,664.63	1,664.63	2,138.35	1,664.63
	Others (Including investments)					
	Total	12,269.27	12,879.71	12,879.71	12,269.27	12,879.71

Notes to Financial Results :

01. The above results were reviewed by the audit committee and recommended it to the Board for signing after scrutiny.
02. Last Quarter figures are balancing figures between audited figures in respect of entire financial year and published to date figures up to the 3rd Quarter of the respective financial year.
03. Audit Report along with Form-A has formed part of these results.
04. The Company is a Sick Industrial Company as defined in Sec 15 of the Sick Industrial Companies (Special Provisions) Act 1985. Outcome of the Board Meeting upload indicates action being taken by the Company.
05. Previous Quarter / year figures have been re grouped / re classified wherever necessary.

Place: Mysuru

Date: 28th May 2016



 C.D. Datwani
 Chairman and Managing Director

**VENLON ENTERPRISES LIMITED**

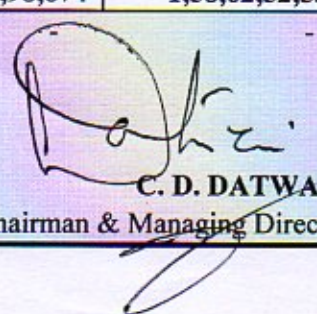
Regd. Office : No.26(P), Belavadi Industrial Area, Hunsur Road, Mysuru 570 018

BALANCE SHEET AS AT 31 MARCH 2016*Audited*

PARTICULARS	As At 31 March 2016 Rupees	As At 31 March 2015 Rupees
A. EQUITY AND LIABILITIES		
1. SHARE HOLDERS FUNDS		
(a) Share capital	26,12,12,470	26,12,12,470
(b) Reserves and surplus	8,09,01,248	19,24,53,154
2. NON CURRENT LIABILITIES		
(a) Long term borrowings	88,48,12,826	83,18,97,240
(b) Long term provisions	53,64,133	42,26,175
3. CURRENT LIABILITIES		
(a) Short term borrowings	28,27,21,767	26,84,10,286
(b) Trade payables	3,48,02,730	1,61,37,322
(c) Other current liabilities	1,03,85,731	95,78,580
(d) Short term provisions	33,97,769	23,37,324
TOTAL	1,56,35,98,674	1,58,62,52,551
B. ASSETS		
1. NON CURRENT ASSETS		
(a) <i>Fixed Assets</i>		
(i) Tangible assets	1,14,46,78,711	1,10,52,66,402
(ii) Intangible assets	27,989	31,530
(iii) Capital work in progress	2,11,59,856	9,74,68,420
(iv) Foreign currency monetary item translation difference A/c	10,25,79,667	7,16,39,763
(b) Non current investments	2,27,968	27,27,968
(c) Deferred tax assets (net)	4,94,19,793	4,94,19,793
(d) Long term loans and advances	40,86,058	40,86,058
2. CURRENT ASSETS		
(a) Inventories	18,99,30,124	16,45,39,711
(b) Trade receivables	2,70,14,914	2,16,00,095
(c) Cash and bank balances	83,98,721	5,16,00,915
(d) Short term loans and advances	96,68,811	1,08,53,289
(e) Other current assets	64,06,062	70,18,607
TOTAL	1,56,35,98,674	1,58,62,52,551

Place: Mysuru

Date: 28th May 2016


C. D. DATWANI
Chairman & Managing Director