



VENLON ENTERPRISES LTD.

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To,
BSE Ltd.,
Mumbai

Date: 31st Oct 2018

Sebi (LoDR) Regulations 2015
Regulation 30 Schedule III item A-4

Outcome of Board Meeting held on 31st Oct 2018

Commencement Time: 4-00 pm

Conclusion: 8-30 pm

Disclosure of Material events

The Chairman while tracing the history of the Company since its public issue in 1986-87 stated that the net worth of the Company has eroded and stands negative at Rs.19,99,91,343- as at 31st March 2018 and is escalating due to excess capacity creation of Polyester Film which is the main line of business activity of the Company thereby the market share has considerably dropped down resulting in sale price also dropping adversely affecting recovery of fixed cost the major component of which is employee benefit cost. This resulted in close down of entire operations of this segment at the end of the quarter leading to termination of 61 employees / staff by mutual discussions retaining only a handful man power to look after security, clean room conditions, accounts and personal departments. Compliances of various regulations are being done by external professionals attached to the Company since its inception.

He further stated that Formaldehyde production in the adjacent block had to be stopped as it was running in the Company name as Unit II. Alternative actions are being planned for survival of this segment.

Considering all these the Bankers have reduced the working limits to Rs.5 crores from Rs. 15 crores yet it is ensured that cash flow is not negative consequent to actions taken as narrated above. Plus monies brought in by promoter – Directors.

Chairman further said that attempts are being made to delist the shares from BSE Ltd. under voluntary delisting procedure and is in the process of clearing decks to meet the initial requirement to commence delisting process.

The Chairman referring to BSE Listing Centre acknowledgement Number 2809 20180 8573 444 dated 28th Sept 2018 said that the Board has obtained consent of the shareholders u/s 180 of the Companies Act 2013 by unanimous vote to sell, lease, mortgage or otherwise dispose off the whole of the undertaking or substantially the whole of it.

Finally as a matter of caution and on the advice of Board through this outcome drew the attention of shareholders holding shares in physical Form to dematerialize them to fall in line with BSE circular: List/COMP/15/2018-19 dated July 05, 2018.

The members carefully heard Promoter – Chairman – Director and authorized him to take necessary steps to protect the interest of the investors and update BSE Listing Centre as and when deemed fit.

This upload as decided by the Board.

Place : Mysuru

Date : 31st Oct 2018

Sd/-

C.D. Datwani

Chairman-Promoter-Managing Director