



VENLON ENTERPRISES LTD.

Regd. Office & Works : 26 (P) & Plot No. 2, Belavadi Industrial Area, Hunsur Road, Mysore - 570 018. CIN : L24231KA1983PLC015089

To,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001
BSE Code: 524038

Date: 30.05.2023

Dear Sir,

Subject: Outcome of Board meeting held on 30th May, 2023.

Ref: Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015(Listing Regulation) we humbly submit that the Board of Directors at their meeting held today i.e., Tuesday, the 30th May, 2023 considered the audited standalone financial results of the Company for the quarter and year ended on March 31, 2023.

In this regard, please find the enclosed copies of the following:

- Statement showing the Standalone Audited Financial results for the quarter and financial year ended 31st March 2023
- Auditor's report forming part of the financial results
- Statement of assets and liabilities as on 31st March 2023
- Cash Flow statement as on 31st March 2023

The Board meeting commenced at 4:30 p.m. and concluded at 5:45 p.m.

Please take the same on record.

Yours truly,

For VENLON ENTERPRISES LIMITED

G D RAMA
RAO

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G D Ramarao

Company Secretary

Independent Auditor's Report on the Quarterly and Year to date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

To,
The Board of Directors,
Venlon Enterprises Limited,
Mysore

Report on the audit of the Standalone Financial Results

Opinion:

We have audited the accompanying Statement of quarterly and year to date standalone financial results of Venlon Enterprises Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

- i. In our opinion and to the best of our information and according to the explanations given to us, the Statement: is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the " Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

We draw attention to Note 3 & 4 of the financial results, which describes the Company's financial condition as of March 31, 2023 and its debt obligations. The company's financial performance has impacted its ability to generate cash flow that it needs to settle/finance its liabilities as they fall due.

The Company's ability to continue as a going concern is dependent on its ability to raise additional funds or/and successful negotiations with lenders for deferment/settlement of its liabilities as they fall due. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process. Auditor's Responsibilities for the Audit of the Standalone Financial Results Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by the previous auditors for the first quarter ended June 30, 2022 and half year ended September 30, 2022, and by us for the third quarter ended December 31, 2022, as required under the Listing Regulations.

For Laxminiwas & Co
Chartered Accountants
FRN: 011168S

GAURAV
JASHWANT SHAH

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Gaurav Jashwant Shah
Partner
M. No. 229420
UDIN: 23229420BGWXUP9709

Date: May 30, 2023
Place: Mysore



VENLON ENTERPRISES LTD

CIN: L24231KA1983PLC015089

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

Statement of Audited financial results for quarter and Year ended 31st March, 2023

| Sl No. | Particulars | Rs in Lakhs | | | | |
|--------|---|-------------------|-----------------|---------------|----------------------|----------------|
| | | Quarter Ended | | | Financial Year Ended | |
| | | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 |
| | | Audited | Un audited | Audited | Audited | Audited |
| I | Revenue from Operations | 84.68 | 23.68 | 228.22 | 238.21 | 380.29 |
| II | Other income | 35.22 | 3.79 | 67.64 | 66.48 | 408.39 |
| III | Total Revenue (I+II) | 119.91 | 27.47 | 295.86 | 304.69 | 788.68 |
| IV | Expenses | | | | | |
| | a) Cost of Materials consumed | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | b) Purchases of Stock-in-trade | 20.16 | 0.00 | 0.00 | 20.16 | 0.00 |
| | c) Change in Inventories of Finished Goods | | | | | |
| | Work-in-Progress and Stock-in-Trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | e) Employee Benefit Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | f) Finance cost | 409.22 | 8.34 | 8.34 | 434.27 | 33.40 |
| | g) Depreciation and Impairment expenses | (261.73) | 579.25 | 72.98 | 486.26 | 337.48 |
| | h) Other Expenses | 2,494.47 | 99.82 | 39.23 | 2,678.52 | 143.53 |
| | Total Expenses | 2,662.12 | 687.41 | 120.55 | 3,619.21 | 514.41 |
| V | Profit/(Loss) from Operations before exceptional items and Tax (1-2) | (2,542.21) | (659.94) | 175.31 | (3,314.52) | 274.27 |
| VI | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VII | Profit/(Loss) before tax (V-VI) | (2,542.21) | (659.94) | 175.31 | (3,314.52) | 274.27 |
| VIII | Tax Expenses | 0.00 | 0.54 | 0.00 | 0.54 | 0.00 |
| IX | Net Profit / (Loss) For the Period (VII-VIII) | (2,542.21) | (660.48) | 175.31 | (3,315.06) | 274.27 |
| X | Other Comprehensive income | | | | | |
| | A (i) Items that will not be reclassified to profit or loss | 2.13 | - | 0.00 | 2.13 | 0.00 |
| | (ii) income tax relating to items that will not be reclassified to profit or loss | 0.00 | - | - | - | - |
| | B (i) items that will be reclassified to profit and loss | 1,598.42 | (25.09) | (169.65) | 858.70 | (328.06) |
| | (ii) income Tax relating to items that will be reclassified to profit or loss | 0.00 | - | - | - | - |
| XI | Total Comprehensive income for the period (IX+X) | (941.66) | (25.09) | 5.66 | (2,454.23) | (53.79) |
| XII | Paid Up Equity Share Capital (face valueRs 5/-each) | 2,612.12 | 2,612.12 | 2,612.12 | 2,612.12 | 2,612.12 |
| XIII | Other Equity | (10,471.84) | (9,524.28) | (8,011.80) | (10,471.84) | (8,011.80) |
| | Earnings Per Share | | | | | |
| | From Discontinuing Operation | | | | | |
| | (a) Basic | (4.87) | (1.39) | 0.34 | (6.34) | 0.52 |
| | (b) Diluted | (4.87) | (1.39) | 0.34 | (6.34) | 0.52 |
| | Date:30/05/2023 | | | | | |
| | Place: Mysore | | | | | |

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C.D. Datwani
Chairman

**VENLON ENTERPRISES LTD**

CIN: L24231KA1983PLC015089

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

Statement of Assets and Liabilities

Rs in Lakhs

| Particulars | 31-03-2023 (Audited) | 31-03-2022 (Audited) |
|---|-------------------------|-------------------------|
| (1) ASSETS | | |
| Non-current assets | | |
| (a) Property, Plant and Equipment | 3804.64 | 5066.11 |
| (b) Capital work-in-progress | - | - |
| (c) Investment Property | - | - |
| (d) Goodwill | - | - |
| (e) Other Intangible assets | - | 0.07 |
| (f) Intangible assets under evelopment | - | - |
| (g) Biological Assets other than bearer plants | - | - |
| (h) Financial Assets | | |
| (i) Investments | 18.51 | 13.78 |
| (ii) Trade receivables | - | - |
| (iii) Loans | | |
| (iv) Others (to be specified) FCMIT A/c | - | 447.18 |
| (i) Deferred tax assets (net) | - | - |
| (j) Other non-current assets | - | - |
| (2) Current assets | | |
| (a) Inventories | 0.00 | 272.58 |
| (b) Financial Assets | - | - |
| (i) Investments | 247.40 | |
| (ii) Trade receivables | 6.91 | 107.76 |
| (iii) Cash and cash equivalents | 13.77 | 18.80 |
| (iv) Bank balances other than (iii) above | 1073.25 | 1089.54 |
| (v) Loans | | - |
| (vi) Others (to be specified) | | |
| (c) Current Tax Assets (Net) | - | - |
| (d) Other current assets | 79.04 | 82.55 |
| (3) Assets Held for Sale/ disposal | 1,298.09 | 1119.40 |
| Total Assets | 6,541.61 | 8,217.77 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share capital | 2612.12 | 2612.12 |
| (b) Other Equity | -10471.83 | -8011.81 |
| LIABILITIES | | |
| Non-current liabilities | | |
| (a) Financial Liabilities | - | - |
| (i) Borrowings | 9964.41 | 9203.99 |
| (ii) Trade payables | - | - |
| (iii) Other financial liabilities (other than those specified in item (b), to be specified) | - | - |
| (b) Provisions | - | - |
| (c) Deferred tax liabilities (Net) | - | - |
| (d) Other non-current liabilities | - | - |
| Current liabilities | - | - |
| (a) Financial Liabilities | - | - |
| (i) Borrowings | 2304.14 | 2324.86 |
| (ii) Trade payables | 15.65 | 62.63 |
| (iii) Other financial liabilities (other than those specified in item (c)) | - | - |
| (b) Other current liabilities | 2113.82 | 2022.68 |
| (c) Provisions | 3.30 | 3.30 |
| (d) Current Tax Liabilities (Net) | - | - |
| Total Equity and Liabilities | 6,541.61 | 8,217.77 |

CASH FLOW STATEMENT FOR YEAR ENDED MARCH 2023

| Particulars | Amount in Rs | |
|--|---|--|
| | 1st April 2022 to 31st March 2023 (Audited) | 1st April 2021 to 31st March 2022 (Audited) |
| Cash Flow from Operating Activities | | |
| Net loss as per Statement of Profit and Loss | -33,15,06,710 | 2,74,26,856 |
| <u>Adjusted for:</u> | | |
| Depreciation / Amortisation and Depletion Expense | 4,86,26,356 | 3,37,48,895 |
| Loss on sale of asset | 21,88,59,140 | |
| Amortization of unrealized foreign exchange loss / (gain) on Long Term Debts | 4,63,45,481 | 33,40,544 |
| Provision for advances and deposits | 12,91,606 | - |
| Provision for Inventories | 2,52,14,839 | - |
| Provision for Bad and doubtful debts | 49,06,979 | - |
| GST Expenses- Provision | 24,15,419 | - |
| Write back provision in debtors | - | - |
| Interest Income | (61,78,470) | (44,78,693) |
| Dividend Income | (18,450) | (11,147) |
| (Profit) / Loss on Sale / Discard of Assets (Net) | (4,27,574) | (3,63,49,180) |
| FD written off | 15,000 | |
| Interest Expense | - | 8 |
| Short term provisions | 0 | - |
| Operating Profit / (Loss) Before Working Capital Changes | 95,43,616 | 2,36,77,283 |
| <u>Adjusted for:</u> | | |
| (Increase) / Decrease in Trade Receivables | 51,78,205 | -16,37,241 |
| (Increase) / Decrease in Inventories | 20,43,395 | 68,66,397 |
| (Increase) / Decrease in Other Current Assets | 3,49,573 | -46,87,514 |
| Increase / (Decrease) in Trade Payables | -46,97,112 | -10,95,726 |
| Increase / (Decrease) in Other Current Liabilities | 37,80,962 | -1,70,57,692 |
| (Increase) / Decrease in short term loans and advances | - | - |
| Cash Generated from Operations | 1,61,98,639 | 60,65,507 |
| Tax Paid (Net) | | |
| Net Cash Flow from / (Used in) Operating Activities (i) | 1,61,98,639 | 60,65,507 |
| Cash Flow From Investing Activities | | |
| Sale of tangible and Intangible assets | 25,58,000 | 6,58,64,613 |
| Proceeds from Long term Loans and Advances | -0 | 27,95,802 |
| Fixed deposits with bank | 16,14,762 | -7,74,15,362 |
| Investment in Mutual Funds | -2,50,00,000 | - |
| Interest Income | 61,78,470 | 44,78,691 |
| Dividend Income | 18,450 | 11,147 |
| Net Cash Flow from / (Used in) Investing Activities (ii) | -1,46,30,318 | -42,65,109 |
| Cash Flow From Financing Activities | | |
| Short term borrowings (net) | -20,71,364 | -33,19,482 |
| Interest paid | - | -8 |
| Net Cash flow from / (Used in) Financing Activities (iii) | -20,71,364 | -33,19,490 |
| Net Increase / (Decrease) in Cash and Cash Equivalents (i + ii + iii) | -5,03,043 | -15,19,092 |
| Opening Balance of Cash and Cash Equivalents | 18,79,612 | 33,98,704 |
| Closing Balance of Cash and Cash Equivalents | 13,76,569 | 18,79,612 |
| Components of Cash and Cash Equivalents as per Ind As 7 | | |
| Cash on Hand | 14,574 | 34,110 |
| With Banks-Current Accounts | 13,61,995 | 18,45,503 |
| Total cash and cash equivalents | 13,76,568 | 18,79,612 |

Date: 30/05/2023

Place: Mysore

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C.D. Datwani
Chairman

VENLON ENTERPRISES LIMITED

Notes to the Standalone Audited Financial Results for the Quarter and Year ended March 31, 2023

1. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above financial results for the quarter and year ended March 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2023 and have been subjected to review by the statutory auditors.
3. During the year ended March 31, 2023, the company has incurred a loss of Rs. 2454.23 Lacs. The net worth of the company is fully eroded and stands at negative Rs. 7859.72 Lacs and the net working capital stands at negative Rs.3016.54 Lacs. During the quarter, the company has also discontinued its wind-mill business and has entered into an agreement to sell the assets pertaining to the wind-mill.

As at March 31, 2023, the total external debt (ECB)(other than Loan taken from promotor directors), stands at Rs.9964.41 Lacs. The Company has negotiated with its lender for the outstanding External Commercial Borrowings and the lenders have agreed for a moratorium period upto April 2025. These loans do not carry any interest. The Company is also in the process of undertaking further discussions with lenders, seeking assumption of exchange rate risk by the lender on ab-initio basis. These matters are also subject to approval of the statutory and regulatory authorities.

The company's ability to continue as a going concern is dependent on the ongoing negotiations with lenders and also approval of the regulatory bodies. Pending the outcome of the above matters, these financial results have been prepared on a Going Concern basis.

4. In September 2018 the Company announced the discontinuation of its operation in Film Segment due to adverse market conditions. Thereafter, during the FY 2021-22, the company stopped manufacturing operations of formaldehyde and Para-formaldehyde segment. During the current year, the company stopped its wind-mill operations. Due to these reasons, there are no separate reportable segments of the company as at March 31, 2023.
5. Figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between audited figures in respect of full financial years ended on those dates and the published reviewed year-to-date figures up to the third quarter of the respective financial year.
6. The figures for the corresponding previous period /year have been re-grouped/rearranged wherever necessary, to make them comparable with those of current periods.

Place: Mysore
Date: May 30, 2023

For Venlon Enterprises Limited

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C D Datwani
Chairman & Managing Director



VENLON ENTERPRISES LTD.

Regd. Office & Works : 26 (P) & Plot No. 2, Belavadi Industrial Area, Hunsur Road, Mysore - 570 018. CIN : L24231KA1983PLC015089

To,

Date: 30.05.2023

The BSE Limited,

Phiroze Jeejeebhoy Towers,

25th Floor, Dalal Street,

Mumbai - 400 001

BSE Code: 524038

Sub: Declaration on unmodified opinion in the Auditors report for the financial year ended 31st March, 2023

Ref: Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 and SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016.

We hereby confirm and declare that the Statutory Auditors of the Company, M/s Laxminiwas & Co., Chartered Accountants, have issued the audit report on the quarterly and year to date audited standalone financial results of the Company for the financial year ended 31st March, 2023 with unmodified opinion.

Thanking you,

Yours faithfully,

For VENLON ENTERPRISES LIMITED

C.D.Datwani

Chairman

DIN: 00355181