

Ventura Textiles completes re-structuring of Equity Low equity base of Rs. 9.86 crores. Resumes trading on BSE.

Ventura Textiles Ltd., manufacturer and exporter of 100 % cotton fabric, made-ups and home textiles (bed linen), reduced its equity to present a realistic financial status of the company. The equity shares have been consolidated to face value of Rs. 10/- each and the present equity consist of 98, 63,857 shares. The Company is well positioned to take up beneficial expansion with this equity restructuring.

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Recently, the Government of India cleared the new Technology Upgradation Fund Scheme (TUFS) for the textile industry. Reportedly, this decision is expected to help the textile sector to achieve the targeted growth rate of 16% and make investments of Rs. 1, 50,600 crores in the Eleventh Five Year Plan period.

Availing the benefits under TUFS, the company is now poised to achieve rapid growth. The Company proposes to set up a state-of-the-art wider width dyeing and processing unit, modify its spinning by adding about 20000 ring spindles and also expand its weaving capacity, thus becoming a fully integrated unit. In the global scenario post quota regime, the competitiveness for the textiles industry is largely dependent on integrated manufacturing where 'Raw Material to Finished Product' is produced under one roof at economical cost, adhere to strict quality norms and delivery schedules.

'On the challenges of rupee appreciation vs US dollar, the Company will combat decisively with the aid of (a) fully integrated manufacturing facility (b) producing a niche value added product range that includes specialty cottons viz.. American Supima, Egyptian Giza, Organic cotton and (c) diversifying the risk by focusing on the European and other markets in export front. With the emerging organized retailing in India, domestic market is another big opportunity for the company. The proposed fully integrated unit will result in lower cost and will simultaneously command high realization per unit boosting bottom line', says Mr. P.M. Rao, MD, Ventura Textiles Ltd.

The estimated cost of the project is Rs. 91.60 crores and part funding is already being tied-up. Post expansion, the Company's turnover will increase by 400% resulting to Rs. 250 crores, with a mix of export and domestic sales.

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ABOUT VENTURA TEXTILES LTD.

Ventura Textiles Ltd. is Manufacturer and Exporter of 100 % Cotton Fabric, Made-Ups and Home Textiles (Bed Linen). The Company is a Govt. recognized 'Star Export House' and listed on BSE

with current turnover of Rs.64.13 Crores. The Company has posted Profit before Interest Depreciation & Tax is

Rs. 77.39 million, whereas it was Rs. 63.01 million in the previous year. The Company has been exporting Fabric to US, UK, Europe & South East Asia for over a decade. The company over the years established itself as a reliable and Quality Exporter to distinguished clientele.

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