

EIGHTEENTH ANNUAL REPORT



Vogue Textiles Limited

2009-2010

BOARD OF DIRECTORS

SH. SUNIL DUTT

NON-EXECUTIVE & INDEPENDENT CHAIRMAN

SH. ANIL DUTT

MANAGING DIRECTOR

SH. ANIL GIRI

WHOLETEIME DIRECTOR

SH. Y.K. SINGLA

NON-EXECUTIVE & INDEPENDENT DIRECTOR

SH. SURINDER SINGH BAKSHI

NON-EXECUTIVE & INDEPENDENT DIRECTOR

COMPANY SECRETARY

SH. MOHAMMAD SALIM

BANKERS

PUNJAB NATIONAL BANK

STATUTORY AUDITORS

BAHL & BATRA

Chartered Accountants

2211, Sector 13, Urban Estate,

Karnal, Haryana - 132 001.

REGISTERED CUM HEAD OFFICE

A-206, Somdutt Chambers - I,

5, Bhikaji Cama Place,

New Delhi - 110 066.

REGISTRAR & SHARE TRANSFER AGENTS

Alankit Assignments Ltd.

Alankit House

2E/21, Jhandewalan Extension,

New Delhi-110055

Ph. No - 23541234, 42541955

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 18th ANNUAL GENERAL MEETING OF VOGUE TEXTILES LIMITED WILL BE HELD ON THURSDAY 30th SEPTEMBER, 2010 AT A.J.FARM HOUSE, SHANTI KUNJ, BEHIND D-4 RAM MANDIR MARG, VASANT KUNJ, NEW DELHI-110070 AT 09.30 A.M.

TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2010 and Profit & Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anil Giri who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Bahl & Batra, Chartered Accountants, as Auditor of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix up their remuneration.

SPECIAL BUSINESS

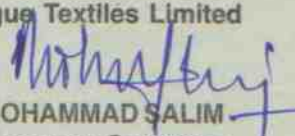
RE-APPOINTMENT OF MANAGING DIRECTOR

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as ordinary resolution.

RESOLVED that pursuant to the resolution passed by the Board of Directors held on 29th October, 2009 and provisions of section 198, 269,309, 349, 350 and Schedule XIII of the Companies Act, 1956 and such other relevant provisions, the Company hereby accords its consent to the re-appointment of Shri Anil Dutt, the Managing Director of the Company, as Managing Director of the Company within the meaning of Section 2(26) of the Companies Act, 1956 for a further period of 5 years w.e. f. 1st September, 2009 on the terms and conditions as to remuneration and perquisites as set out in explanatory statement and with further discretion of the Board of Directors to alter from time to time the terms and conditions in such manner as may be agreed to between the Board of Directors and Shri Anil Dutt as it may deem fit in the best interest of the Company within the overall limits as contained in Schedule XIII of the said Act or any amendments thereof or otherwise as may be permissible under law.

Place : New Delhi
Dated : 14th August, 2010

By Order of the Board
For Vogue Textiles Limited

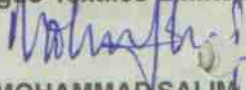

MOHAMMAD SALIM
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE MEETING. A PROXY FORM IS ATTACHED HEREWITH.
2. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting. Members who hold share in Dematerialized form are requested to bring their Client -ID and DP-ID for identification of attendance at the Meeting.
3. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September to 30th September 2010.
5. Shareholders seeking any information with regard to accounts are requested to write to the company at least ten days in advance so as to enable the Company to keep the information ready.
6. Members are requested to bring their copy of the Annual Report to the meeting.
7. **M/s Alankit Assignment Ltd. Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055** have been appointed as Registrar & Share Transfer Agent of the Company, who handle share transfer work in Physical as well as in Electronic Form and other related activities at the address given herein above.
8. Members are requested to notify immediately any change in their addresses to M/s Alankit Assignment Ltd. quoting their folio numbers/DP ID/Client ID etc.

Place : New Delhi
Dated : 14th August, 2010

By Order of the Board
For Vogue Textiles Limited


MOHAMMAD SALIM
Company Secretary

ANNEXURE TO THE NOTICE, EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE.

ITEM NO. 4

The Board of Directors at its meeting held on 29th October, 2009 have re-appointed Mr. Anil Dutt as the Managing Director of the Company for a further Period of 5 (five) years w.e.f 1st September, 2009 on the terms and conditions mentioned hereunder. In terms of provisions of Section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 the re-appointment of Shri Anil Dutt as Managing Director and payment of remuneration to him are subject to the approval of the Shareholders in General Meeting. The Proposed resolution is for according your approval to the re-appointment of Shri Anil Dutt and payment of remuneration to him. It is to further inform the members that even though Mr. Anil Dutt is entitled to drawn remuneration, he has voluntarily not taken any salary from the Company during the year.

The Particulars of remuneration to be paid to Shri Anil Dutt are as follow.

- | | |
|-------------|--|
| 1. Salary | Pay Scale Rs. 50,000-5000-60000
Rs. 50,000/ Per Month |
| Perquisites | Perquisites which may include accommodation /HRA, reimbursement of expenses for gas, electricity, water and medical reimbursements, LTC, use of car and driver, contribution to provident fund and gratuity payable at rate not exceeding half a month salary for each years of the amount equal to the annual salary or the amount equal to annual salary or the amount of tenure etc. shall be allowed in addition on the salary with Schedule of the Companies Act, 1956 as amended from time to time, whichever is less. |

None of the Directors, except Mr. Anil Dutt is interested in the aforesaid resolution.

Information pursuant to Clause 49 of the Listing Agreement regarding appointment of a New Director or reappointment of a Director.

Mr. Anil Giri holds a Bachelors Degree in Science. He has vast experience in International Marketing and has done extensive traveling abroad . He was appointed as director on the Board in Vogue Textiles in the year 1997. He is a Director in the following Companies.

- **Sara Osmosis Pvt. Ltd**

Mr. Anil Dutt holds a Bachelors Degree in Science from Delhi University . He has done extensive traveling abroad and has vast experience in International Marketing. The Company has been progressing under his able stewardship and guidance .He has been a member of the Board Directors of the Company since 1992 . He is a Director in the following Companies.

- **A.R.S. Estate Pvt. Ltd**
- **Carnation Estates Pvt. Ltd.**
- **Hillview Properties Pvt. Ltd.**
- **Ivory Financiers Pvt Ltd.**
- **Monarch Farms Pvt. Ltd.**
- **Silver link Securities Pvt Ltd.**
- **Silver link Commodities Pvt Ltd**
- **Vogue Fabrics Pvt. Ltd.**
- **Vogue Trends Pvt. Ltd.**
- **Vogue Corporation Ltd.**

DIRECTORS' REPORT

Your Directors present the 18th Annual Report along with the audited statement of Accounts of the Company for the Financial year ended on 31st March 2010.

FINANCIAL HIGHLIGHTS

The working results for the years ended on 31.03.2009 and 31.03.2010 are as under:

(RS.IN LACS)

	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SALES	260.25	471.15
OTHER INCOME	6.87	25.66
TOTAL EXPENDITURE	226.61	545.32
GROSS PROFIT	40.51	(48.52)
INTEREST & BANK CHARGES	18.83	74.62
DEPRECIATION	19.73	56.56
PROFIT BEFORE EXTRA ORDINARY ITEMS & TAX	1.95	(179.70)
EXTRA ORDINARY ITEMS	NIL	NIL
PROFIT BEFORE TAX	1.95	(179.70)
PROFIT AFTER TAX	(9.45)	(181.77)
SHARE CAPITAL	590.10	590.10
RESERVES (EXCLUDING CAPITAL/ REVALUATION RESERVE)	NIL	NIL
REVALUATION RESERVE	0.66	10.11
EARNING PER SHARES (EPS)	(0.16)	(3.07)
DIVIDEND	NIL	NIL

OPERATION

The repercussions of global recession continued to cast their dark shadow on industry in general and Textiles Industry in particular. Though some up- trend is seen in certain industries , the scenario remained extremely weak for Textiles Sector worldwide and the same is acknowledged by the Government also . It has resulted in continued drop in sales During the year under consideration your company tried to control expenses very tightly.

CORPORATE GOVERNANCE

Your Company has ensured that the requirements of Corporate Governance as laid down in Clause 49 of the Listing Agreement are complied with. The Auditor's of the Company have Certified that conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements are complied by the Company and their Certificate is annexed to the Report on Corporate Governance.

DIRECTORS

Shri Anil Giri who retires from the Board of Directors by rotation and being eligible for re-appointment has offered himself for re-appointment.

AUDITORS

The Auditors M/s Bahl & Batra, Chartered Accountants, retire and offer themselves for re-appointment . It is proposed that M/s Bahl & Batra, Chartered Accountants , be re-appointed as Auditors of the Company. You are requested to appoint the Auditors and fix their remuneration.

The Specific note forming part of the Accounts referred to in the Auditors Report are self-explanatory and give complete information.

DIRECTORS' RESPONSIBILITY STATEMENT

As Required under section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In Preparation of Annual Accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards.
2. We have selected accounting Policies and applied them consistently and made Judgements 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 the year.
3. Proper and sufficient care have been taken for the maintenance of adequate accounting Records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The attached statements of account for the period ended on 31st March, 2010 have been prepared on a going concern basis.

AUDITORS' REPORT

The Auditor's report to Shareholders does not contain any audit qualification.

SAFETY AND ENVIRONMENT

The company continues to maintain a good safety record. The manufacturing unit of the company is environment friendly and maintains all safety standards.

PARTICULARS OF EMPLOYEES

None of Employee of the Company fall under the purview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

PUBLIC DEPOSIT

During the year under review the Company has not accepted nor renewed any deposits from public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO.

Information giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is annexed hereto as Form A and B.

ACKNOWLEDGEMENT

The Director wish to thank and deeply acknowledge the Co-operation, Assistance and support extended by the creditors, Investors, Government Authorities, Banks and the Management Team and look forward to their continued support in the future The Director also wish to place on record their appreciation for the all round Co-operation and contribution made by the Employees at all Levels.

Place : New Delhi
Date : 14th August, 2010

For & On behalf of the Board of Directors


SUNIL DUTT
(Chairman)

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER AND FUEL CONSUMPTION

1. ELECTRICITY	(2009-2010) Current Year	(2008-2009) Previous Year
a) Purchased		
Unit	3,067,30	2,18,2
Total Amount (in Rs.)	13,957,95	13,009,
Rate/Unit (in Rs.)	4.60	5.
b) Own Generation		
Through Diesel Generator		
Unit	66,970	52,8
Unit per Ltr. of Diesel Oil (in Rs.)	3.62	3.
Cost/Unit (in Rs.)	8.68	9.

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

A. RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D	—	Quality Monitoring of a Product carried out by the company
2. Benefits derived as a result of the above R & D	—	To achieve better Quality
3. Future plan of action	—	Upgradation of Quality Control System
4. Expenditure on R & D		
(a) Capital		NIL
(b) Recurring		Rs. 7,725.00
(c) Total		Rs. 7,725.00
(d) Total R & D expenditure as a percentage of total turnover		0.01%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology	—	Working on Plans to add New Product Line absorption, adaptation and innovation
2. Benefits derived as a result of the above efforts	—	Will give us better edge in the market
3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished.		
(a) Technology imported		NIL
(b) Year of import		N.A.
(c) Has technology been fully absorbed?		N.A.
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action		N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

- Foreign Exchange Earned-	Rs. 6,785,00.00
- Foreign Exchange Used-	Rs. 14,711,98.00

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Good Corporate Governance is the adoption of best Business practices in terms of integrity, transparency and ethics. The Company believes in building trust and long-term relationship with all its stakeholders.

2. COMPOSITION OF BOARD

In Compliance with the corporate Governance, The Board is headed by its Non-Executive Chairman, Shri Sunil Dutt. As on 31.03.2010, the Board consisted of 5 Members comprising 2 Executive Directors and 3 Non- Executive Directors.

3. NUMBER OF BOARD MEETINGS

As against the requirement of holding are meeting every Three months and least four such meeting every year under Section 285 Companies Act 1956 The Board Directors Met 6 times on 29.04.2009., 30. 07.2009, 17.08.2009, 30.09.2009, 29.10.2009, and 30.01.2010 during the year.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the Last Annual General Meeting and number of companies in which the Director is a member or its committee are as follows:

Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at Last AGM	Number of Outside Committee Membership held in other Companies	Number of outside Directorship held (excluding Directorship in Pvt. Ltd. Companies)
Shri Sunil Dutt	NED	4	NO	NIL	1
Shri Anil Dutt	ED	6	YES	NIL	1
Shri Anil Giri	ED	6	YES	NIL	NIL
Shri Y.K.Singla	NED	5	NO	NIL	NIL
Shri Surinder Singh Bakshi	NED	6	YES	NIL	NIL

4. COMMITTEES OF BOARD OF DIRECTORS

(A) AUDIT COMMITTEE

The Role and Terms of reference of the Audit Committee are in accordance with the requirements of Section -292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchange(s). The Audit Committee Periodically Reviews the Financial reports & Statements, adequacy of the internal control systems and reporting from Unit Heads.

The Composition, names of members and attendance at the meeting are as follows:

S.No.	NAME OF MEMBERS	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Shri Sunil Dutt	INDEPENDENT/NON-EXECUTIVE	4	4
2.	Shri Y.K.Singla	INDEPENDENT/NON-EXECUTIVE	4	4
3.	Shri Surinder Singh Bakshi	INDEPENDENT/NON-EXECUTIVE	4	4

(B) REMUNERATION COMMITTEE

Matters of remuneration of Executive Directors are considered by the Board of Directors of the Company, with the interested Executive Directors not participating or voting. The terms of remuneration are to be approved by the shareholders at the General Body Meeting.

(C) INVESTORS GRIEVANCE COMMITTEE

The Investors Grievance Committee has been constituted to redress the complains of Investors to oversee the Performance of Registrar and Transfer Agent M/S Alankit Assignments Ltd. No Share Transfer or investor's complaint were pending as on 31.3.2010.

(D) COMPLIANCE REPORT

To the best of the acknowledge and belief, the Company is complying all applicable law as on date except the composition of Board of Directors with regard to independent Directors. The Board has reviewed Compliance Report of all Laws applicable to the company and the steps taken by the company to rectify instances of non-compliances.

5. COMPLIANCE OFFICER

Shri Mohammad Salim, Company Secretary, is the Compliance Officer.

6. GENERAL BODY MEETINGS

S.NO.	AGM PARTICULARS	DATE	VENUE	TIME
1	16 TH AGM in-respect of year 2007-2008	29 th Sept, 2008	A.J.Farm House, Vasant Kunj, New Delhi	9:30 A.M.
2	17 TH AGM in-respect of year 2008-2009	30 th Sept, 2009	A.J.Farm House, Vasant Kunj, New Delhi	9:30 A.M.
3	18 TH AGM in-respect of year 2009-2010	30 th Sept, 2010	A.J.Farm House, Vasant Kunj, New Delhi	9:30 A.M.

7. OTHER DISCLOSURES

- (A) Details of transactions between the Company and its subsidiaries, associates, key managerial personnel during the year 2009-2010 are given in Notes to Accounts of schedule – B to the Annual Accounts for the year ended 31st March, 2010. These transactions do not have any potential conflict with the interests of the Company at large.
- (B) Details of non-Compliance by the Company or penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from 1st April 2009 to 31st March, 2010.
- (C) The company has complied with all mandatory requirements of clause 49 of the listing agreement, Says and except of the composition of Board of Directors with regard to Independent Directors.

8. MEANS OF COMMUNICATION

- (A) The Company publishes its quarterly results in prominent daily newspapers viz. The Pioneer(English), The Business Observer (English), and Veer Arjun (Hindi).
- (B) Annual results are sent to each Shareholder.
- (C) Management's Discussion & Analysis forms part of the Annual Report.

