

TWENTIETH ANNUAL REPORT



Vogue Textiles Limited

2011-2012

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, Somdatt 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 20TH ANNUAL GENERAL MEETING OF VOGUE TEXTILES LTD. WILL BE HELD ON SATURDAY, 29TH SEPTEMBER, 2012 AT AGGARWAL BHAWAN, ROAD NO-10, EAST PUNJABI BAGH, NEW DELHI-110026 AT 9.45 A.M.

TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Surinder Singh Bakshi who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint M/s Bahl & Batra, Chartered Accountants, as Auditors 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

ITEM NO-4

Re-appointment of Mr. Anil Giri as a Whole time Director w.e.f. 01.03.2012

Resolved that pursuant to the resolution passed by the Board of Directors held on 27th February, 2012 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 Giri, as Whole time 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 March, 2012 on the terms and conditions mentioned in the Explanatory Statement annexed hereto:

Resolved Further that pursuant to section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out in the enclosed Explanatory Statement be paid as minimum remuneration to Mr. Anil Giri notwithstanding that in any financial year of the Company during his tenure as Whole time Director the Company has made no profit or the profits are inadequate.

NOTES

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.

1. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting. Members who hold shares in Dematerialized form are requested to bring their Client -ID and DP-ID for identification of attendance at the Meeting.
2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2012 To 29th September 2012 (Both days inclusive)
4. 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.
5. Members are requested to bring their copy of the Annual Report to the meeting.
6. **M/s Alankit Assignment Ltd., Alankit House, 2-E/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.
7. 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.

**By Order of the Board
For Vogue Textiles Limited**

Place : New Delhi
Dated : 17th August, 2012

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 27th February, 2012 have re-appointed Mr. Anil Giri as the Whole time Director of the Company for a further Period of 5 (five) years w.e.f 1st March, 2012 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 Giri as Whole time 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 Giri and payment of remuneration to him. The particulars of remuneration to be paid to Shri Anil Giri are as follows.

1) Salary : Pay Scale : Rs. 50,000. P.M.
Salary : Rs. 50,000-5000-60000/-Per Month

2. 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 year 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.

In the event of absence of profit or inadequacy of profits the aforesaid remuneration will be paid as minimum remuneration. the above remuneration payable to the Whole time Director has been approved by the remuneration committee.

Resolved Further that Mt. Anil Dutt , Managing Director be and is authorized hereby to vary or alter any condition relating to the remuneration and perquisites payable to the appointee , to comply with all requirements as may be, amendments made by the appropriate and considering the profitability of the company.

Resolved Further that Mr. Anil Dutt , Managing Director of the Company be and is hereby authorized to submit necessary application to the Central Government and comply with all requirements as may be under the provision of the Companies Act for revision in remuneration of Mr. Anil Giri.

None of the Directors, except appointee himself is interested in the aforesaid resolution.

Information pursuant to Clause 49 of the Listing Agreement regarding appointment of a new Director or re-appointment

Mr. Anil Giri has a Bachelors Degree in Science . He has vast experience in international Marketing and has done extensive travelling abroad . He was appointed as Director in Vogue Textiles in the year 1997. He is a Director in the following Companies : Sara Osmosis Pvt.Ltd.

Mr. Surinder Singh Bakshi, as an ex -service man worked and experienced in auditing Accounts as well as in administration with command of 1000 personnel and civilian staff. He is an independent director with company since 2007. He does not hold Directorship in any other Company.

**By Order of the Board
For Vogue Textiles Limited**

Place : New Delhi
Dated : 17th August, 2012

Mohammad Salim
Company Secretary

DIRECTORS' REPORT

Your Directors present their 20th Annual Report along with the audited statement of Accounts of the Company for the Financial year ended on 31st March 2012.

FINANCIAL HIGHLIGHTS

The Financial results for the year ended on 31.03.2011 and 31.03.2012 are as under: (RS.IN LACS)

	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
SALES	364.30	302.23
OTHER INCOME	13.35	12.20
TOTAL EXPENDITURE	326.51	268.60
GROSS PROFIT	51.14	45.83
INTEREST & BANK CHARGES	3.28	11.97
DEPRECIATION	46.12	32.10
PROFIT BEFORE EXTRA ORDINARY ITEMS & TAX	1.74	1.76
EXTRA ORDINARY ITEMS	NIL	NIL
PROFIT BEFORE TAX	1.74	1.76
PROFIT AFTER TAX	5.88	1.28
SHARE CAPITAL	590.10	590.10
RESERVES (EXCLUDING CAPITAL/ REVALUATION RESERVE)	NIL	NIL
REVALUATION RESERVE	7.82	1.94
EARNING PER SHARES (EPS)	0.10	0.02
DIVIDEND	NIL	NIL

OPERATIONS

The year under review has been under the shadow of global financial turmoil hitting industrial growth in the country adversely . Textiles Industry is one of the worst sufferer in this scenario . Company could register only a modest rise of 20.53 % in sales turnover to 364.30 against 302.33 lacs of previous year. In these adverse conditions company's net profitability was Rs.5.88 lacs against Rs. 1.28 lacs in Fy 2010-2011.

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 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 Surinder Singh Bakshi who retires from the Board of Directors by rotation and being eligible for re-appointment has offered himself for reappointment.

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 reappointed 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.

POSTAL BALLOT RESOLUTION

At the meeting of the Board of the Company held on 29th October, 2011, it was decided to sell and/ or dispose of the whole textile machinery of the company including allied machinery situated at 40th KM Milles Stone, Bahalgarh, Sonapat, Haryana .

The Board of Director also decided to undertake new initiatives in to the areas of business by making an amendment / alteration in the object clause of Memorandum of Association.

To give effect to these decisions, resolutions under section 293(1) (a) and Section 17 were passed by the members of the Company by way of Postal Ballot pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by the Postal Ballot) Rules, 2011 as amended from time to time.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- 1 That in the preparation of annual accounts for the financial year ended 31st March 2012, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- 2 That they have selected such accounting policies and applied them consistently and made judgments and Estimates that were 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 for the year under consideration.
- 3 That they have taken proper and sufficient care 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 That they have prepared the annual accounts of the Company for the financial year ended 31st March, 2012 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 Directors 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 Directors also wish to place on record their appreciation for the all round Co-operation and contribution made by the Employees at all Levels.

For & On behalf of the Board of Directors

Place : New Delhi
Date : 17th August, 2012

Sunil Dutt
(Chairman)

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER AND FUEL CONSUMPTION

1. ELECTRICITY	(2011-2012) Current Year	(2010-2011) Previous Year
a) Purchased		
Unit	2,68,230	3,74,385
Total Amount (in Rs.)	20,30,957	23,74,860
Rate/Unit (in Rs.)	7.57	6.34
b) Own Generation		
Through Diesel Generator		
Unit	29,998	108,708
Unit per Ltr. of Diesel Oil (in Rs.)	3.57	3.62
Cost/Unit (in Rs.)	10.51	10.04

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

A. RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the company	—	Continuous Product development is the need of markets
2. Benefits derived as a result of the above R & D	—	To keep client base intact and attract new clients
3. Future plan of action	—	To carry development in the new product groups
4. Expenditure on R & D		
(a) Capital		NIL
(b) Recurring		Rs. 152, 241.00
(c) Total		Rs. 152, 241.00
(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 absorption, adaptation and innovation	—	Working on Additional Product Lines
2. Benefits derived as a result of the above efforts	—	Will Widen product base which will help in improving Turnover
3. In case of imported technology (Import 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. 2,18,06,136.00
- Foreign Exchange Used-	Rs. 4,71,666.00

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 31.03.2012, the Board consisted of 5 Members comprising 2 Executive Directors and 3 Non-Executive Directors.

3. NUMBER OF BOARD MEETINGS

The Board Met 6 times on 30.04.2011 , 30. 07.2011, 17.08.2011, 29.10.2011,30.01.2012 and 27.02.2012 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	5	NO	NIL	1
Shri Anil Dutt	ED	5	YES	NIL	1
Shri Anil Giri	ED	6	YES	NIL	NIL
Shri Y.K.Singla	NED	6	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	3
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 Director 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 complaints 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 31.03.2012.

5. COMPLIANCE OFFICER

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

6. GENERAL BODY MEETINGS

S.NO.	AGM PARTICULARS	DATE	VENUE	TIME
1	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.
2	19 TH AGM in-respect of year 2010-2011	30 th Sept, 2011	Aggarwal Bhawan, Road No.10, East Punjabi Bagh New Delhi-110026	9:30 A.M.
3	20 TH AGM in-respect of year 2011-2012	29 th Sept, 2012	Aggarwal Bhawan Road No.10, East Punjabi Bagh New Delhi-110026	9:45 A.M.

7. SECRETARIAL AUDIT REPORT

M/s Praveen K Garg & Associates , Practicing Company Secretary, Conduct Secretarial Audit of the Company for the Financial Year ended March 31st, 2012 who have submitted their report confirming the compliance of generally all applicable provisions of the various corporate laws. The Secretarial Audit Report forms part of the Annual Report

8. OTHER DISCLOSURES

- (A) There are no materially significant related party transactions of the Company with key managerial personnel which have potential conflict with the interest 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 2011 to 31st March,2012.
- (C) M/s Praven K. Garg & Associates ,Practicing Company Secretary, carried out a Secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Depository Services (I) Limited (CSDL) and the total issued and listed capital, The audit confirms that the total issued/ paid-up capital of the Company is in agreement with the total number of Shares in Physical form and the number of dematerialized shares held with NSDL and CDSL.

9. MEANS OF COMMUNICATION

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

10. REMUNERATION OF DIRECTORS

Details of remuneration paid to directors of the Company for the year-ended 31.03.2012 are as under:-

Sr. No.	Name of Directors	Remuneration paid including perquisites
1.	Sh. Anil Dutt	Rs. NIL
2.	Sh. Anil Giri	Rs. 5,40,000.00

11. GENERAL SHAREHOLDERS INFORMATION

A) Annual General Meeting

Date : 29th September, 2012
 Venue : Aggarwal Bhawan, Road No.10, East Panjabi Bagh, New Delhi-110026

B) Book Closure Date : 24.9.2012 to 29.9.2012 (Both days inclusive)

C) Dividend Payment : Nil

D) Financial Calendar : First Quarter results-Last week of July, Second Quarter results-Last week of October, Third Quarter results-Last week of January, Fourth Quarter results-Last week of April

E) Shares of the Company continued to be listed on the following Stock Exchanges.

Sr. No. Name of Stock Exchange

1. Mumbai Stock Exchange Ltd.
2. Delhi Stock Exchange Association Ltd
3. The Uttar Pradesh Stock Exchange Association Ltd

F) The Company has paid the Annual listing fees for the year 2012-2013 as per listing agreement.

G) **Stock Code : ISIN : INE047F01012, SCRIP CODE : 530583**

H) REGISTRAR & SHARE TRANSFER AGENTS

Alankit Assignments Ltd.

Alankit House, 2E/21, Jhandewalan Extension ,New Delhi-110055, Ph. No. 23541234, 42541955

I) **DEMATERIALISATION OF SHARES** : The equity shares of the company fall under the category of Compulsory Delivery in demat form for all investors' w.e.f 01.01.2003. More than 87.81 % of the Equity Shares Capital of the company has been Demated as on 31.3.2012.

J) **PLANT LOCATION** : **M/S VOGUE TEXTILES LIMITED**
 40TH KM.STONE, G.T. ROAD, DISTT. SONEPAT, BAHALGARH (HARYANA)

K) **INVESTORS' CORRESPONDENCE** : The Investors/ Shareholders may make correspondence at the following address:

: **VOGUE TEXTILES LIMITED**
 A-206, Somdatt Chambers-I, 5 Bhikaji Cama Place, New Delhi – 110 066

OR **ALANKIT ASSIGNMENTS LIMITED**
 Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055
 Ph. No. 23541234, 42541955

12. Certificate from the Chief Executive officer in respect of compliance with the code of conduct.

This is to certify that in line with requirements of Clause 49 of the listing agreement, all the Directors of The Board have solemnly affirmed that to the best of their knowledge and belief have complied with the provisions of the code of conduct for the Directors during the financial year 2011-2012.

Place : New Delhi
 Date : 17th August, 2012

Anil Dutt
 Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUTURE AND DEVELOPMENT

The long awaited turn around for textiles industry is delayed even further by the prevailing uncertainties in European Union Countries and lack of sustained recovery in USA after being hit by recession in 2008. The Country's exports are badly hit by the global circumstances and showing decline in every quarter in last 9 months period. Companies across the spectrum of industries have to bid for time. Poor power situation in the northern India is further aggravating the situation.

FINANCIAL PERFORMANCE

Like any other manufacturing & exporting Company, your Company's recovery plans are adversely hit. However Company could manage to grow its turn over by 20.53% to 364.30 Lacs against 302.23 Lacs in the previous year. Path to rebuild the customer base is proving full of bottlenecks and continued fluid situations in overseas markets making it further difficult.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your company is committed to ensure that assets are safeguarded and protected against loss from unauthorized use and disposition and the transactions are authorized and reported correctly. The Company has in place adequate internal control systems to ensure compliance with policies & procedures and to ensure accuracy and transparency in financial results.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Your company is continuously endeavoring on enhancing the employee's motivation and development through various mechanisms. The overall HR efforts are directed towards upgrading technical skill levels and providing harmonious working environment.

OPPORTUNITIES / THREATS / RISK / CONCERNS

Hope of revival in early 2012 got dashed by the European uncertainties' and sluggish recovery in US markets. As you know these two blocks are India's largest trading partners. Textiles sector is aiming for new markets across the world but these can offer initially small openings and will take considerable time to contribute in a major way. Deteriorating power situation is another big threat to every industry in this part of the country.

OUT LOOK

Company has to wait for the right opportunities arising in future when the overseas markets stabilize and open up for fresh purchases in a significant way, which is possible once the fear of unknown goes away from global markets.

AUDITOR'S REPORT

To the Members of Vogue Textiles Limited

We have audited the attached balance sheet of M/s **Vogue Textiles Limited** as on 31st March, 2012, and the attached profit and loss account of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the manufacturing and other companies (Auditor's Report) Order, 2003 issued by the Company Law Board interims of Section 227 (4) of the Companies Act, 1956, we annex thereto a statement on the matter specified in paragraph 4 & 5 of the said order.
3. Further to our comments in the Annexure referred to in Paragraph 1 above.
 - (i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appear from our examination of the books;
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts;
 - (iv) In our opinion, the Balance Sheet and the Profit and Loss Account complies with the mandatory Accounting Standards referred to in Section 211 (3c) of Companies Act 1956.

On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956;
 - (v) In our opinion and to the best of our information and according to the explanation given to us, in manner so required and give a true and fair view in conformity with the accounting principle accepted in India:
 - a) In the case of Balance Sheet, of the state of affair of the company as at 31st March 2012
 - b) In the case of the Profit and Loss account, of the Profit / Loss for the year ended on that date; and
 - c) In the case of the cash flow statement, of the cash flow for the year ended on that date.

For **Bahl & Batra**
Chartered Accountants

Place : New Delhi
Date : 17th August, 2012

(Rajesh Bahl)
Partner
M.No. : 83700

ANNEXURE TO THE AUDITOR'S REPORT TO THE MEMBERS OF VOGUE TEXTILES LIMITED

(Referred to in paragraph 3 of our report of even date)

- (i)
 - a) The Company has maintained proper records showing full particulars in including quantitative detail and situation of fixed assets.
 - b) All the assets have not been physically verified by the management during the year but there is a regular program me of verification which, in our opinion, is reasonable having regard to the size of the company and the returns of its assets. No material discrepancies were noticed on such verification.
 - c) During the year, the company has not disposed off a major part of the plant and machinery. According to the information and explanation given to us, we are of the opinion that the sale of the said part of plant and machinery has not affected the going concern status of the company.
- (ii)
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material.
- (iii) The company had not taken any loan from companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) No transactions have been entered during the year in the register maintained in pursuance of Section 301 of the Companies Act, 1956 and based on the audit procedures applied by us and according to the information and explanations given and the representations made to us, we have not come across any transaction that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 Accordingly, sub-clause (b) is not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the company has complied with the provision of section 58 A and 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- (vii) In our Opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Company has not maintained the books of accounts relating to materials, labour and other items of cost pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix)
 - a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - b) According to information and explanations given to us, Company is having an Income Tax demand of Rs. 6.24 Lacs raised by department, out of which 3.13 Lacs (50%) is deposited by Company and has appealed against the order. In a Service Tax related matter company has contested the penalty of Rs. 1.25 Lacs imposed by department in the Tribunal. There were no Sales Tax, wealth tax, Custom duty, or cess were in arrear, as at 31st March 2012.
 - c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty, and cess, which have not been deposited on account on any dispute.
- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holder.
- (xii) We are of the opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund society. Therefore provisions of clause 4 (XIII) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short term basis haven been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- (xviii) According to information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- (xx) The company has not raised money from public in public issue.
- (xxi) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi
Date : 17th August, 2012

For **Bahl & Batra**
Chartered Accountants
(Rajesh Bahl)
Partner
M.No. : 83700

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Vogue Textiles Limited**

We have reviewed the implementation of Corporate Governance procedures by **VOGUE TEXTILES LTD** for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing agreement of the said Company with stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof. Adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance, it is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion the best of our information and according to the explanations given to us and the representations made by the Directors and the Management. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause (49) of the Listing Agreement with the Stock Exchange.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Bahl & Batra**
Chartered Accountants

Place : New Delhi
Date : 17th August, 2012

(Rajesh Bahl)
Partner
M. No. 83700

**BALANCE SHEET
AS AT 31ST MARCH, 2012**

S. No.	Particulars	Schedule	Amount as at March 31, 2012 (in Rs.)		Amount as at March 31, 2011 (in Rs.)	
	EQUITY & LIABILITIES					
I	SHAREHOLDER'S FUND					
	(1) Share Capital	A	5,90,09,700		5,90,09,700	
	(2) Reserves and Surplus	B	7,81,858	5,97,91,558	1,94,194	5,92,03,894
II	Share Application Money Pending for Allotment					
III	Non Current Liabilities					
	(1) Long Term Borrowings	C	7,92,50,624		9,74,85,426	
	(2) Deferred Tax Liabilities (Net)	D	1,12,68,735		1,16,95,175	
	(3) Long Term Provisions	E	14,28,187	9,19,47,546	14,28,187	11,06,08,788
IV	Current Liabilities	F				
	(1) Trade Payables		34,69,614		36,48,578	
	(2) Other Current Liabilities		7,413		66,642	
	(3) Short Term Provisions		39,86,598	74,63,625	42,06,958	79,22,178
	Total			15,92,02,729		17,77,34,860
	Assets					
I	Non Current Assets					
	(1) Fixed Assets Tangible Assets	G	8,70,23,396		9,00,47,334	
	(2) Long Term Loans & Advances	H	8,73,279	8,78,96,675	8,73,279	9,09,20,613
II	Current Assets	I				
	(1) Inventories		2,40,11,362		3,28,64,719	
	(2) Trade Receivables		3,40,61,450		4,17,40,387	
	(3) Cash and Cash Equivalents		22,85,667		18,20,632	
	(4) Short Term Loans & Advances		1,09,22,137		10,388,509	
	(5) Other Current Assets		25,438	7,13,06,054	-	8,68,14,247
	Total			15,92,02,729		17,77,34,860
	Significant Accounting Policies and Notes to Accounts	J				

As per our report of even date

For **Bahl & Batra**
Chartered Accountants
Firm Registration No. 018250N

For **VOGUE TEXTILES LIMITED**

(Rajesh Bahl)
Partner (Membership No. 83700)

Sunil Dutt
(Director)

Anil Dutt
(Mg. Director)

Mohammad Salim
(Company Secretary)

Place : New Delhi
Date : 17th August, 2012

**PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2012**

S. No.	Particulars	Schedule	Amount for the year ended on March 31, 2012	Amount for the year ended on March 31, 2011
I	REVENUE FROM OPERATIONS			
	Revenue From Operations	K	3,57,78,071	3,02,51,809
	Other Income	L	19,87,328	12,19,701
	Total		3,77,65,399	3,14,71,510
II	EXPENSES			
	Cost of Material Consumed	M	83,77,668	53,85,393
	Changes in Inventories of Finished Goods, Work in Progress and Stock In Trade	N	84,31,779	51,53,622
	Employee Benefit Expenses	O	60,30,868	57,04,308
	Finance Cost	P	82,057	11,70,474
	Depreciation and Amortisation Expense	Q	46,11,901	32,10,318
	Other Expense	R	1,00,57,051	1,06,71,012
	Total		3,75,91,324	3,12,95,127
III	Profit Before Exceptional and Extraordinary Items and Tax (I-II)		1,74,075	1,76,383
IV	(-) Exceptional Items		-	-
V	Profit Before Extraordinary Items and Tax (III-IV)		1,74,075	1,76,383
VI	(-) Extraordinary Items		-	-
VII	Profit Before Tax (V-VI)		1,74,075	1,76,383
VIII	Tax Expense			
	(I) Current Tax		-	23,459
	(II) Earlier Year Tax		12,851	-
	(III) Deferred Tax		(4,26,440)	24,561
IX	Profit (Loss) For the Period (VII-VIII)		5,87,664	1,28,363
X	Earning Per Equity Shares			
	(I) Basic		0.10	0.02
	(II) Diluted		0.10	0.02

Significant Accounting Policies and Notes to Accounts

As per our report of even date

For **Bahl & Batra**
Chartered Accountants
Firm Registration No. 018250N

For **VOGUE TEXTILES LIMITED**

(Rajesh Bahl)
Partner (Membership No. 83700)

Sunil Dutt
(Director)

Anil Dutt
(Mg. Director)

Mohammad Salim
(Company Secretary)

Place : New Delhi
Date : 17th August, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Amount in "Lacs"			
	For the Year 2011-2012		For the Year 2010-2011	
A. Cash Flow from Operating Activities				
Profit Before tax (excluding extraordinary and exceptional items)		1.74		1.76
Adjustment for Depreciation amortisation and obsolescence	46.12		32.10	
Interest Expense	<u>0.82</u>	46.94	<u>NIL</u>	32.10
Operating activities before working capital changes		48.68		33.86
Adjustment for :				
(Increase)/Decrease in trade and other receivables	71.20		97.63	
(Increase)/Decrease in Inventories	88.53		51.75	
Increase/(Decrease) in trade payables and Customer Advances	<u>(4.59)</u>	155.15	<u>4.78</u>	154.16
Cash (used in)/ generated from operations		203.83		188.03
Direct Taxes Refund/(Paid) - net		(0.13)		NIL
Net Cash (use in)/ from Operating Activities		<u>203.70</u>		<u>188.03</u>
B. Cash Flow from Investing Activities				
Purchase of fixed assets		(15.88)		(8.44)
Proceeds from Sale of Fixed Assets		NIL		4.21
Interest Received		NIL		NIL
Cash (Used in)/from investing activities		<u>(15.88)</u>		<u>(4.23)</u>
C. Cash Flow from Financing Activities				
Proceeds from Short-term Borrowings		NIL		(66.83)
Re-payment of Long-Term Borrowings		(182.34)		(116.35)
Interest paid		(0.82)		NIL
Cash (Used in)/from Financing activities		<u>(183.16)</u>		<u>(183.18)</u>
Net (decrease)/Increase in Cash and Cash Equivalents (A+B+C)		4.66		0.62
Cash and Cash Equivalents at the beginning of the year		18.20		17.58
Cash and Cash equivalent at the end of the Year		<u>22.86</u>		<u>18.20</u>

For and on behalf of the Board

Place : New Delhi
Dated: 17th August, 2012

Sunil Dutt
(Chairman)

AUDITOR'S REPORT

We have verified the attached cash flow statement of Vogue Textiles Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March, 2012 and found them in agreement therewith.

As per our report of even date

For **Bahl & Batra**
Chartered Accountants
Firm Registration No. 018250N

For **VOGUE TEXTILES LIMITED**

(Rajesh Bahl)
Partner (Membership No. 83700)

Sunil Dutt
(Director)

Anil Dutt
(Mg. Director)

Mohammad Salim
(Company Secretary)

Place : New Delhi
Date : 17th August, 2012

**Schedules Forming Part of Balance Sheet
AS AT 31ST MARCH, 2012**

	As at March 31, 2012		As at March 31, 2011	
	Nos.	Value (Rs.)	Nos.	Value (Rs.)
SCHEDULE- A : SHARE CAPITAL				
(A) AUTHORISED CAPITAL				
10,000,000 (Previous Year 10,000,000) Equity Shares of Rs 10/- each		10,00,00,000		10,00,00,000
(B) Issued, Subscribed and Paid Up Capital				
59,00,970 (Previous Year 59,00,970) Equity Shares of Rs 10/- each		5,90,09,700		5,90,09,700
		5,90,09,700		5,90,09,700
(C) Reconciliation of the shares outstanding				
Equity shares at the beginning of the year	59,00,970	5,90,09,700	59,00,970	5,90,09,700
Movement During the Year	-	-	-	-
Equity shares at the end of the year	59,00,970	5,90,09,700	59,00,970	5,90,09,700
(D) Shareholder holding Equity Share more than 5%				
Name of Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
Anil Dutt	11,10,725	18.82	11,10,725	18.82
Sunil Dutt	22,68,525	38.44	22,68,525	38.44
Schedule B : Reserves & Surplus				
Profit & Loss A/c				
At the Beginning of the Accounting Period		1,94,194		65,831
Addition During the Year		5,87,664		1,28,363
At the end of the Accounting Period		7,81,858		1,94,194
		7,81,858		1,94,194
Schedule C : Long Term Borrowings				
Unsecured Loans Borrowings:				
Loans From Banks	9,17,524		-	
Loans From Directors and Shareholders	6,89,83,100		8,81,35,426	
Loans From Others	93,50,000	7,92,50,624	93,50,000	9,74,85,426
		7,92,50,624		9,74,85,426
Schedule D: Deferred Tax Liabilities (NET)				
At the Beginning of the Year		1,16,95,175		1,16,70,614
Add: Provisions for the Year		(4,26,440)		24,561
		1,12,68,735		1,16,95,175
Schedule E: Long Term Provisions				
Provision for Income Tax		14,28,187		14,28,187
		14,28,187		14,28,187

**Schedules Forming Part of Balance Sheet
AS AT 31ST MARCH, 2012**

	As at March 31, 2012		As at March 31, 2011	
SCHEDULE- F: CURRENT LIABILITIES:				
TRADE PAYABLES				
Sundry Creditors	34,69,614		29,98,578	
Advance From Parties - Interest Free	-	34,69,614	6,50,000	36,48,578
Other Current Laibilities:				
TDS Payable	7,413		43,183	
Current Year's Taxes Payable (Net of Advance Tax)	-	7,413	23,459	66,642
Short - Term Provisions:				
Provisions For Employee Benefit	20,02,376		21,33,699	
Others	19,84,222	39,86,598	20,73,259	42,06,958
		74,63,625		79,22,178
Schedule- H: Long Term Loans and Advances				
Security Deposit (Unsecured Considered Good unless Otherwise Stated)		8,73,279		8,73,279
		8,73,279		8,73,279
Schedule- I: Current Assets				
Inventories				
Raw Materials	52,33,306		52,89,854	
Work In Process	70,32,485		1,22,52,795	
Finished Goods	1,06,00,541		1,38,12,010	
Packing Material	6,92,640		8,48,240	
Stores; Spares & Loose Tools	4,52,390	2,40,11,362	6,61,820	3,28,64,719
Trade Receivables:				
Debts Outstanding for a Period Exceeding Six Months From the Date They Are Due	2,88,63,337		3,91,24,477	
Other Debts	51,98,113	3,40,61,450	26,15,910	4,17,40,387
Cash & Cash Equivalents:				
Balance With Banks:				
In Fixed Depsits				
Held as Margin Money Against Borrowings, and Other Commitments	11,465		11,465	
Others	-		-	
	11,465		11,465	
In Current Accounts	16,04,398		4,33,336	
Cash in Hand	6,69,804	22,85,667	13,75,831	18,20,632
Short Term Loans & Advances:				
Advances Recoverable in Cash or In Kind For the Value to be Received:				
(1) Advance to Parties & Staff	14,94,473		14,37,614	
(2) Receivable from Revenue Authorities	94,27,665		89,50,895	
(3) Current Year's Taxes Recoverable (Net of Liability)	-	1,09,22,137	-	1,03,88,509
Other Current Assets:				
Prepaid Expenses		25,438		-
		7,13,06,054		8,68,14,247

**SCHEDULE - G
FIXED ASSETS
TANGIBLE ASSETS**

(in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE		
	AS AT 01.04.2011	ADDITIONS	SALE / ADJ. DELETION	AS AT 31.03.2012	AS AT 01.04.2011	DEP. DURING THE YEAR	ADJ.	FOR THE YEAR	UP TO 31.03.2012	WDV AS ON 31.03.2012	WDV AS ON 31.03.2011
Land & Site development	27,13,783	-	-	27,13,783	-	-	-	-	-	27,13,783	27,13,783
Plant & Machinery	10,79,58,886	-	-	10,79,58,886	5,31,68,589	32,37,598	-	32,37,598	5,64,06,187	5,15,52,699	5,47,90,257
Building - office	4,24,270	-	-	4,24,270	1,17,534	6,916	-	6,916	1,24,450	2,99,820	3,06,736
- factory	3,22,50,956	-	-	3,22,50,956	74,82,221	-	-	-	74,82,221	2,47,68,735	2,47,68,735
Electric installations	38,46,428	-	-	38,46,428	22,72,952	1,82,705	-	1,82,705	24,55,657	13,90,771	15,73,476
Furniture & Fixtures	21,29,985	-	-	21,29,985	18,56,533	1,34,828	-	1,34,828	19,91,361	1,38,624	2,73,452
Vehicles	75,24,931	15,24,213	-	90,49,144	44,30,277	8,21,187	-	8,21,187	52,51,464	37,97,680	30,94,654
Computers	56,00,880	-	-	56,00,880	55,04,623	15,603	-	15,603	55,20,226	80,654	96,257
Airconditioners & Fans	21,58,722	63,710	-	22,22,432	8,67,059	1,05,066	-	1,05,066	9,72,125	12,50,307	12,91,663
Office Equipment & Others	22,95,658	-	-	22,95,658	11,57,337	1,07,998	-	1,07,998	12,65,335	10,30,323	11,38,321
TOTAL	16,69,04,499	15,87,923	-	16,84,92,422	7,68,57,125	46,11,901	-	46,11,901	8,14,69,026	8,70,23,396	9,00,47,334
PREVIOUS YEAR	16,52,59,476	49,00,765	-	16,69,04,499	7,64,81,438	32,10,318	28,34,631	32,10,318	7,68,57,125	-	8,87,76,038

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C
FOR THE YEAR ENDED ON 31ST MARCH, 2012**

	Year Ended March 31, 2012		Year Ended March 31, 2011	
SCHEDULE- K: REVENUE FROM OPERATIONS				
Sale of Products:				
Domestic Sales	1,39,71,935		2,04,02,281	
Export Sales	2,18,06,136	3,57,78,071	98,49,528	3,02,51,809
Less: Excise Duty		-		-
Net Revenue From Operations		3,57,78,071		3,02,51,809
Schedule- L: Other Income				
DBK		13,35,071		7,89,698
Freight Subsidy		-		1,04,814
Net Gain/Loss on Sale of Spare Parts & Vehicle		-		3,20,584
Applicable Net Gain/Loss on Foreign Currency Transaction and Translation		6,52,002		-
Other Non Operating Income		255		4,605
		19,87,328		12,19,701
Schedule- M: Cost of Material Consumed				
Purchase of Raw Material and Packing Materials		83,21,120		53,69,556
Add: Opening Balance of Stock		52,89,854		53,05,691
		1,36,10,974		1,06,75,247
Less: Closing Balance of Stock		52,33,306		52,89,854
Consumption of Raw Materials		83,77,668		53,85,393
Schedule- N: Changes In Inventories				
Finished Goods:				
At the Beginning of the Accounting Period	1,38,12,010		1,74,32,647	
At the End of the Accounting Period	1,06,00,541	32,11,469	1,38,12,010	36,20,637
Work In Progress:				
At the Beginning of the Accounting Period	1,22,52,795		1,37,85,780	
At the End of the Accounting Period	70,32,485	52,20,310	1,22,52,795	15,32,985
		84,31,779		51,53,622

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C
FOR THE YEAR ENDED ON 31ST MARCH, 2012**

	Year Ended March 31, 2012		Year Ended March 31, 2011	
SCHEDULE- O: EMPLOYEE BENEFIT EXPENSE				
Salary & Wages:				
Factory Salary and Wages	21,10,197		20,31,080	
Office Staff Salary	24,68,646		20,44,676	
Marketing Staff Salary	-		-	
Director's Remuneration	5,40,000	51,18,843	5,40,000	46,15,756
Contribution to Provident Fund and Other Funds:				
Contribution to Provident Fund	2,26,279		1,31,401	
Contribution to ESIC	1,01,971		67,769	
Contribution to Other Funds	1,59,415		3,57,394	
ESI Arrear	11,836		37,821	
EPF Arrear	-	4,99,501	1,59,060	7,53,445
Other Expenses				
Workers and Staff Welfare	1,93,650		1,81,493	
Bonus	1,08,235		1,16,060	
Leave with Wages	1,10,639	4,12,524	37,554	3,35,107
		60,30,868		57,04,308
Schedule P: Financial Costs				
Interest Expense				
Interest to Banks	-		11,37,884	
Interest to Bank on Vehicle Loan	82,057		-	
Interest of TDS and Other Taxes	-	82,057	4,348	11,42,232
Applicable Net Gain/Loss on Foreign Currency Transaction and Translation				
				28,242
		82,057		11,70,474
Schedule Q: Depreciation and Amortisation Expense				
Depreciation		46,11,901		32,10,318
		46,11,901		32,10,318

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C
FOR THE YEAR ENDED ON 31ST MARCH, 2012**

	Year Ended March 31, 2012		Year Ended March 31, 2011	
SCHEDULE- R: OTHER EXPENSES				
<u>Manufacturing Expense:</u>				
Consumption of Stores and Spare Parts:				
Opening Stock	6,61,820		6,55,960	
Add: Purchases	2,91,786		4,51,856	
Less: Closing Stock	4,52,390	5,01,216	6,61,820	4,45,996
Clearing & Forwarding Expense		4,10,358		2,59,484
Design & Development Expense		1,52,241		4,76,114
Freight Inward		4,849		4,500
Packing Material Expense		5,90,529		4,17,808
Power & Fuel		24,12,940		35,98,346
Processing Charges		20,04,019		9,03,371
Repair to Machinery		2,16,310		1,43,788
Other Consumables		11,685		10,045
		63,04,147		62,59,452
<u>Administrative Expense:</u>				
AGM Expense		1,59,246		1,88,385
Bank Charges		2,46,117		54,355
Conveyance		2,58,013		1,35,385
Festival Celebration Expense		49,040		-
Donation		1,200		-
Subscription/Membership Fees		86,916		81,773
ECGC Premium		83,094		-
Electricity Expense		1,87,570		1,48,060
Fees & Taxes		1,02,882		1,07,586
Insurance		1,34,544		1,52,549
Legal & Professional Expenses		68,526		99,224
Newspaper & Periodicals		499		-
Payments to the Auditors:				-
Audit Fees		19,500		19,950
Postage & Courier Expense		1,15,224		73,089
Printing & Stationery		98,526		69,899
Repair & Maintenance		1,59,260		2,15,065
Security Guard Expense		3,37,537		3,48,041
Telephone Expense		1,38,402		1,29,439
Vehicle Running Maintenance		5,00,543		3,71,116
Miscellaneous Expense		1,59,817		2,379
		29,06,456		21,96,295
<u>Selling & Distribution Expense</u>				
Advertisement Expense		43,882		22,268
Export Promotion Expense		2,34,435		10,01,860
Freight & Cartage (Outward)		2,24,648		1,76,483
Dr./Cr. W/off		-		214
Sales Commision & Incentives		64,485		-
Travelling Expenses - Director (Foreign)		2,78,998		8,08,658
Travelling Expenses - Others (Foreign)		-		2,05,782
		8,46,448		22,15,265
Grand Total		1,00,57,051		1,06,71,012

SCHEDULE – J:**Significant Accounting Policies & Notes forming Part of Accounts for the year ended 31st, March, 2012****A. Significant accounting policies****1. Accounting Concepts:**

The accounts are prepared on historical cost basis as a going concern, following the mercantile system of accounting and recognizing income and expenditure on accrual basis except otherwise stated. Accounting policies not specifically referred to otherwise are consistent and in consonance with (GAAP'S) Generally Accepted Accounting Policies.

2. Inventories:

Inventories are valued as under:-

- a. Inventory is as per physical verification conducted by the management.
- b. Stock of Raw Material, Stores & Spares and Consumables are valued at cost (cost being the last purchase price).
- c. Finished goods are valued at cost of production or net realizable value whichever is lower.
- d. Work-in-process has been valued at direct cost.

3. Fixed assets:

Fixed Assets are accounted for on historical cost basis less depreciation.

4. Depreciation:

Depreciation on fixed and intangible assets is provided on Straight Line method, at the rates prescribed in Schedule XIV to The Companies Act, 1956 as applicable to single shift units or the life of the assets, whichever is higher. Proportionate depreciation is charged for additions/deletions during the year.

Individually low cost assets (Upto Rs. 5,000) are depreciated in full within a year of acquisition.

5. Foreign Exchange Transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction. In the case of liabilities incurred for the acquisition of fixed assets, fluctuations in foreign exchange rates are included in the carrying amount of the fixed assets.

6. Segment Reporting:

The Company is engaged into the manufacturing and export of furnishing fabric and its Made-ups, and as per AS – 17, there is no Reportable Segment because there is only one segment in which company is dealing. Whereas the Geographical Segment reporting is concerned the company is into export business and exporting its products to various countries. But whereas the risk and return is concerned that is almost similar for all countries.

The break-ups of export and domestic sales has been given in the profit & loss account. By applying definition of business segment and geographical segment contained in the accounting Standard – 17 segment reporting issued by the institute of Chartered Accountant of India, the Company is single segmented.

7. Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefit admissible under the provision of The Income Tax Act, 1961.

Deferred Tax resulting from "Timing Difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. The deferred tax are recognized and carried forward only to extent that there is reasonable certainty that the assets will be realized in future.

8. Due to Small Scale Industry:

The Company has requested all its sundry creditors to furnish Small Scale Industries registration certificate but since none of the creditors having outstanding balance at the year end has furnished the same, it is deemed that none of them is a Small Scale Industries undertaking and no such amount is payable as on the balance sheet date.

9. Lease:

The Company has not taken or given any lease during the Financial Year 2011-2012.

10. Contingent Liabilities:

The Company having an income tax demand Rs.6.24 Lakh raised by the department during the assessment year 2004-05 out of which the company has deposited Rs.3.13 Lakh as 50% of the amount and filed an appeal against this order.

Further, assessment of income tax for the assessment year 2010-2011 is pending and sales tax assessment for the financial year 2008-2009 and 2009-2010 is also pending. We are able to quantify the amount of this contingent liability.

11. Prior Period Items:

There are no other prior items, which are considered material for the purpose of disclosure in accordance with the AS-5. Net Profit or loss for the period, prior period in accounting policies issued by The Institute of Chartered Accountants of India.

12. Claims are accounted for, in the year in which they are received/finally settled.**13. Debit Notes in respect of deductions made by the Customers are accounted for, in the year in which they are received/ intimated.****14. The financial statements have been prepared in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India.**

B. Notes to the accounts

1. Capital Commitments:

There are no Contracts remaining to be executed on capital account.

2. Employee Retirement Benefits:

Company's Contribution to Provident Fund and Leave Encashment has been charged to Profit & Loss Account. Gratuity at the time of retirement has been charged to Profit & Loss Account and calculated on accrued basis.

3. Foreign Exchange Transaction:

	Current Year	Previous Year
Earning in Foreign Currency FOB value of Exports (in Rs.)	21,806,136	9,821,286
Expenditure in Foreign Currency Travelling (in Rs.)	172,746	726,708
Others (in Rs.) – Rental for Exhibition abroad and Commission	298,920	1,001,860

4. Auditor's Remuneration:

Provision and/or payment in respect of Auditor's Remuneration-

	Current Year	Previous Year
Audit Fee	19,500.00	19,950.00
Out of Pocket expenses	NIL	NIL

5. Managerial Remuneration:

Provision and/or payment in respect of Managerial Remuneration-

	Current Year	Previous Year
Salary	5,40,000.00	5,40,000.00
Perquisites	NIL	NIL

6. Provision for deferred Tax:

In Accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income", the company has recognized in the Profit & Loss Account the deferred tax asset /liability for the year ended March 31,2012 as under:

Particulars	Opening as on 01.04.2011	For the Year F.Y. 2011-12	Closing as on 31.03.2012
Difference due to Depreciation as per Books of accounts & Income Tax Act			
Unabsorbed Depreciation & Losses	(13,954,232.00)	-	(13,954,232.00)
Other Disallowance	(1,480,280.00)	(48,890.00)	(1,529,170.00)
Total	11,695,175.00	(426,440.00)	11,268,735.00

7. Related Party Disclosures:

Disclosures in respect of related parties as defined in Accounting Standard 18 issued by the Institute of Chartered Accountant of India, are as follows:

Particulars	Relation with the Company	Current Year	Previous Year
Anil Dutt	Key Management Personnel		
Loan Taken		4,047,674	4,074,000
Repayment of Loan		23,200,000	105,92,000
Closing Balance of Loan		68,983,100	88,135,426

8. Earnings Per Share:

	Current Year	Previous Year
Net Profit available for Equity Shareholders used as numerator for calculation.	5,87,665	128,363.00
Weighted Average for number of Equity Shares used as denominator.	5,900,970	5,900,970
Basic and Diluted earning per share of Rs.10 each:		
(i) Before extra-ordinary items	0.10	0.02
(ii) After extra-ordinary items	0.10	0.02

9. Additional Information:

Additional information pursuant to para (3) and (4) of Schedule VI of the Companies Act, 1956.

(a) Quantitative details of the products manufactured (in meters)

Item	Annual Capacity Licensed		Installed		Production	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Furnishing Fabric (in Mtrs.)	N. A.	N.A.	14,18,152	1,418,152	98,548	86,108
Made ups (in pcs)	N. A.	N.A.	N. A.	N. A.	354,026	10,346

Note: License not applicable as the product manufactured by the Company is license free.

Item	Unit	Current year		Previous year	
		Qty.	Rs.	Qty.	Rs.
(b) Opening Stock					
Furnishing Fabrics	Mtrs.	31,845	3,244,310	35,276	3,910,753
Other - Fabrics	Mtrs	5,178	156,329	5,711	172,725
Yarn	Kgs.	29,851	5,133,525	30,134	5,132,966
Made ups	Pcs.	3,10,632	10,567,700	397,469	13,521,894
(c) Purchases					
Other-Fabric	Mtrs.	55,247	2,663,596	37,465	1,640,614
Yarn	Kgs.	44,208	5,657,524	29,316	3,728,942
(d) Sales					
Furnishing Fabric	Mtrs.	102,682	13,971,935	149,940	20,402,281
Made-ups	Pcs.	4,55,559	22,458,138	138,121	9,821,286
* includes free samples					
(e) Consumption					
Furnishing & Other Fabric	Mtrs.	30,789	2,652,065	37,822	3,493,270
Yarn	Kgs.	43,235	5,725,603	29,599	3,728,383
(f) Closing Stock					
Furnishing Fabrics	Mtrs.	27,711	3,016,128	31,845	3,244,310
Other - Fabrics	Mtrs.	5,310	167,860	5,178	156,329
Yarn	Kgs.	30,824	5,065,446	29,851	5,133,525
Made ups	Pcs.	209,099	75,51,572	310,632	10,567,700

10. The Consumption of Raw Material and consumable stores are the balancing figure of Opening Stock plus Purchase (less returns, if any) less sales and Closing Stock as per physical verification by the Management at the end of the year.

11. Previous year figures have been rearranged and regrouped wherever considered necessary. Figures have been rounded off to nearest rupee.

As per our report attached to the Balance Sheet.

For **Bahl & Batra**
Chartered Accountants

(Rajesh Bahl)
Partner

Place : New Delhi
Date : 17th August, 2012

For & On behalf of the Board of Directors
For **VOGUE TEXTILES LIMITED**

Sunil Dutt
(Director)

Anil Dutt
(Mg. Director)

Mohammad Salim
(Company Secretary)

VOGUE TEXTILES LIMITED

Regd. Office : A-206, Somdatt Chambers-I,
5, Bhikaji Cama Place, New Delhi-110066.

FORM OF PROXY

DP Id.	
Client Id	

Folio No.	
No. of Shares held	

I/We of

being a member/s of VOGUE TEXTILES LIMITED

hereby appoint of

on.....

failing him of

as my / our proxy to attend and vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held on **Saturday 29th September, 2012 at Aggarwal Bhawan, Road No. 10, East Panjabi Bagh, New Delhi - 110 026 at 9.45 A.M.**, and at my adjournment thereof.

Signed this of 2012

Affix.
Revenue
Stamp

NOTES :

1. The Proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The form should be signed across the stamp as per specimen signatures recorded with the Company.
3. The Proxy need not be a member.

VOGUE TEXTILES LIMITED

Regd. Office : A-206, Somdatt Chamber-I,
5, Bhikaji Cama Place, New Delhi-110 066.

ATTENDANCE SLIP

Name of the Shareholder/Proxy

DP Id.	
Client Id	

Folio No.	
No. of Shares held	

(Please present this slip at the Entrance of the Meeting Hall)

I hereby record my presence at the 19th Annual General Meeting held on **Saturday 29th September, 2012 at Aggarwal Bhawan, Road No. 10, East Panjabi Bagh, New Delhi -110026 at 9.45 A.M.**

To be signed at the time of handing over the slip at the Meeting Hall.

Name & Regd. Folio No. of Shareholder.

(Signature of Member/Proxy)

BOOK POST

If undelivered please return to :
VOGUE TEXTILES LIMITED
A-206, SOMDUTT CHAMBERS-I,
5, BHIKAJI CAMA PLACE,
NEW DELHI-110 066.

