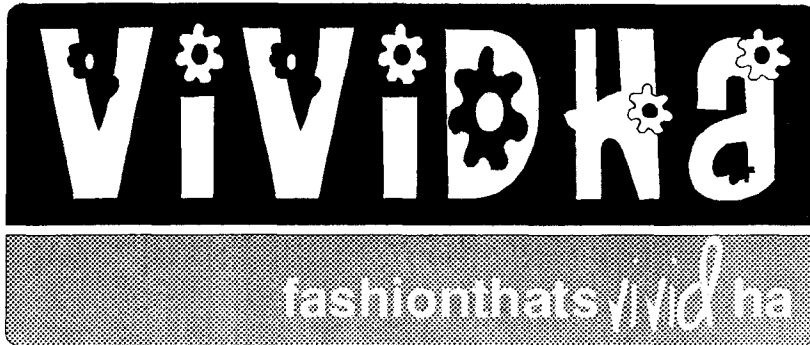




VISAGAR POLYTEX LIMITED



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**26TH
ANNUAL REPORT
2008 - 2009**

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BOARD OF DIRECTORS

Tilok Chand Kothari
Chairman & Managing Director

Jugal Kishore Kothari
Director

Kailash Chhapparwal
Director

Vishal Jain
Director

BANKERS

HDFC Bank Limited
The Pratap Co-op Bank Limited
Union Bank of India

AUDITORS

M/S SUDHIR M. DESAI & CO.
Chartered Accountants
B-7, Sadhicha CHS Limited, Rokadia Lane,
Borivali-West, Mumbai - 400 066.

REGISTERED OFFICE

18, Medon House, 4th Floor,
Dr. M.B. Welkar Street,
Chira Bazar, Mumbai - 400 002.
Tej - 2200 0043 Fax - 2206 5783

REGISTRAR & TRANSFER AGENT

M/s Adroit Corporate Services Pvt Ltd.
19/20, Jafferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri - East, Mumbai - 400 059.
Tel - 2859 6060 Fax - 2850 3748.

WEB SITE: www.visagar.com

ISIN NO. - INE370E01011

email - contact@visagar.com

Compliance Officer - Mr. Arun Tanwar

DIRECTORS' REPORT

TO,
THE MEMBERS,
VISAGAR POLYTEX LIMITED

Your Directors have pleasure in presenting the 26th Annual Report and the Audited Accounts for the year ended on 30th June, 2009

BUSINESS PERFORMANCE:

	Current Year Ended 31-03-2009 (Rs.)	Previous Year Ended 31-03-2008 (Rs.)
Gross Income	294,453,817	273,895,820
Total Expenditure	287,352,783	259,144,569
Profit for the Year	7,101,034	14,751,251
Less: Short/ Excess provision for Tax	-	(2,673)
Provision for Tax	1,700,000	950,000
Deferred Tax	52,159	23,397
Fringe Benefit Tax	63,780	30,127
Profit after Tax	5,285,095	13,750,400
Profit / (Loss) brought from Previous Year	20,420,046	7,540,089
Profit available for appropriation	25,705,141	21,290,489
Appropriation :		
Proposed Dividend	744,000	744,000
Tax on Dividend	126,443	126,443
Balance carried to Balance Sheet	24,834,698	20,420,046

PERFORMANCE :

The Management is very optimistic to have better results in the coming year. The Company has opened its branches at various places and is also keen in opening more branches.

DIVIDEND :

The Board of Directors has proposed 10% Dividend for the Financial Year 2008-09.

DIRECTORS :

Mr. Jethmal Rathi, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

Mr. Vishal Jain, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

The Board at its meeting on 25/03/2009 appointed Mr. Jethmal Rathi as Additional Director of the Company will hold the office upto the date of forthcoming Annual General Meeting and is eligible for appointment as Director in the Annual General Meeting .



The Board at its meeting on 15/05/2009 appointed Mr. Vishal Jain as Additional Director of the Company will hold the office upto the date of forthcoming Annual General Meeting and is eligible for appointment as Director in the Annual General Meeting .

During the year under review, Mr Ramavtar Kakani, Mr. Ramesh Kumar Bhattar and Mr. Umesh Gawand have resigned from the Board. The Board appreciates the valuable services offered by them during the tenure.

FIXED DEPOSITS :

The Company did not invite/accept/renew any fixed deposits during the year under review.

DEMATERIALISATION OF SHARES :

Your Company has connectivity with the NSDL & CDSL for dematerialization of its Equity Shares. The ISIN No. INE370E01011 has been allotted for the Company. Therefore, the members and / or investors may keep their shareholdings in the electronic mode with their Depository Participant.

PARTICULARS OF EMPLOYEES :

There is no employee covered pursuant to provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended vide Notification no. GSR 839 (c) dated 25/10/2000.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :

Details of Energy, conservation research and development activities undertaken by the Company, along with the information in accordance with provisions of Section 217(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in respect of Board of Directors), Rules, 1998 is given in the Annexure.

AUDITORS REPORT :

The observations of the Auditors in their report, read with noted annexed to accounts, are self explanatory and therefore do not call for the any further comment and explanation under section 217(3) of the Companies Act, 1956.

AUDITORS :

M/s Sudhir M Desai & Co., the Auditors retire at the ensuing Annual General Meeting but being eligible offer themselves for reappointed. The Company has received the letter from Auditors to the effect that their appointment if made it would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956. Your Directors recommend reappointment of M/s Sudhir M Desai & Co. as the Auditors of the Company.

**DIRECTORS RESPONSIBILITY STATEMENT**

As required under section 217(2AA) of the Companies Act, 1956 relating to the Directors Responsibility Statement, it is hereby confirmed that:

- 1) In the preparation of the Annual Account for the financial year ended 30th June, 2009 the applicable accounting standard have been followed along with proper explanations relating to material departures.
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Profit or Loss of the Company for the year ended on that date.
- 3) The Directors 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) The Directors have prepared the Annual Accounts on a going concern basis.

STATEMENT PURSUANT TO LISTING AGREEMENTS

The company's shares are listed with The Bombay Stock Exchange Limited. Your Company has paid the respective Annual Listing fees up to date and there are no arrears.

ACKNOWLEDGEMENT

The Directors wish to place on records their appreciation of the contributions made by the employees at the all levels, whose continued commitment and dedication helped the Company to achieve better results. The Directors also wish to thank customers, bankers, etc. for their continued support. Finally your Directors would like to express their sincere & whole-hearted gratitude to all of you for your faith in us in your Co-operation & never failing support.

For and on behalf of Board of Directors

Sd/-

Tilokchand Kothari

Director

Place: Mumbai

Date : 31.10.2009

**AUDITORS' REPORT**

**TO,
THE MEMBERS,
VISAGAR POLYTEX LIMITED**

We have audited the attached Balance Sheet of M/S VISAGAR POLYTEX LTD. as at 30th June, 2009, Profit & Loss A/c for the year ended on that date. 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.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. These standards require that, we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure statement on the matters specified therein. We further report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has maintained proper record as required by law so far as it appears from our examination of the books of accounts.
3. The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
4. In our opinion the Balance Sheet and the Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section [3C] of Section 211 of the Companies Act, 1956.
5. On the basis of written representation received from Director and taken on record by the Board of Directors, we report that none of the Directors are disqualified from being appointed as a Director in terms of Clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the said accounts read together with the notes thereon, gives the information required by the Companies Act, 1956 and in the manner as required and give a true and fair view:
 - a. In the case of the Balance Sheet of the state of affairs of the Company as on 30th June, 2009.
 - b. In the case of Profit & Loss Account of the Profit of the Company for six months ended on that date.
 - c. In the case of Cash Flow statement, of the cash flow for the six months ended on that date.

For M/S. Sudhir M Desai & Co.
Chartered Accountants

Sd/-

Sudhir M Desai

Proprietor

M. No. 41999

Place: Mumbai

Date: 31/10/2009

**ANNEXURE TO THE AUDITORS REPORT**

(Statement referred to in paragraph 2 of our Report of even date on the Accounts of M/S VISAGAR POLYTEX LIMITED for the year ended on 30th June, 2009.)

- 1) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.
As explained to us, the fixed assets of the Company are physically verified by the management at reasonable intervals, during the year in accordance with the regular program which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
The Company has not disposed off any substantial part of its Fixed Assets during the year, so as to affect its going concern;
- 2) As explained to us, inventories have been physically verified during the year by the Management. The intervals at which the inventories have been verified are, in our opinion reasonable in relation to the size of the Company and the nature of its business.
The procedures explained to us, which are followed by the Management for physical verification of inventories, are, in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business
On the basis of our examination, we are of opinion that, the company is maintaining proper records of its inventory. Discrepancies which were noticed on physical verification of inventory as compared to book records have been properly dealt with in the books of account.
- 3) According to the information and explanations given to us, the Company has not granted any loan, Secured or Unsecured to Companies, Firms or other parties listed in the register maintained under section 301 and/or from the Companies under the same Management as defined under section 370 (1B) of the Companies Act, 1956.
According to the information and explanations given to us, the Company has not taken any loan, Secured or Unsecured to Companies, Firms or other parties listed in the register maintained under section 301 and/or from the Companies under the same Management as defined under section 370 (1B) of the Companies Act, 1956.
- 4) 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 the nature of its business with regard to purchase of inventory, fixed assets and with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, no major weakness in internal control has come to our notice.
- 5) On the basis of the audit procedures performed by us, and according to the information, explanations and representations given to us, we are of the opinion that, the transactions in which directors were interested, and which were required to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding the value of Rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to market prices prevailing at that time.



- 6) In our opinion and according to the information and explanations given to us the Company has not accepted any deposit from the public during the year as stated in the provisions of Section 58 A of the Companies Act, 1956.
- 7) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8) The provisions of Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- 9) According to the records of the Company, there were no undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other Statutory dues applicable to it as at 30th June, 2009 for a period of more than six months from the date they became payable.
- 10) The Company, neither has accumulated losses at the end of the year ended nor has incurred cash losses, both, in the financial year under report and in the immediately preceding financial year.
- 11) On the basis of the record examine by us and the information and explanation given to us, the company has taken loans from the scheduled bank against proper hypothecation of the property.
- 12) As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares or other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund, Societies.
- 14) In our opinion, and according to the information and explanations given to us, The Company has maintained proper record of the transaction and contracts of the trading and shares, securities, debentures and other investments. All the entries with respect to investments were timely entered in the books of accounts. All investments at the close of the year are generally held in the name of the Company except in a few cases where the titles to the investments are in dispute or are in the process of transfer.
- 15) According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loan taken by others from bank or financial institutions.
- 16) According to the information and explanations given to us, the company has not taken any term loan, during the Financial year.
- 17) The Company has not made any preferential allotment of shares to the parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 18) The Company has not issued any debentures during the year.



19) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For M/S. Sudhir M Desai & Co.
Chartered Accountants

Sd/-
Sudhir M Desai
Proprietor
M. No. 41999

Place : Mumbai

Date : 31.10.2009

CERTIFICATES

**TO,
THE MEMBERS,
VISAGAR POLYTEX LIMITED**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchange of India, for the financial year ended 30th June, 2009.

The compliance of conditions of corporate Governance is the responsibility of the management. Our examination was limited to 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.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review and the information and explanation given to us by the Company.

Based on such a review, in our opinion the Company has complied with the condition of Corporate Governance, as stipulated in Clause 49 of the Listing Agreements.

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

For M/S Sudhir M Desai & Co.
Chartered Accountants
Sd/-
Sudhir M Desai
Proprietor
M. No. 41999

Place : Mumbai

Date : 31.10.2009

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

MANDATORY REQUIRMENTS

A. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and assist the top management of the Company in the efficient conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and institutional and other lenders and place due emphasis on regulatory compliance.

The Company believes that its system and actions must be followed for enhancing corporate performance and maximizing shareholder value in the long term.

B. BOARD OF DIRECTORS

COMPOSITION AND CATEGORY

1. Executive Directors.
2. Independent, Non-Executive Directors.

Independent Directors are Directors, who apart from receiving Directors' remuneration do not have any other material pecuniary relationship or transactions with the Company.

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he is a member/Chairman are as under.

Sr.No.	Name of Director	Category of Directorship	Number of other Directorships (i)
001	Mr. Tilokchand Kothari	Executive Chairman	5
002	Mr. Kailash Chhapparwal	Executive Director	1
003	Mr. Jethmal Rathi	Independent Director	1
004	Mr. Vishal Kumar Jain	Independent Director	Nil

- (i) Excludes Directorship in Indian Private Limited Companies, membership of Managing Committees of various bodies.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

During the financial year ended 30th June, 2009 Eight Board Meeting were held on 19/06/2008, 02/07/2008, 30/08/2008, 31/10/2008, 31/01/2009, 25/03/2009, 06/05/2009 and 15/05/2009. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under.



Sr.No.	Name of Directors	No. of Board Meetings attended	Attendance at last AGM held on 30.09.2008
001	Mr. Tilokchand Kothari	8	Present
002	Mr. Kailash Chhapparwal	8	Present
003	Mr. Jethmal Rathi (Appointment w.e.f. 25.03.2009)	2	-
004	Mr. Vishal Kumar Jain (Appointment w.e.f. 15.05.2009)	-	-

C. AUDIT COMMITTEE

BROAD TERMS OF REFERENCE

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee include the following:

- ❖ Reviewing the Company's financial reporting process and the disclosure of its financial information.
- ❖ Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve payment for other services.
- ❖ Reviewing the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirements concerning financial statements.
- ❖ Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the Company's financial and risk management policies.
- ❖ Reviewing the reports furnished by the statutory auditors and ensure suitable follow-ups thereon.

COMPOSITION

The Audit Committee of the Company comprises Three Directors. All these Directors possess knowledge of corporate finance, accounts and Company law. The Chairman of the Committee is a Non-Executive, Director nominated by the Board. The statutory Auditors and the Executives in the Finance Department are invitees to the Meetings.

The Board of Directors at the subsequent Board Meeting notes the minutes of the Audit Committee Meetings.



The constitution of the Audit Committee is as follows :

1. Mr. Vishal Kumar Jain : Chairman.
2. Mr. Jethmal Rathi : Member.
3. Mr. Kailash Chhapparwal : Member.

MEETINGS AND ATTENDANCE

During the financial year ended 30th June, 2009, Five Audit Committee Meetings were held on 02/07/2008, 30/08/2008, 31/10/2008, 31/01/2009 and 06.05.2009.

The attendance at the Audit Committee Meetings is as under :

Sr. No	Name of the Directors	No. of Meeting attended
001	Mr. Vishal Kumar Jain (Appointment w.e.f. 15.05.2009)	-
002	Mr. Jethmal Rathi (Appointment w.e.f. 25.03.2009)	-
003	Mr. Kailash Chhapparwal	5

INTERNAL AUDITORS

The Company has in-built system of internal checks and to review the internal control systems of the Company and to report thereon. The report of such reviews is being submitted to the Audit Committee.

D. REMUNERATION COMMITTEE

The Remuneration Committee of the Company comprises Three Directors.

The constitution of the Audit Committee is as follows :

1. Mr. Tilokchand Kothari : Chairman.
2. Mr. Kailash Chhapparwal : Member.
3. Mr. Jethmal Rathi : Member.

The remuneration committee mainly looks after fixation of salary, perquisites and commissions etc. to the directors of the company.

E. SHAREHOLDERS' COMMITTEE

The Board has constituted a Committee of Directors consisting of three members, chaired by a Non-Executive Director, Executive Director and Independent. The Committee meets twice a month to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommend measure to improve the level of investor services. Details of shares, transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time.

**COMPLIANCE OFFICER**

Shri Arun Tanwar is the compliance officer in terms of the listing agreement executed by the Company with the Stock Exchange.

DETAILS OF SHAREHOLDERS COMPLIANCE RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS.

Number of shareholders complaints received so far and number of complaints solved to the satisfaction of shareholders.

Sr. No.	Nature of Complaints	Received	Replied	Balance	No. of Days Taken
1.	Received from Share Holders	NIL	NIL	NIL	N.A.
	Revalidation of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Warrants	NIL	Nil	NIL	N.A.
	Non receipt of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Share Certificates	NIL	NIL	NIL	N.A.
2.	Received from SEBI/Stock Exchange	NIL	NIL	NIL	N.A.
	Revalidation of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Warrants	NIL	NIL	NIL	N.A.
	Non receipt of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Share Certificates	NIL	NIL	NIL	N.A.

There were no outstanding complaints, pending share transfers or pending requests for dematerializations as on 30th June, 2009.

GENERAL BODY MEETINGS :

Location and time, where last three Annual General Meetings were held is given below :

Financial Year	Date	Location of Meeting	Time
2005-2006	30/09/2006	18, Medon House, 4 th Floor, Dr. M. B. Welkar Street, Chira Bazar, Mumbai - 400 002.	01.30 p.m.
2006-2007	27/08/2007	18, Medon House, 4 th Floor, Dr. M. B. Welkar Street, Chira Bazar, Mumbai - 400 002.	02.30 p.m.
2007-2008	30/09/2008	18, Medon House, 4 th Floor, Dr. M. B. Welkar Street, Chira Bazar, Mumbai - 400 002.	2:30 p.m.

G. CEO & CFO CERTIFICATION

The Managing Director (CEO) and the Chief Financial Officer (CFO) have certified to the Board of Directors of the Company that:

- a) They have reviewed financial statements and the Cash Flow Statement for the year and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statement together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) They accept responsibility for establishing and maintaining internal controls for Financial Reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to Financial Reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) They have indicated the Auditors and the Audit Committee:
 - (i) significant changes in internal control over Financial Reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

H. DISCLOSURES

- A. The Company has not entered into any transaction of material nature with the Promoters, Directors or Management, their subsidiaries or relative that may have potential conflict with the interest of the Company at large. The register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.
- B. During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

I. MEANS OF COMMUNICATION :

1. The quarterly and half yearly results are forthwith communicated to all the Stock Exchange with whom the Company has listing agreement as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in the newspapers English and Hindi.
2. Management discussion and analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

**J. GENERAL SHAREHOLDERS INFORMATION:**

*	Annual General Meeting	
	Date	14 th DECEMBER, 2009
	Time	11.00 A.M.
	Venue	18, Medon House, 4 th Floor, Dr. M. B. Welkar Street, Chira Bazar, Mumbai - 400 002.
*	Financial Calendar	
	Financial reporting for the quarter ending September, 2008	OCTOBER END 2008
	Financial reporting for the quarter ending December, 2008	JANUARY END 2009
	Financial reporting for the quarter ending March, 2009	APRIL END 2009
	Financial reporting for the quarter ending June, 2009	JULY END 2009
*	Date of Book Closure	10 th December, 2009 to 14 th December, 2009 (BOTH DAYS INCLUSIVE)
*	Registered office	18, Medon House, 4 th Floor, Dr. M. B. Welkar Street, Chira Bazar, Mumbai - 400 002.
*	Listing on Stock Exchange	THE STOCK EXCHANGE, MUMBAI
*	Stock Code	
	The Stock Exchange, Mumbai	506146

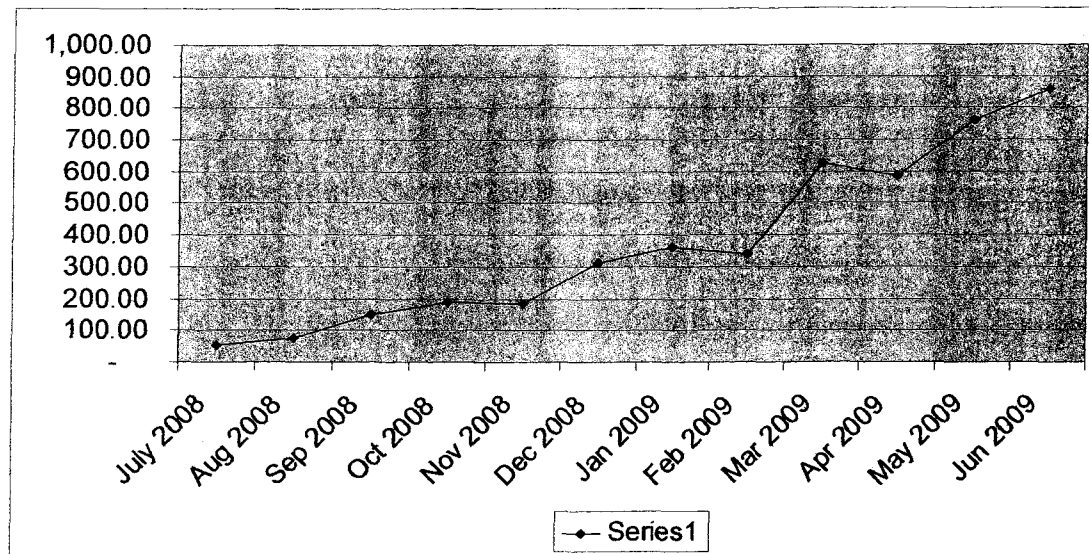
Market Price Data : High Low during each month in last financial year.

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No of Shares	No of Trades	Net T/O (Rs.)
July 2008	51.55	51.55	51.55	51.55	2,000	5	103,100
August 2008	54.10	75.90	54.10	75.90	35,650	55	2,291,455
September 2008	79.65	149.70	79.65	149.70	34,950	99	3,583,052
October 2008	157.15	190.95	157.15	190.00	157	9	26,681
November 2008	199.00	208.00	175.15	187.00	255	30	48,446
December 2008	187.00	312.15	187.00	312.15	3,249	146	854,348
January 2009	320.00	370.00	306.00	360.15	4,041	239	1,406,145
February 2009	360.00	365.00	324.95	340.00	2,358	64	836,697
March 2009	325.00	626.05	325.00	626.05	11,066	346	5,278,938
April 2009	657.35	689.10	541.55	584.00	19,007	263	11,931,011
May 2009	554.85	790.00	472.20	763.90	23,901	454	14,855,882
June 2009	745.50	934.35	745.50	860.00	30,662	658	25,257,036

The Shares are Re. 10/- paid up



Market Price Data : Price Chart for each month in last financial year.



Registrar and Share Transfer Agent

Adroit Corporate Services Pvt Ltd,
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (West),
Mumbai - 400 059.
Tel Nos - 28590942 / 28596060
Fax : 28503748

Share Transfer System Share certificates received for transfer in physical form and requests for Demat are generally registered / confirmed within 15 days of receipt of the same, provided documents are clear in all respects. The Company also provides simultaneous transfer cum Demat facility to its equity shareholders.

Distribution of holding and share holding pattern as on 30th June, 2009.

No. of Equity Shares held	No of Holders	% of Holders	No. of Shares	% of Shares
Upto - 500	184	51.69	25425	3.42
501 - 1000	23	6.46	19494	2.62
1001 - 2000	93	26.12	136118	18.30
2001 - 3000	37	10.39	94471	12.70
3001 - 4000	1	0.28	3300	0.44
4001 - 5000	7	1.97	33795	4.54
5001 - 10000	6	1.69	37325	5.02
10000 & Above	5	1.40	394072	52.97
Total	356	100	744000	100

**Categories of Shareholding as on June 30, 2009.**

	<u>Category</u>	No. of Shares held	Percentage Of Shareholding
A	Promoter's Holding		
1	Promoters <u>Indian promoters:</u> <u>Foreign Promoters:</u>	395050	53.10
2	Persons acting in concert	0	0
	Sub-Total	395050	53.10
B	Non-Promoters Holding		
3	Institutional Investors	0	0
a.	Mutual Funds and UTI	0	0
b.	Banking, Financial Institutions/Insurance Companies (Central/State Govt. Institutions Non-government Institutions)	0	0
c.	FII's	0	0
	Sub-Total	NIL	NIL
4	Others	0	0
a.	Private Corporate Bodies	60305	8.11
b.	Indian Public	284780	38.28
c.	NRIs/OCBs	0	0.00
d.	Any other (Please Specify)	3865	0.52
	Sub-total	348950	46.90
	Grand Total	744000	100.00

Particulars of Shares held in physical/ Electronic form as on 30th June, 2009.

<u>Category</u>	<u>No. of shares</u>	<u>% of shares</u>
Paper Mode	18552	2.49
NSDL	577619	77.64
CDSL	147829	19.87
TOTAL	744000	100

Outstanding GDRs/ADRs/Warrants or any convertible instruments.

The Company has not issued any GDR/ADR/Warrants etc.

K. MANAGEMENT DISCUSSION AND ANALYSIS

A statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

NON-MANDATORY REQUIRMENTS**CHAIRMAN OF THE BOARD:**

The Company has a Executive Chairman.

REMUNERATION COMMITTEE :

The Company has constituted remuneration committee.

POSTAL BALLOT:

The provision relating to Postal Ballot will be complied with in respect of matters where applicable.



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted NSAIL Code of Conduct for its Directors and Senior Management Personnel.

I confirm that the Company has in respect of the Financial year ended 30th June, 2009, received from the members of the Board and Senior Management Personnel a declaration of Compliance with the Code of conduct as applicable to them.

For the purpose of this declaration, Senior Management personnel means who are of the rank of General Manager and above including all functional heads.

For Visagar Polytex Limited

Sd/-

Tilokchand Kothari

Director

Place: Mumbai

Dated : 31.10.2009

BALANCE SHEET AS AT 30th JUNE, 2009.

PARTICULARS	SCH	AS AT 30.06.2009 (12 MONTHS) (RS.)	AS AT 30.06.2008 (15 MONTHS) (RS.)
<u>SOURCE OF FUND</u>			
SHAREHOLDER'S FUNDS:			
Share Capital	1	7,440,000	7,440,000
Reserve & Surplus	2	24,834,698	20,420,046
LOANS LIABILITY			
Secured Loans	3	7,451,229	-
Unsecured Loans		15,357,053	19,980,000
		22,808,282	19,980,000
		55,082,980	47,840,046
<u>APPLICATION OF FUND</u>			
FIXED ASSETS			
Gross Block	4	13,289,789	655,150
Add : Additions		1,169,216	12,634,639
Less: Depreciation		1,904,589	494,243
		12,554,416	12,795,546
INVESTMENTS			
	5	3,313,521	1,040,371
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Cash & Bank Balances	6	3,337,622	2,373,079
Sundry Debtors	7	54,488,930	47,183,012
Loans & Advances	8	8,828,197	3,588,581
Closing Stock	9	37,858,447	27,539,352
		104,513,196	80,684,024
Less: CURRENT LIABILITIES & PROVISION			
Current Liabilities	10	61,982,698	44,789,847
Provision for Taxation	11	3,705,987	1,890,048
		65,688,685	46,679,895
NET CURRENT ASSETS			
		38,824,511	34,004,129
Miscellaneous Expenditure (To the extent not written off or adjusted)		390,532	-
		55,082,980	47,840,046

NOTES ON ACCOUNTS

16

The Schedules referred to herein form an integral part of the Balance Sheet

As per our Report of even date

For Sudhir M. Desai & Co.

Chartered Accountants

Sd/-

Sudhir M. Desai

Proprietor

M. No. 41999

Place : Mumbai

Dated : 31.10.2009

For Visagar Polytex Limited

Sd/-

Sd/-

Tilokchand Kothari

Kailash Chhapparwal

Director

Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE, 2009.

PARTICULARS	SCH	YEAR ENDED 30.06.2009 (12 MONTHS) (RS.)	YEAR ENDED 30.06.2008 (15 MONTHS) (RS.)
<u>INCOME</u>			
Sales		284,348,933	241,368,229
Increase / (Decrease) in Stock		10,134,072	17,890,200
Other Income	12	(29,188)	14,637,391
TOTAL		294,453,817	273,895,820
<u>EXPENDITURE</u>			
Purchase		260,087,453	232,038,283
Payment to and Provisions for Employees	13	4,315,635	3,292,513
Administration & Other Expenses	14	7,165,390	6,076,541
Direct Expenses	15	14,373,959	17,354,682
Depreciation		1,410,346	382,550
TOTAL		287,352,783	259,144,569
Profit / (Loss) before Tax		7,101,034	14,751,251
Short/ (Excess) Provision for Tax		-	(2,673)
Provision for Tax		1,700,000	950,000
Deferred Tax		52,159	23,397
Fright Benefit Tax		63,780	30,127
Profit / (Loss) for after Tax		5,285,095	13,750,400
Balance brought forward from previous year		20,420,046	7,540,089
Profit available for appropriation		25,705,141	21,290,489
Appropriations :			
Proposed Dividend		744,000	744,000
Tax on Dividend		126,443	126,443
Net Profit / (Loss) Carried over to B/sheet		24,834,698	20,420,046

As per our Report of even date

 For **Sudhir M. Desai & Co.**

Chartered Accountants

Sd/-

Sudhir M. Desai

Proprietor

M. No. 41999

Place : Mumbai

Dated : 31.10.2009

 For **Visagar Polytex Limited**

Sd/-

Sd/-

Tilokchand Kothari

Kailash Chhapparwal

Director

Director

**SCHEDULE FORMING PART OF THE BALANCE SHEET.**

PARTICULARS	AS AT 30.06.2009 (12 MONTHS) (RS.)	AS AT 30.06.2008 (15 MONTHS) (RS.)
SCHEDULE : 1		
SHARE CAPITAL		
AUTHORISED		
5,000,000 Equity Shares of Rs. 10/- each (Prev Yr. : 1,250,000 Equity Shares of Rs. 10/- Each)	50,000,000	12,500,000
	50,000,000	12,500,000
ISSUED, SUBSCRIBED & PAID UP		
744,000 Equity Shares of Rs. 10/- each (Prev Yr. : 744,000 Equity Shares of Rs. 10/- each)	7,440,000	7,440,000
	7,440,000	7,440,000
SCHEDULE : 2		
RESERVE & SURPLUS		
Profit & Loss Account	24,834,698	20,420,046
	24,834,698	20,420,046
SCHEDULE : 3		
LOANS LIABILITY		
Secured Loans		
Secured Loan from HDFC Bank Ltd (Secured by hypothecation of Stock and Book Debts)	7,451,229	-
	7,451,229	-
Unsecured Loans		
Inter - Corporate Loans	15,357,053	19,035,000
Loan from Director	-	945,000
	15,357,053	19,980,000
	22,808,282	19,980,000



SCHEDULE FORMING PART OF THE BALANCE SHEET.

**SCHEDULE : 4
FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT	ADD/DED	AS AT	UPTO	PROVIDED UPTO	UPTO	AS AT	AS AT
	01.07.2008	DURING	30.06.2009	01.07.2008	DURING	30.06.2009	30.06.2009	30.06.2008
Land & Building	5869200	124475	5993675	-	-	-	5993675	5869200
Office Premises	332270	-	332270	-	-	-	332270	332270
Mobile	57850	7171	65021	7279	8032	15311	49710	50571
Computer	448620	17050	465670	218863	98723	317586	148084	229757
Furniture	5913859	924777	6838636	215677	1198758	1414433	5424203	5698182
Electric Fittings	44950	-	44950	5353	5508	10861	34089	39597
Air Condition	617040	52443	669483	46957	86593	133550	535933	570083
Inverter	6000	43300	49300	114	12734	12848	36425	5886
TOTAL RS.	13289789	1169216	14459005	494243	1410346	1904589	12554416	12795546
PREVIOUS YEAR RS.	655150	12634639	13289789	111693	382550	494243	12795546	543457

**SCHEDULE : 5
INVESTMENTS**

PARTICULARS	FACE VALUE		AS ON 30.06.2009 (12 MONTHS) (RS.)		AS ON 30.06.2008 (15 MONTHS) (RS.)	
	Rs.	No of Shares	Amount Rs.	No of Shares	Amount Rs.	
	LONG TERM TRADE INVESTMENTS EQUITY SHARES					
QUOTED						
Asian Tea & Exports Ltd	10/-	51757	1,550,341	33352	935,210	
Brijlaxmi Leas. & Fin Ltd	1/-	1000	510	1000	510	
Dai Ichi Karkaria	10/-	-	-	1500	50,891	
Jaipan Industries Ltd	10/-	40556	1,684,607	350	5,452	
Paras Petrofils Ltd	1/-	10644	29,526	17400	48,308	
Shalimar Productions Ltd	1/-	28771	23,537	-	-	
Share Application Money			25,000		-	
			3,313,521		1,040,371	

Aggregate Market Value of Quoted Investment Rs. 3,277,097/-



SCHEDULE FORMING PART OF THE BALANCE SHEET.

PARTICULARS	AS AT	AS AT
	30.06.2009 (12 MONTHS) (RS.)	30.06.2008 (15 MONTHS) (RS.)
SCHEDULE : 6		
CASH & BANK BALANCE		
Cash in Hand	1,243,094	1,236,915
Bank Account	2,094,528	1,136,164
	3,337,622	2,373,079
SCHEDULE : 7		
Over Six Months	5,984,685	5,142,652
Others	48,504,245	42,040,360
	54,488,930	47,183,012
SCHEDULE : 8		
LOANS & ADVANCES		
Advance recoverable in cash or kind	6,567,092	3,395,576
Deposits	2,233,240	185,140
T.D.S.	27,865	7,865
	8,828,197	3,388,581
SCHEDULE : 9		
CLOSING STOCK		
Stock in Hand	37,858,447	27,539,352
	37,858,447	27,539,352
SCHEDULE : 10		
CURRENT LIABILITIES		
TDS	25,163	-
Other Liabilities	29,927	2,250,323
Sundry Creditors	61,553,677	42,539,524
	61,608,767	44,789,847
PROVISIONS		
Share Transfer Charges	10,000	-
Salary Payable	351,871	-
Auditors Remuneration	22,060	-
	373,931	-
	61,982,698	44,789,847
SCHEDULE : 11		
PROVISION FOR TAXATION		
Provision for tax Current Year	1,700,000	-
FBT	63,780	30,127
Defferd Tax Liability	52,159	39,478
Income Tax	1,019,605	950,000
Dividend Payable Account	744,000	744,000
Provision for Dividend Tax	126,443	126,443
	3,705,987	1,890,048



SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT.

PARTICULARS	YEAR ENDED	YEAR ENDED
	30.06.2009 (12 MONTHS) (RS.)	30.06.2008 (15 MONTHS) (RS.)
SCHEDULE : 12		
OTHER INCOME		
Profit/Loss on sale of Shares	(29,188)	14,637,391
Dividend & Interest	15,577	-
	(13,611)	14,637,391
SCHEDULE : 13		
EMPLOYEES REMUNARATION AND BENEFITS		
Salaries	3,839,125	2,789,074
Directors Remuneration	405,000	400,000
Conveyance	50,550	39,840
Welfare Expenses	20,960	63,599
	4,315,635	3,292,513
SCHEDULE : 14		
ADMINISTRATIVE EXPENSES		
Advertisement Exp	507,039	425,726
Audit Fees	22,060	20,000
Brokerage	298,029	551,750
Bank Charges	120,044	86,455
Cash Difference	(15,024)	-
Computer Maintenance	42,403	74,170
Demat Charges	-	6,126
Discount	170,416	-
Filing Fees	9,151	120,017
General Exp.	34,879	-
Interest Paid	1,157,251	424,758
Insurance Charges	42,228	61,292
Labour Exp.	11,088	14,018
Legal & Professional Exp.	97,378	250,976
Listing Fees	37,743	346,080
Misc. Expenses	402,611	702,594
Motor Car Expenses	29,542	-
Office Expenses	642,373	305,520
Postage & Telegram	67,353	48,664
Printing & Stationery	236,266	224,661
Rent, Rate & Electricity	2,096,955	994,680
Repair & Maintenance	90,300	89,468
Sales Promotions Expenses	33,895	12,970
Share Transfer Charges	10,000	19,511
Telephone Charges	300,158	360,898
Traveling Expenses	565,443	723,838
Transport Charges	155,809	212,369
	7,165,390	6,076,541
	11,481,025	9,369,054

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT.**

PARTICULARS	YEAR ENDED	YEAR ENDED
	30.06.2009 (12 MONTHS) (RS.)	30.06.2008 (15 MONTHS) (RS.)
SCHEDULE : 15		
DIRECT EXPENSES		
Jobwork	12,537,455	17,026,642
Packing & Folding Exp.	555,536	328,040
Bhanj, Dying	651,487	-
Saree Finish	406,071	-
Gota, Poplene	26,537	-
Tailoring Expenses	25,395	-
Transport & Octroi	171,478	-
	14,373,959	17,354,682

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 2009.

SCHEDULE - 16

NOTES TO ACCOUNT & SIGNIFICANT POLICIES

1. Significant Accounting Policies

FIXED ASSETS

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties and taxes and incidental expenses related to acquisition.

DEPRECIATION

Depreciation is calculated on Fixed Assets and the company follows the Written Down Value method which is in accordance with schedule XIV of the Companies Act, 1956.

INVENTORIES

Stock is Valued at cost.

INVESTMENTS

Investments are valued at cost, any diminution in the value of investments, if considered permanent, is provided for.

INCOME FROM INVESTMENTS / DEPOSITS

Income from investments / Deposits is credited to revenue in the year in which it accrues except Dividend which is accounted for on Cash basis.

RECOGNITION OF INCOME & EXPENDITURE

All income and expenditure are accounted for on accrual basis.

RETIREMENT BENEFITS

Provision for Payment of Gratuity Act, 1972 is not applicable and as such no provision is made. Leave Encashment, if any, would be accounted for as and when paid.

2. In the opinion of the Board the value of Current Assets, Loans & Advances have a value in ordinary course of business at least equal to that stated in the Balance Sheet except in case of those shown as doubtful.
3. No Interest has been provided for the year on LOANS & ADVANCES made by the Company in few cases.
4. Estimated Amount of Contracts Remaining to be executed on Capital Accounts and not provide for Rs. NIL.
5. Additional information Pursuant to the Provision of Paragraph 3, \$C and \$D of part II of the Schedule VI of the Companies Act, 1956.
 - A. Other additional information - NIL (Previous Year NIL)

REGISTRATION DETAILS

Registration No.	30215	State Code	11
Balance Sheet Date	30-06-2009		

CAPITAL RESERVED DURING THE YEAR (Amount in Rs. Lacs)

Public Issue	NIL	Right Issue	NIL
Promoters Equity	NIL	Bonus Issue	NIL

POSITION OF MOBILIZATION AND DEVELOPMENT OF FUNDS (amount in Rs. Lacs)

Total Liability	550.83	Total Assets	550.83
-----------------	--------	--------------	--------

SOURCE OF FUNDS (Amount in Rs. Lacs)

Paid-up Capital	074.40	Application Money	NIL
Reserves and Surplus	248.35	Secured Loan	074.51
Unsecured Loan	153.57		

APPLICATIONS OF FUNDS (Amount in Rs. Lacs)

Fixed Assets	125.54	Capital WIP	NIL
Investments	033.14	Net Current Assets	388.25
Misc. Expenses	003.91		

PERFORMANCE OF COMPANY (Amount in Rs. Lacs)

Turnover	2944.54	Total Expenditure	2873.52
Profit before Tax	71.01	Profit after Tax	52.85
Earning per Share	7.10		

GENERIC NAMES OF THEE PRINCIPAL PRODUCTS / SERVICES OF COMPANY :

Product Description: Trading & Investments

As per our Report of even date

For **Sudhir M. Desai & Co.**

Chartered Accountants

Sd/-

Sudhir M. Desai

Proprietor

M. No. 41999

Place : Mumbai

Dated : 31.10.2009

For **Visagar Polytex Limited**

Sd/-

Sd/-

Tilokchand Kothari

Kailash Chhparwal

Director

Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 30TH JUNE 2009.**

PARTICULARS	30/06/2009	30/06/2008
A. Cash Flow from operating activities :		
Net Profit before Tax as per P & L A/c		
Adjusted for	4414652	12879957
1. Misc Income	NIL	NIL
2. Interest Income	NIL	NIL
3. Misc. Expenses W. off	-390532	NIL
4. Depreciation	1410346	382550
5. Proposed Dividend & Tax	1815939	1871294
Operating Profit Before Working Capital Changes	7250405	15133801
Add : Adjusted for		
1. Closing Stock	-10319095	-17890200
2. Sundry Debtors	-7305918	-34304943
3. Loans & Advances	-5239616	-1584154
4. Current Liabilities	17192851	27946176
Net Cash Inflow/Outflow Operations (A)	-5671778	-25833121
B. Cash Flow from Investing Activities :		
1. Fixed Assets	-1169216	-12634639
2. Investments	-2273150	-774861
Net Cash Flow from Investing Activities (B)	-3442366	-13409500
C. Cash Flow from Financial Activities:		
Share Capital (Call Money)	0	4960000
Deposits/Unsecured Loans	2828282	19867678
Net Cash Flow from Financing Activities (C)	2828282	24827678
Net Cash Increase in Cash & Cash Equivalents (A + B + C)	964543	718858
Opening Balances of Cash & Cash Equivalents	2373079	1654221
Closing Balances of Cash & Cash Equivalents	3337622	2373079
NET INFLOW	964543	718858

AUDITORS' CERTIFICATE

We have examined the attached statement of VISAGAR POLYTEX LIMITED for the year ended 30.06.2009. The Statement has been prepared by the Company in accordance with the requirements of Listing with the Stock Exchange and is based on and agreement with Profit & Loss Account and Balance Sheet of the Company covered by our report of

As per our Report of Even Date
For Sudhir M Desai & Co.
Chartered Accountants

Sd/-
Sudhir M Desai
Proprietor
M. No. 41999

Place : Mumbai

Date : 30.09.2009

Book - Post
(Under Postal Certificate)

If undelivered please return to :
Visagar Polytex Limited
18, Medon House, 4th Floor,
Dr. M. B. Welkar Street,
Chira Bazar, Mumbai - 400 002.
Tel : 2200 0043 Fax : 2206 5783