

VANDANA KNITWEAR LIMITED

(Formerly known as Trendy Knitwear Limited)

**19th Annual Report
2013-14**

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BOARD OF DIRECTORS

Mukesh Gadiya	-	Chairman & Managing Director
Babulal Khimraj Jain	-	Promoter & Executive Director
Pradeep Saremal Jain	-	Independent & Non-Executive Director
Pawan Mandowara	-	Independent & Non-Executive Director
Manish Tamboli	-	Additional Director
Nidhi Gupta	-	Company Secretary

BOARD COMMITTEES

AUDIT COMMITTEE

Manish Tamboli	-	Chairman
Babulal Khimraj Jain	-	Member
Pradeep Saremal Jain	-	Member

SHARE TRANSFER / INVESTOR GRIEVANCES REDRESSAL COMMITTEE

Babulal Khimraj Jain	-	Chairman
Manish Tamboli	-	Member
Pradeep Saremal Jain	-	Member

REMUNERATION COMMITTEE

Pradeep Saremal Jain	-	Chairman
Manish Tamboli	-	Member
Babulal Khimraj Jain	-	Member

CHIEF EXECUTIVE OFFICER COMPLIANCE OFFICER

Mr. Babulal Khimraj Jain

Mr. Pradeep Saremal Jain

STATUTORY AUDITORS

M/s. S. N. Kabra & Co.,
Chartered Accountants,
207 'C' Block Silver Mall,
R.N.T. Marg, Indore,
Madhya Pradesh – 452 001

REGISTRAR & SHARE TRANSFER AGENT

System Support Services
Gala 209, Shivai Ind. Estate, Sakinaka,
Andheri Kurla Road, Andheri (East),
Mumbai, Maharashtra – 400 072
Email ID: [sysss72@yahoo.com](mailto:syss72@yahoo.com)
Tel. No.: 022-2850 0835;
Fax No.: 022-2850 1438

REGISTERED OFFICE ADDRESS

4-1-223, Hanuman Takdi, Bank Street,
Hyderabad, Andhra Pradesh – 500 095
Web Address: www.trendyknitwearlimited.com
E-mail ID: trendyknitwear@gmail.com
Tel. : 040 - 24763322

BANKERS

Axis Bank Ltd.
Dena Bank

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Nineteenth Annual General Meeting** of the Members of **VANDANA KNITWEAR LIMITED (formerly known as Trendy Knitwear Limited)** will be held on Saturday, the 27th day of September, 2014 at 9.30A.M. at Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad, Andhra Pradesh – 500 095 for transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2014 and the Statement of Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pradeep Saremal Jain (DIN: 03363790), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Manish Tamboli (DIN: 02786180), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pawan Manndowara (DIN: 03201119), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration and, in this regards to consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139 and Section 142 and other applicable provisions of the Companies Act, 2013 and the allied rules made there under, M/s. S. N. Kabra & Co, Chartered Accountants (Registration No. 072497), the retiring auditors be and hereby appointed as Statutory Auditors of the Company to hold office, as such from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 22nd AGM (subject to ratification by shareholders at every AGM held after this AGM.”

SPECIAL BUSINESS

6. To increase the remuneration of Babulal Khimraj Jain (DIN: 02387803), executive director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Babulal Khimraj Jain (DIN: 02387803), Executive Director of the Company be paid, remuneration by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. up to the maximum limit of Rs. 20 Lakhs per annum.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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7. To appoint Mr. Pradeep Saremal Jain (DIN: 03363790), as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pradeep Saremal Jain (DIN: 03363790), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term of 5(five) consecutive years from the date of this AGM till conclusion of the 25th AGM in the calendar year 2019.”

8. To appoint Mr. Manish Tamboli (DIN: 02786180), as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Manish Tamboli (DIN: 02786180), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up of 5(five) consecutive years from the date of this AGM till conclusion of the 25th AGM in the calendar year 2019.”

9. To consider appointment of Mr. Pawan Manowara(DIN: 03201119) as an Independent Director and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pawan Manowara(DIN: 03201119) who was appointed as an Additional Director of the Company by the Board of Directors with effect from October 1, 2013, in terms of Section 161(1) of the Companies Act, 2013 and Article 185 of the Articles of Association of the Company who holds office up to the date of Annual General Meeting and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a of 5(five) consecutive years from the date of this AGM till conclusion of the 25th AGM in the calendar year 2019.”

**BY ORDER OF THE BOARD
FOR VANDANA KNITWEAR LIMITED**

sd/-

PLACE: HYDERABAD

DATE: 12/08/2014

**MUKESH GADIYA
(DIN No. 03025764)
(CHAIRMAN & MANAGING DIRECTOR)**

NOTES:

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the Annual General Meeting is annexed hereto
2. With effect from April 01, 2014, inter-alia, provisions of Section 149 of the Companies Act, 2013 has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to independent directors. Therefore, the directors liable to retire by rotation have been re-ascertained on the date of this notice.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013, read with applicable rules thereon, a person can act as a proxy on behalf of members not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company, carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.
5. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
6. **Members and Proxies attending the Meeting should bring the attendance slip duly filled in along with their Annual Reports and PHOTO ID proof for attending the Meeting.**
7. Corporate Members are requested to send a duly certified true copy of the Board Resolution/Power of Attorney authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
8. Members desiring any information with regards to the accounts are requested to write to the Company at least 10 (ten days) prior to the date of meeting to enable the Management to keep the information ready at the meeting.
9. All the documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company between 10.30 A.M. to 12.30 P.M. on all working days from the date hereof up to the date of meeting.
10. Members are informed that in case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
11. Members are requested to immediately intimate change of Address / bank mandate, if any, to their respective Depository Participants (DP) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agents, in respect of their physical share folios.
12. Members having shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to the Company's Registrars and Transfer Agents, for consolidation into single Folio.

13. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
14. As a part of “Green Initiative” in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company
15. Profiles of the Directors seeking re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, is annexed to this notice.
16. **The Register of Members and Share Transfer Books of the Company shall remain closed from Friday day, 19th September 2014 to 27th day, of September, 2014. (both days inclusive).**
17. **Procedure For E-voting**

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)” Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg.If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. *Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to logon to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) The voting period begins on 22.09.2014(9.30am) and ends on 25.09.2014(5.30pm). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 05.09.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 05.09.2014
- (xxi) Ms. Sunita Manish Agarwal, Practicing Company Secretaries (Membership No.23524 CP No.10097) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.atharventerprises.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 6

Mr. Babulal Khimraj Jain is a Promoter and Executive Director of the Company. He is handling the day to day affairs of the Company along with the necessary compliances with various government authorities.

Presently, with the enforcement of new Companies Act, 2013, directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to Babulal Khimraj Jain, Executive Director by the Company should be commensurate with his increased role, responsibilities and duties.

Considering the provisions of Section 197, 198 of the Act alongwith the Schedule V to the Act and the rules framed thereunder the maximum limit of remuneration payable to the Director can be Rs. 20 lakhs. The Board of Directors proposes the resolution for the approval of maximum limit of remuneration to be payable to the Director.

Save and except Mr. Babulal Khimraj Jain and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

ITEM NO. 7 to 9

In accordance with the relevant provisions of the Article of Associations of the Company and erstwhile provisions of the Companies Act, 1956. Mr. Pradeep Saremal Jain, Mr. Manish Tamboli and Pawan Mandowara Independent Directors were appointed/re-appointed by the Members of the company in the previous AGMs. Pursuant to sections 149, 152 and other applicable provisions of the Companies Act, 2013 and rules framed there under read with Schedule IV to the Act, as amended from time to time with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retiree by rotation at every AGM.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In the transition to the Companies Act, 2013 which is effective 1st April, 2014, those Independent Directors who have already serve for ten or more years will serve for a maximum period of one term of five years. This is consistent with the provisions of Companies Act, 2013. In effect, the transition will be managed by re-appointing such Independent Directors for a period of one more term that does not exceed five years. With the above changes, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of Companies Act, 2013.

**BY ORDER OF THE BOARD
FOR VANDANA KNTWEAR LIMITED**

sd/-

PLACE: HYDERABAD

DATE: 12/08/2014

**MUKESH GADIYA
(DIN No. 03025764)
(CHAIRMAN & MANAGING DIRECTOR)**

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ANNEXURE TO THE NOTICE OF 19TH AGM**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

NAME OF DIRECTOR	Mr. Pradeep Saremal Jain	Mr. Manish Tamboli	Mr. Pawan Mandowara
DIN	03363790	02786180	03201119
AGE	40 Years	35 Years	35 Years
DATE OF APPOINTMENT	30 th September, 2010	4 th October, 2012	10th November,2011
Designation	Director	Director	Director
Expertise in specific functional area	Finance, Accounts, Marketing	Finance, Accounts, Audit & Taxation	Audit & Accounts
Qualification	B. Com,	B. Com, CA	B. Com, CA
Directorship in other Public Limited Companies as on 31/03/2014	Marvel Capital and Finance (India) Limited, Ramchandra Leasing and Finance Limited	NIL	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2014	NIL	NIL	NIL
Shareholding of Directors	NIL	NIL	NIL

**BY ORDER OF THE BOARD
FOR VANDANA KNITWEAR LIMITED**

sd/-

PLACE: HYDERABAD

DATE: 12/08/2014

**MUKESH GADIYA
(DIN No. 03025764)
(CHAIRMAN & MANAGING DIRECTOR)**

DIRECTORS' REPORT

To,
The Members,
Vandana Knitwear Limited
(Formerly known as 'Trendy Knitwear Limited')

Your Directors have pleasure in submitting their Report for the year ended 31st March, 2014:

1. FINANCIAL PERFORMANCE

Particulars	(Amount in Rs.)	
	2013-14	2012-13
Total Income	4,68,25,009	4,39,12,132
Total Expenditure	4,47,29,700	4,21,85,615
PROFIT BEFORE TAX	20,95,309	17,26,517
Less: Provision of Taxation Including Deferred Tax	6,80,000	5,88,365
PROFIT AFTER TAX (PAT)	14,15,309	1138,152
Add: Balance Brought Forward From Previous Year	(7,69,109)	(19,10,230)
Add: Excess / (Short) Provision for taxation for Earlier year written back	(4,930)	(2,969)
Balance Carried To Balance Sheet	6,51,130	(7,69,109)

2. COMPANY'S PERFORMANCE :

The net revenue from the operations of the Company increased from Rs. 439.12 lacs to Rs.468.25lacs. The Earnings before interest, depreciation tax and amortization (EBITDA) and was at profit after tax Rs.14.15 lacs as against Rs. 11.38 lacs

3. DIVIDEND

The Board of Directors do not recommend any dividend for the year ended march 31st, 2014

4. DIRECTORS**Retire by Rotation**

Mr. Pareep Saremal Jain and Mr. Manish Tamboli & Mr. Pawan Mandowara, Directors of the Company whose period of office is liable to retire by rotation pursuant to the provisions of Companies Act, 2013 and Articles of Association of the Company retires by rotation and being eligible offer themselves for re-appointment.

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A brief profile of Mr. Pareep Saremal Jain, Mr. Manish Tamboli and Pawan Mandowara the Directors eligible for re-appointment alongwith the additional information required under Clause 49 (VI)(A) of the Listing Agreement is annexed to the Notice of Annual General Meeting included in the Report on Corporate Governance.

5. AUDITORS AND AUDITORS' REPORT

The Auditors, M/s S. N. Kabra & Co., Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and are eligible for re-appointment

Pursuant to the provisions of section 139 of the Companies Act, 2013 and rules framed there under, it is proposed to appoint M/s S. N. Kabra & Co. as the statutory auditors of the Company from the conclusion of forthcoming AGM till the conclusion of the 22nd AGM to be held in the year 2017, subject to the ratification of their appointment at every AGM.

The Company had received letters from M/s S. N. Kabra & Co., Chartered Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Act.

The qualifications/observations of the Auditors are self-explanatory and explained / clarified wherever necessary in appropriate notes to Accounts.

6. FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from public, shareholders or employees during the year under report.

7. CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange, a Separate Report on Corporate Governance along with Auditors' Certificate confirming Compliance is attached to this report.

8. PARTICULARS OF EMPLOYEES

As there were no employees throughout the year under review who were in receipt of remuneration exceeding the prescribed limit in Companies Act, 1956 and its regulations and rules. Hence, no statement is attached herewith as required in terms of section 217(2A) of the Companies Act, 1956.

9. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, on conservation of energy and technology absorption are not applicable hence no disclosure is being made in this regard.

During the year, there were no foreign exchange earnings and outgo as per notes to accounts.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirmed that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;

2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year ended 31st March, 2014 and of profit of the Company for that year;
3. The Directors had 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.

11. LISTING FEES

At present 10,69,85,070 equity shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE) and the Company has paid the applicable Listing Fees to BSE for the year 2013-14 .

12. ENVIRONMENT AND POLLUTION CONTROL:

The term relating to compliance with all relevant statutes relating to the environment and pollution control in the area of environment are not applicable.

13. CODE OF CONDUCT COMPLIANCE:

Pursuant to Clause-49 of the Listing Agreement, the declaration signed by the Mr. Babulal Jain, Chief Executive Officer, affirming compliance with the Code of Conduct by the Director's and senior management personnel, for the financial year 2013-14 is annexed and forms part of the Directors and Corporate Governance Report.

14. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

Management Discussions and Analysis Report, forming part of the Directors' Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), is presented in a separate section forming part of the Annual Report.

15. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31st March, 2014 is annexed hereto.

16. ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Government Authorities, Customers, Vendors, Advisors, Members and all concerned during the year under report. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

**BY ORDER OF THE BOARD
FOR VANDANA KNTWEAR LIMITED**

sd/-

PLACE: HYDERABAD

DATE: 12/08/2014

**MUKESH GADIYA
(DIN No. 03025764)
(CHAIRMAN & MANAGING DIRECTOR)**

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Management Discussion and Analysis mainly comprises Company's expectations, beliefs, estimates and projections which may be forward looking. The Company's financial statements have been prepared in compliance with the requirements of the Companies act, 1956, guidelines issued by SEBI (Securities And Exchange Board of India) and Generally Accepted Accounting Principles (GAAP) in India. The management of the Company accepts responsibility for integrity and Objectivity of these financial statements as well as various estimates and judgments.

INDUSTRY STRUCTURE & DEVELOPMENT

Indian textile industry constitutes the largest manufacturing industry in the country accounting to 4 % of GDP. The industry provides employment to about 35 million workers directly and approx 47million workers indirectly. This industry contributes to 17 % of the country's industrial output and 17 % to its export earnings.

During the year 2013-14, the higher inflation rates had impact on consumer's demand for textiles resulting a downturn in profitability. With the increase in population and income level of the people it is expected that the demand for garments will increase in coming future. The continuous improvement and investment in weaving and processing will help to meet the demand of quality textiles, which will give an edge to the Indian textile industry over competitors.

STATE OF COMPANY'S AFFAIRS:

Your company is committed to offer the most competitive price with the overall parameters set by the general market conditions your director perceive that the business of the company stands on a sound plate form is running well.

During the year under report, the company marked its income from operation by earning Rs 468.25 lacs as against of Rs439.12 lacs previous year. The profit after tax (PAT) went up to Rs 14.15 lacs in comparison to Rs. 11.38 lacs of previous year.

OPPORTUNITIES AND THREATS

The long term growth prospects of Indian textile industry continue to remain strong in view of rising demand in domestic as well as international markets. To capitalize this opportunity, your Company has undertaken several initiatives i.e. introducing new technology, improved quality of fabrics, designs and allied.

The threats to the Company's products includes severe competition both in domestic and international markets through increased inflation, labour cost, interest rates, etc.

RISKS & CONCERNS

The risk management function is integral to the Company and its objectives include ensuring that critical risk are identified continuously, monitored, and managed effectively in order to protect the company's business. Top management of the company is well acquainted with risk inherent to the business and strategic decision taken by the Board.

Directors and officers liability are risks arising out of their commitment, statement and decision, which may result in legal liability, Company has sufficient internal policies, procedures and communications that guide to the officers to act with proper diligence.

Fixed assets and facilities of the Company are comprehensively covered under suitable insurance policies.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUANCY

The Company is working on to establish framework of Internal Controls to safe guard and protect the loss from unauthorized use of assets. Internal control commensurate to its size and nature of business operations are being developed. The Board, through the Audit Committee, reviews the key issues like timely and accurate recording of financial transactions and adherence to applicable Accounting Standards, optimum utilization and Safety of assets, an effective management information system and Compliance with applicable laws, regulations, Listing Agreement and Management Policies.

HUMAN RESOURCES

Human Resource is the most valuable asset in any organization. The Company efforts to strengthen positive work culture and environment, which promotes innovation and excellence as also mutual trust between all the personnel and the company. It lays strong emphasis on training and developing the technical and behavioral skills of the employees at each level so as to upgrade the competence and remove all level of inefficiency. On Industrial Relations front also, your Company continued to enjoy cordial and harmonious relationship with its workers.

CAUTIONARY STATEMENTS:

Certain Statements in this report may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory change, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement entered into with Stock Exchanges)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

VANDANA KNITWEAR LIMITED (formerly known as Trendy Knitwear Limited) is committed to conduct its business based on the highest standards of Corporate Governance. For Vandana, Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company believes that effective corporate governance practices constitute the strong foundations on which successful commercial enterprises are built to last. Further, we also have faith in the fact that an effective, well-informed and independent Board is necessary for strong Corporate Governance. Our Board plays an important role in corporate Governance practices and protects the interest of shareholders at large.

It is a well-recognised truth, that, Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business. The Company continues to focus its resources, strengths and strategies to achieve its vision of becoming a truly global leader, while upholding the core values of excellence, integrity, responsibility, unity and understanding. It provides detailed information on various issues concerning the Company's business and financial performance to its shareholders.

The Company has always ensured that all the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange where the Company is listed, are complied with the utmost perfection. In terms of the said Clause of the Listing Agreement, requisite particulars of Corporate Governance in the Company are furnished hereunder:

II. BOARD OF DIRECTORS

Composition of the Board

The Company has a very balance structure of Board of Directors, which take care of the business necessity and stakeholders' interest. The Board consists of 5 Directors comprising of 2 Executive and 3 Non-Executive Independent Directors. Chairman of the Board is an Executive Chairman. The Board represents an optimal mix of professionalism, knowledge and experience. Hence, the Company has an appropriate blend of Executive and Non-Executive Independent Directors.

Directors' Attendance Record and Directorship held

During the year 2013-14 i.e. from 1st April, 2013 to 31st March, 2014, the Board met 4 (four) times and the maximum gap between any two Board Meetings was not more than four months. The dates on which these Board meetings were held are 30th May, 2013; 12th August, 2013, 11th November, 2013 and 11th February, 2014.

The Board composition (name & category) as on 31st March, 2014, Director's attendance at the Board meetings held during the year and at the last Annual General Meeting, is as follows:

VANDANA KNITWEAR LIMITED

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S. No.	Name of Director	Category of Director	No. of Directorships in other Companies#	No. of other companies Board Committees of which Director is		No. of Board Meetings during the year		Attendance at the last AGM
				Chairman	Member	Held	Attended	
1.	Mr. Mukesh Gadiya	Executive and Independent	Nil	Nil	Nil	4	4	Yes
2.	Mr. Babulal Khimraj Jain	Executive and Promoter	Nil	Nil	Nil	4	4	Yes
3.	Mr. Pradeep Saremal Jain	Non-Executive Independent	Marvel Capital and Finance (India) Ltd., Ramchandra Leasing and Finance Limited	Nil	Nil	4	4	Yes
4.	Mr. Pawan Mandowara	Non-Executive Independent	Nil	Nil	Nil	4	4	Yes
5.	Mr. Manish Tamboli	Non-Executive Independent	Nil	Nil	Nil	4	4	YES

#excluding Private Limited Companies, Foreign Companies and Companies u/s 25 of the Companies Act, 1956.

- None of the directors on the Board is a Director in more than 15 (fifteen) Public Companies and is member of more than 10 committees or chairman of more than 5 committees across all the companies in which he is a director.
- The directors have furnished Notice of Disclosure of Interest as required under section 299(3) of the Companies Act, 1956, for the year 2013-14.
- **Remuneration paid to Directors during the year 2013-14:**
 - Mr. Babulal Jain – Rs. 60,000/-
 - Mr. Mukesh Gadiya – Rs. 1,80,000/-
- Adequate information as stipulated under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board.
- None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- The individual details of the directors seeking appointment / reappointment at the ensuing Annual General Meeting of the Company are provided in the explanatory statement accompanying the notice of the Annual General Meeting.
- **Recording of Minutes:** The Company Secretary prepares draft minutes of the proceeding of the Board Meetings and circulates the same to all the members of the Board, for their comments. Thereafter final minutes are recorded in the Minutes Book within thirty days from the conclusion of the Meeting.

III. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

- a. **Composition:** The Audit Committee of the Company, comprises of 2 (two) Non-Executive Independent Directors and 1 (one) Executive Director. Details of composition as well as attendance record of the Audit Committee meetings held during the year 2013-14 are as follows:

Name of Members	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Manish Tamboli	Chairman	4	4
Mr. Babulal Khimraj Jain	Member	4	4
Mr. Pradeep Saremal Jain	Member	4	4

No. of meetings: During the year 2013-14, the Committee met 4 (four) times on 30th May, 2013; 12th August, 2013; 11th November, 2013 and 11th February, 2014.

As required under Clause 49 of the Listing Agreement, all the members of the Committee are able to read and understand financial statements. The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and at the same time maintain the integrity and quality of the financial reporting.

18th Annual General Meeting of the Company was held on 28th September, 2013 and was attended by Mr. Manish Tamboli, the then Chairman of the Audit Committee.

The role of Audit Committee broadly includes the following:

1. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
3. Approval of Payment to Statutory Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Directors Responsibility Statement to be included in the Directors Report in terms of Section 217(2AA) of the Companies Act, 1956.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the performance of Statutory and Internal Auditors, adequacy of Internal Control Systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the Internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit.

8. Discussion with Internal Auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Carrying out such other work as may be specifically referred to the committee by the Board of Directors and /or other Committees of Directors of the Company.

B. SHARE TRANSFER / INVESTOR GRIEVANCES REDRESSAL COMMITTEE

- The Share Transfer / Investor Grievances Redressal Committee comprises of 3 (three) Directors including 2 (two) Non-Executive Independent Directors and 1 (one) Executive Director. The Chairman of the Committee is a Non-Executive Independent Director. Details of composition as well as attendance record of the Committee meetings held during the year 2013 -14 are as follows:

Name of Members	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Manish Tamboli	Member	4	4
Mr. Babulal Khimraj Jain	Chairman	4	4
Mr. Pradeep Saremal Jain	Member	4	4

- **No. of meetings:** During the year 2013-14, the Committee met 4 times on 30thMay ,2013, 12th August,2013, 11th November,2013, 11th february, 2013.
- The committee looks into redressing of grievances of the investors, pertaining to transfer /transmission, duplication, change of addresses and other like matters. It also endeavors to set standards for rendering quality investor services in co-ordination with its Registrar and Transfer Agent.
- Mr. Pradeep S. Jain, Director is the Compliance Officer for the Committee.

Status of Investor Complaints received and redressed during 2013-14

Total Complaints Received	Total Complaints Redressed	Pending as on 31/03/2014
7	7	Nil

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C. REMUNERATION COMMITTEE

- The Remuneration Committee comprises of 3 (three) Directors including 2 (two) Non-Executive Independent Directors and 1 (one) Executive Director. The Chairman of the Committee is a Non-Executive Independent Director. Details of composition as well as attendance record of the Committee meetings held during the year 2013-14 are as follows:

Name of Members	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Manish Tamboli	Member	1	1
Mr. Babulal Khimraj Jain	Member	1	1
Mr. Pradeep Saremal Jain	Chairman	1	1

- No. of meetings:** During the year 2013-14, the Committee met once on 30th may, 2013, to review the remuneration of executive directors.
- The Company does not have any Employee Stock Option Scheme.
- The Remuneration Committee has been constituted to recommend / review the remuneration package of Managing / Executive Directors / Senior Management Personnel. The Committee decides remuneration payable to MD and other Executive Directors based upon their performance within the overall ceiling fixed by Statute as well as Shareholders.

IV. GENERAL BODY MEETINGS

The details of last three AGMs are mentioned hereunder:

Year	Day, Date & Time	Venue
2012-13	Saturday, 28 th September, 2013 at 9.30 A.M	Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad – 500 095
2011-12	Friday, 28 th September, 2012 at 10.30 A.M.	Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad – 500 095
2010-11	Friday, 30 th September, 2011 at 11.00 A.M.	4-1-223, Hanuman Takdi, Bank Street, Hyderabad- 500 095

Extra-Ordinary General Meeting

No Extra-ordinary General Meeting was held in the year 2012-13 and 2010-11.

One Extra-Ordinary General Meeting was held during the financial year 2011-12 on 16th July, 2012. Following special resolutions passed thereat:

- Change of Name of the Company from Trendy Knitwear Limited to Vandana Knitwear Limited;
- Sub-division of Equity Shares of Rs. 10/- each into 10 Equity Shares of Re. 1/- each; and

3. Alteration of Articles of Association consequent to increase in Authorised Share Capital.

Special resolutions passed at the last 3 Annual General Meetings (AGM) :

No special resolution was passed at the AGM held on 30th September, 2011 and 28th September, 2013, while at AGM held on 28th September, 2012, special resolution regarding appointment of Mr. Mukesh Gadiya as Chairman and Managing Director of the Company and fixation of his remuneration.

POSTAL BALLOT

During 2013-14, no resolution was passed through Postal Ballot. At the forthcoming AGM, no resolution is proposed to be passed through Postal Ballot.

V. DISCLOSURES

- **Financial Statements / Accounting treatments:** In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by Institute of Chartered Accountants of India to the extent applicable.
- **Materially Significant Related Parties Transactions:** There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interests of the Company. Transactions with Related Parties are disclosed in Notes of Accounts to the annual financial statements for the year 2013 -14. The same is self-explanatory and need not call for any further clarification.
- **Strictures or Penalties:** During the last three years, there were no strictures or penalties imposed either by the SEBI or the Stock Exchange or any other Statutory Authorities for non-compliance of any matter related to Capital Markets.
- **Disclosure on Risk Management:** The Board is periodically informed about the key risks and their minimisation procedures. Business risk evaluation and management is an ongoing process within the Company.
- **CEO Certification:** The certificate required under clause 49(V) of the Listing Agreement duly signed by the CEO was placed before the Board and the same is also provided with this report.
- **Compliance with the mandatory requirements of Clause 49 of the Listing Agreement:** The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under the Listing Agreement. The Company has also obtained a certificate affirming the compliances from M/s S. N. Kabra & Co., Chartered Accountants, the Statutory Auditors of the Company and the same is attached to this Report.
- **Compliance with Other Non-Mandatory Requirements:**
 - a. The Company follows the guidelines as recommended from time to time by Institute of Company Secretaries of India. One such instance is the adoption of Secretarial Standards in respect to Preparation and Recording of Minutes and other Statutory Records and Registers.
 - b. In respect to Audit Qualifications, the Company is making conscious efforts towards moving into a regime of unqualified Financial Statements.
 - c. The Board has already set up a Remuneration Committee, the details whereof are furnished already in this Report.

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VI. MEANS OF COMMUNICATION

- (i) The quarterly, half-yearly and annual results are published in Business Standard in English (Hyderabad Edition) and in Andhra Prabha, Hyderabad (Vernacular).
- (ii) The Company's Results and other Corporate Announcements are regularly sent to the Bombay Stock Exchange Limited (BSE), Mumbai.
- (iii) The results are also posted on the Company's Website www.trendyknitwearlimited.com
- (iv) These Results are not sent individually to the Shareholders.
- (v) All price sensitive information is immediately informed to Stock Exchanges before the same is communicated to general public through press releases, if any.
- (vi) Management Discussion and Analysis forms part of this Annual Report.

VII. GENERAL SHAREHOLDER INFORMARTION

1. Annual General Meeting

Annual General Meeting	Nineteenth
Financial Year	2013-14
Day, date and time	Saturday , 27 th September, 2014 at 9.30 A.M.
Venue	Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad-500 095

As required under Clause 49(IV)(G)(i) of the Listing Agreements entered into with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM.

2. Tentative Financial Calendar (For 2014 -15)

The tentative schedule of Financial Results of the Company is as follows:

First Quarter Ending Results (June, 2014)	Within 45 days from end of quarter.
Second Quarter Ending Results (September, 2014)	Within 45 days from end of quarter.
Third Quarter Ending Results (December, 2014)	Within 45 days from end of quarter.
Fourth Quarter / Year Ending Results (March, 2015)	Within 60 days (Audited results) from end of quarter / year.

3. Book Closure Date

The Share Transfer Registers of the Company shall remain closed from Friday, September 19, 2014 to Saturday September 27, 2014 (both days inclusive).

4. Listing at Stock Exchange(s)

The Company's shares are presently listed only on

Bombay Stock Exchange Limited (BSE)
25th Floor, Phiroze Jeejebhoy Towers, Dalal Street,
Mumbai - 400 001, Maharashtra.

The Company has paid Listing Fees to BSE for the year 2014-15.

5. Stock Code

Bombay Stock Exchange : 532090

6. Stock Market Data

Table Showing Monthly High and Low (Prices with Volumes) at BSE

Year	Stock Prices			
	Month	High Price (Rs.)	Low Price (Rs.)	Volume (No. of Shares)
2013	Jan-13	17.16	12.40	6608774
	Feb-13	14.74	12.40	4814016
	Mar-13	13.54	10.90	13771254
	Apr-13	14.62	11.58	2788685
	May-13	16.10	11.56	2559753
	Jun-13	28.20	15.50	4526079
	Jul-13	25.90	20.15	2007229
	Aug-13	21.60	16.95	1038520
	Sep-13	26.70	19.90	2553554
	Oct-13	26.00	20.40	1424252
	Nov-13	33.40	21.50	2344107
	Dec-13	28.60	20.50	2204659
2014	Jan-14	25.75	17.90	2658555
	Feb-14	26.40	21.85	2832007
	Mar-14	26.00	21.30	4699297
	Apr-14	24.00	16.30	841908
	May-14	23.30	14.05	954552
	Jun-14	28.05	22.15	1128006

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7. Performance of the Company's Shares vis-à-vis BSE Sensex



8. Shareholding Pattern As On 31st March, 2014

Category	No. of Shares held	% of shareholding
Indian Promoters	1,69,00,070	15.80
Foreign Promoters	0	0
Persons Acting In Concert	0	0
Mutual Funds & UTI	0	0
Banks, FIs, Insurance Companies (Central /State Govt. Institutions/ Non-Govt. Institutions)	0	0
Foreign Institutional Investors	0	0
Private Corporate Bodies	70,35,671	6.58
Indian Public	83,049,321	77.63
NRIs/ OCB	8	0.00
Any Other (Clearing Members Demat Transit)	0	0
GRAND TOTAL	1,06,985,070	100.00

9. Distribution Schedule As On 31st March, 2014

Nominal Value of Each Equity Share is Re. 1/-

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Total Shares
0001 - 5000	880	37.244	1208515	1.130
5001 - 10000	383	16.451	3411506	3.189
10001 - 100000	922	40.292	36275082	33.907
100001 & above	132	6.013	66089967	61.775
TOTAL	2317	100.00	106985070	100.00

10. Dematerialization of Shares and Liquidity

As trading in shares of the Company can be done only in electronic form, it is advisable that the Shareholders who have shares in physical form get their shares dematerialized. As on March 31, 2014, 8,74,03,000 Equity shares of Re. 1/- each consisting of 81.70% of the Total Paid up Share Capital were held in dematerialized form.

11. Share Transfer System

81.70% of the equity shares of the Company are in electronic form. Transfer of these shares is done through depositories and the Registrar and Share Transfer Agents (M/s System Support Services). The Transfer of shares is reviewed by the Share Transfer / Investor Grievances Redressal Committee of the Board of Directors of the Company on periodical basis.

As regards transfer of shares held in physical form the transfer documents can be lodged with M/s System Support Services, Registrar and Share Transfer Agents at the above mentioned addresses. Transfer of shares in physical form is normally processed within ten to twelve days from the date of receipt, if the documents are complete in all respects. Certain Directors, Compliance officer and the Company Secretary are severally empowered to approve transfers.

12. Outstanding GDRs / ADRs / Warrants Or Any Convertible Instruments

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence as on March 31, 2014, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

13. Registrar & Share Transfer Agent (RTA)**System Support Services**

Gala 209, Shivai Ind. Estate, Sakinaka,
Andheri Kurla Road, Andheri (East),
Mumbai- 400 072

E-mail ID: sysss72@yahoo.com

Tel. No.: 022-2850 0835; Fax No.: 022-2850 1438

14. Depository

Central Depository Services (India) Limited

Phiroze Jeejebhoy Towers, 17th Floor, Dalal Street, Mumbai 400023

National Securities Depository Limited

Trade World – A Wing, Kamala Mills Compound
Lower Parel, Mumbai - 400013

15. Demat ISIN for NSDL and CDSL as on 31st March, 2014

INE219M01013

16. Registered Office:

4-1-223, Hanuman Takdi, Bank Street, Hyderabad, Andhra Pradesh – 500 095

17. Corporate Identification Number:

L18101TG1995PLC019777

18. Address for Correspondence

Shareholder's correspondence should be addressed to the Company's RTA at the address mentioned below:

M/s System Support Services

Registrar and Transfer Agents

Gala 209, Shivai Ind. Estate, Sakinaka,

Andheri Kurla Road, Andheri (East),

Mumbai-400072

Email ID: [sysss72@yahoo.com](mailto:syss72@yahoo.com)

Tel. No.: 022-2850 0835; Fax No.: 022-2850 1438

For any further assistance, the Shareholder's may Contact:

Secretarial Department

Vandana Knitwear Limited

4-1-223, Hanuman Takdi, Bank Street,

Hyderabad, Andhra Pradesh – 500 095

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

In Compliance of Clause 47(f) of the Listing Agreement, the Company has designated exclusive Email ID for redressal of Investor Grievances i.e. trendyknitwear@gmail.com

CEO CERTIFICATION

To
The Board of Directors
Vandana Knitwear Limited
(Formerly known as Trendy Knitwear Limited)
Hyderabad.

I, Babulal Jain, Chief Executive Officer of Vandana Knitwear Limited, to the best of knowledge and belief, certify that:

- (i) We have reviewed financial statements (Balance Sheet, Profit & Loss Account and all the schedules and notes on accounts) and the Cash Flow Statement and Directors' Report for the year and based on our knowledge, belief and information:
 - i. These statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make these statements made, in the light of the circumstances under which such statements were made, not misleading with respect to the statements made.
 - ii. These statements and other financial information included in this annual report, present in all material respects, a true and fair view of the Company's affairs and are in Compliance with existing Accounting Standards and / or applicable laws and regulations.
- (ii) To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
- (iii) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control System of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to ratify these deficiencies.
- (iv) We have indicated to 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

sd/-

Place: Hyderabad
Dated : 12th August, 2014

Babulal Jain
Chief Executive Officer

**DECLARATION ON COMPLIANCE OF
THE COMPANY'S CODE OF CONDUCT BY THE CEO**

**To
The Members
Vandana Knitwear Limited
(Formerly known as Trendy Knitwear Limited)
Hyderabad**

This is to confirm that the Company has adopted a code of conduct for its Board members and the senior management personnel.

I confirm that the Company has, in respect of the financial year ended 31st March, 2014, received from the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

sd/-

Place Hyderabad
Dated: 12th August, 2014

Babulal Jain
Chief Executive Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Vandana Knitwear Limited
(Formerly known as Trendy Knitwear Limited)
Hyderabad

We have examined the Compliance of conditions of Corporate Governance by Vandana Knitwear Limited for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance was pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer / Investor Grievances Redressal Committee.

We further 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 S. N. Kabra & Co.
Chartered Accountants
(Firm Registration No.: 03439C)

sd/-

Satyanaarayan Kabra
Partner
Membership No. : 072497

Place: Indore
Date: 12th August, 2014

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
VANDANA KNITWEAR LIMITED
(Formerly known as Trendy Knitwear Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **VANDANA KNITWEAR LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility For the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance sheet and the profit & Loss Account dealt with by this report are in compliance with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e) On the basis of written representations received from the directors concerned and taken on record by the Board of Directors, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company

For S. N. Kabra & Co.
Chartered accountants
Firm Registration No. 03439C

sd/-

Satyanarayan Kabra
Partner
Membership No. 072497

Date: 26th May, 2014
Place: Indore

ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 1 of our Report of even date)

1. In respect of its assets

- a) The Company has maintained records showing full particulars including quantitative details of Fixed Assets.
- b) As explained to us, fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed in such physical verification.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of Inventories :

- a) As explained to us, Inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion, and according to information and explanation given to us, 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 has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. In respect of loans, secured or unsecured, granted by the Company to /from companies, firms or other parties covered in the registered maintained under Section 301 of the Companies Act,1956 :

- a) The Company has not given any loans to parties listed in the register maintained under Section 301.
 - b) The Company has not taken any loans from parties listed in the register maintained under Section 301.
4. In our opinion and according to our information and explanation given to us, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of the goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act,1956 :
- a) In our opinion and according to the information and explanation given to us, the transactions made in purchase of contracts on arrangements, that under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and to the best of our information and knowledge the transactions have been made at prices which appear as per information available with the company.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Section 209, (1) (d) of the Companies Act, 1956 for the company.
9. In respect of statutory dues :

- a) According to the records of the Company undisputed statutory dues including Income-Tax, sales tax and other statutory dues have been generally regularly deposited with the appropriate authorities except for some minor delays in depositing TDS. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable. The company is not liable to Provident fund, Investor Education and Protection Fund, ESI, Wealth Tax, Custom Duty and Cess as certified by the company.
10. The accumulated losses of the company are not more than fifty percent of its worth Company at the end of the financial year under report and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
 11. The company has not defaulted in repayment of dues to banks. It does not have any liabilities towards financial institution or debenture holders.
 12. In our opinion and according to the information and explanation give to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / Society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
 14. The Company has maintained proper records of the transactions and contracts of dealing in shares, securities, debenture and other investments with timely entries having been made therein.
 15. Based on our audit procedures and as per information given to us the Company has not given guarantees for loans taken by others from banks or financial institutions.
 16. Based on our audit procedures and as per information given to us the company has not raised any term loans during the year.
 17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the company has not utilized any short term resources for investment in long term assets.
 18. In our opinion and to the best of our information and knowledge, the company has not made any preferential allotment of shares during the year.
 19. The Company has not issued any debentures.
 20. The Company has not raised any money by way of public issue during the year.
 21. In our opinion and according to the information and explanation given to us, no fraud on /or by the Company has been noticed or reported during the year , that causes the financial statement to be materially misstated.

For S. N. Kabra & Co.
Chartered accountants
Firm Registration No. 03439C

sd/-

Satyanarayan Kabra
Partner
Membership No. 072497

Date: 26th May, 2014
Place: Indore

VANDANA KNITWEAR LIMITED

19th ANNUAL REPORT 2013-14

Balance Sheet as at 31/03/2014

Particulars	Note No.		As at 31-03-2014 [Rs.]		As at 31-03-2013 [Rs.]
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	1	106,985,070.00		106,985,070.00	
(b) Reserves and surplus	2	651,130.14	107,636,200.14	(769,109.00)	106,215,961.00
(c) Money Received against Share Warrants		-		-	
(2) Non- current liabilities					
(a) Long-term borrowings	3	-		-	
(b) Deferred Tax Liability (Net)	4	20,493.00		22,267.00	
(c) Other Long-term Liabilities		-		-	
(d) Long-term Provisions	-	-	20,493.00	-	22,267.00
(3) Current liabilities					
(a) Short-term borrowings	5	-		-	
(b) Trade Payables	6	8,150,094.00		-	
(c) Other Current Liabilities	7	352,720.00		76,514.00	
(d) Short Term Provisions	8	1,672,768.00	10,175,582.00	1,546,224.00	1,622,738.00
	Total		117,832,275.14		107,860,966.00
II ASSETS					
Non- current assets					
(1) (a) Fixed Assets					
(i) Tangible assets	9	772,237.00		1,047,087.00	
(ii) Intangible assets		-		-	
(iii) Capital Work -in-progress		-		-	
(b) Non-Current investments	10	26,449,820.00		26,449,820.00	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances		-		-	
(e) Other Non Current Assets	11	1,499,543.00	28,721,600.00	1,199,164.00	28,696,071.00
(2) Current assets					
(a) Current Investments		-		-	
(b) Inventories	12	-		-	
(c) Trade receivables	13	8,614,853.00		-	
(d) Cash and Cash equivalents	14	2,682,885.00		1,986,998.00	
(e) Short-term loans and advances	15	77,805,945.00		77,167,636.00	
(f) Other Current Assets	16	6,992.00	89,110,675.00	10,261.00	79,164,895.00
(3) Miscellaneous Expenses & Losses					
Deferred Revenue Expenditure		-		-	
	Total		117,832,275.14		107,860,966.00
Significant Accounting Policies and Notes on Financial Statements	24				

As per our report of even date

For S.N. Kabra & CO.
Chartered Accountants
Firm Registration No. 03439C

For VANDANA KNITWEAR LIMITED

Satyanarayan Kabra
Partner
M No.072497

sd/-

Managing Director

sd/-

Director

sd/-

Company Secretary

Place : Indore
Date : 26.05.2014

Statement of Profit and Loss for the year ended 31/03/2014

Particulars	Note No.		YEAR ENDED 31-03-2014	YEAR ENDED 31-03-2013
I Revenue from operations	17		46,825,009.50	43,912,132.00
II Other Income	18		-	-
III Total Revenue (I+II)		Total	46,825,009.50	43,912,132.00
IV Expenses :				
Purchase of Stock in Trade			39,353,065.00	36,125,000.00
Changes in Inventories of Finished Goods	19		-	-
Employee Benefits Expense	20		2,077,393.00	2,413,920.00
Finance Costs	21		-	-
Depreciation and Amortization Expenses	22		274,851.00	91,643.00
Other Expenses	23		3,024,391.36	3,555,052.00
Total expenses (IV)		Total	44,729,700.36	42,185,615.00
V Profit before exceptional and extraordinary items and tax (III-IV)			2,095,309.14	1,726,517.00
VI Exceptional items			-	-
VII Profit/(Loss) before extraordinary items and tax (V-VI)			2,095,309.14	1,726,517.00
VIII Extraordinary Items			-	-
IX Profit Before Tax			2,095,309.14	1,726,517.00
X Tax expense :				
(1) Income Tax for earlier years			(3,156.00)	(2,969.00)
(2) Current Year Tax			680,000.00	570,000.00
(3) Deferred tax			(1,774.00)	18,365.00
XI Profit(Loss) for the period from Continuing Operations		Total	1,420,239.14	1,141,121.00
XII DISCONTINUING OPERATIONS				
Profit / (Loss) from discontinuing operation			-	-
XIII TOTAL OPERATIONS			1,420,239.14	1,141,121.00
XIV Earnings per equity share of face value of Re.1 each Basic and Diluted			0.01	0.01
Significant Accounting Policies and Notes on Financial Statements	24			

As per our report of even date

For S.N. Kabra & CO.
Chartered Accountants
Firm Registration No. : 03439C

For VANDANA KNITWEAR LIMITED

Satyanarayan Kabra
Partner
M. No. : 072497

sd/-

Managing Director

sd/-

Director

sd/-

Company Secretary

Place : Indore
Date : 26.05.2014

NOTES TO THE ACCOUNTS

NOTE No. 1 - Share Capital

		As at 31-03-2014 [Rs.]		As at 31-03-2013 [Rs.]	
SHARE CAPITAL					
(a) Authorised 12,00,00,000 Equity shares of Rs.1/- each (Previous Year 12,00,00,000 Equity shares of Rs.1/- each)	Total	120,000,000		120,000,000	
		120,000,000		120,000,000	
(b) Issued Subscribed & Paid up 10,69,85,070 Equity Shares of Rs. 1/- each fully paid up (Previous Year 10,69,85,070 Equity shares of Rs.1/- each)	Total	106,985,070		106,985,070	
		106,985,070		106,985,070	
1.1 Details of Shareholders holding more than 5% shares					
Name of the Share holder		As at 31-03-2014		As at 31-03-2013	
	No of Shares	% Held	No of Shares	% Held	
Babulal Khimraj Jain	5,599,980	5.23%	5,599,980	5.23%	
1.2 Reconciliation of number of shares outstanding					
Opening Balance		106,985,070		106,985,070	
Add: Issued During the Year		-		-	
Closing Balance at the year end (Equity shares of Re 1 each (PY Equity Shares of Rs.1/- each)		106,985,070		106,985,070	

NOTE No. 2 - Reserves & Surplus :

RESERVES & SURPLUS

CURRENT YEAR	Balance As at 01.04.2013 [Rs.]	Additions [Rs.]	Deductions As at 31-03-2014 [Rs.]	Balance [Rs.]
a. Security Premium Account	-	-	-	-
b. General Reserve Balance in Profit & Loss A/c	(769,109)	1,420,239	-	651,130
Total	(769,109)	1,420,239	-	651,130
PREVIOUS YEAR	Balance As at 01.04.2012 [Rs.]	Additions [Rs.]	Deductions As at 31-03-2013 [Rs.]	Balance [Rs.]
a. Security Premium Account	-	-	-	-
b. Balance in Profit & Loss A/c	(1,910,230)	1,141,121	-	(769,109)
Total	(1,910,230)	1,141,121	-	(769,109)

NOTE No. 3 - Long term borrowings :

		As at 31-03-2014 [Rs.]		As at 31-03-2013 [Rs.]
SECURED LOANS		-		-
UNSECURED LOANS		-		-
Total		-		-

NOTE No. 4 - DEFERRED TAX LIABILITY (Net)

		As at 31-03-2014 [Rs.]		As at 31-03-2013 [Rs.]
a. On Account of depreciation on Fixed Assets		20,493		22,267
Total		20,493		22,267

NOTE No. 5 - Short term borrowings:

		As at 31-03-2014 [Rs.]		As at 31-03-2013 [Rs.]
Unsecured Loan: Loans repayable on demand		-		-
Total		-		-
Rate of Interest		-		-

NOTE No. 6 - Trade payables :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Trade Creditors		
Total outstanding dues of Micro Enterprises and Small Enterprises		
Total outstanding dues of creditors other than Micro and small Enterprises	8,150,094	-
Total	8,150,094	-
<u>Additional Information:</u>		
The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:		
1 Principal amount due and remaining unpaid	-	-
2 Interest due on (1) above and the unpaid interest	-	-
3 Interest paid on all delayed payments under the MSMED Act	-	-
4 Payment made beyond the appointed day during the year	-	-
5 Interest due and payable for the period of delay other than (3) above	-	-
6 Interest accrued and remaining unpaid	-	-
7 Amount of further interest remaining due and payable in succeeding years	-	-

VANDANA KNITWEAR LIMITED

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NOTE No. 7 - Other Current Liabilities

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Other Currunt Liabilities	352,720	76,514
Total	352,720	76,514

NOTE No. 8 - Short Term Provisions

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
a. Duties and Taxes Payable	13,336	6,584
b. Other Provisions		
Directors Remuneration Payable/Sitting Fees Payable	95,000	60,000
Provision for Income Tax	1,250,000	1,070,000
Professional Fees Payable	313,180	403,000
Rent Payable	-	5,500
Telephone Expenses Payable	1,252	1,140
Total	1,672,768	1,546,224

Note No.9

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2014											
ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	COST ON 01.04.2013	ADDITIONS DURING THE YEAR	ASSETS SOLD DURING THE YEAR	TOTAL AS ON 31.03.2014	WRITTEN OFF 01.04.2013	WRITTEN BACK DURING THE YEAR	FOR THE YEAR	TOTAL WRITTEN OFF UP TO 31.03.2014	ASAT 01.04.13	ASAT 31.03.2014	
Computer	333,565	-	-	333,565	70,508	-	105,223	175,731	263,057	157,834	
Furniture	12,500	-	-	12,500	4,697	-	1,412	6,109	7,803	6,391	
Office Equipment	60,575	-	-	60,575	11,449	-	6,833	18,282	49,126	42,293	
Car - Ford Figo	666,478	-	-	666,478	43,138	-	161,383	204,521	623,339	461,957	
Land	103,762	-	-	103,762	-	-	-	-	103,762	103,762	
Totals as at 31.03.2014	1,176,880	-	-	1,176,880	129,792	-	274,851	404,643	1,047,087	772,237	
Totals as at 31.03.2013	283,497	893,383	-	1,176,880	38,149	-	91,643	129,792	1,047,087	245,348	

VANDANA KNITWEAR LIMITED

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NOTE No. 10 - Non Current Investment :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
INVESTMENTS		
Non Current Investments - Long Term		
A. Investment in Equity Instruments - Unquoted	26,449,820	26,449,820
Total	26,449,820	26,449,820
Aggregate Value of		
-Unquoted Investments (at cost)	26,449,820	26,449,820
Total	26,449,820	26,449,820

NOTE No. 11 - Other Non Current Assets

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Advance Income Tax (12-13)	559,590	452,320
Advance Income Tax (13-14)	689,313	-
Advance Income Tax /TDS (11-12)	-	496,844
Other Deposit	250,640	250,000
Total	1,499,543	1,199,164

NOTE No. 12 - Inventories :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
INVENTORIES		
(As certified & valued by the management)	-	-
Finished goods: Trading	-	-
Total	-	-

NOTE No. 13 - Trade receivables :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
TRADE RECEIVABLES		
(Unsecured-Considered good)	-	-
-Exceeding six months	-	-
-Others	8,614,853	-
Total	8,614,853	-

NOTE No. 14 - Cash and Cash equivalents :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Cash in hand		
HEAD OFFICE	517,889	651,029
Balances with Scheduled Banks		
HEAD OFFICE	2,164,996	1,335,969
Total	2,682,885	1,986,998

NOTE No. 15 - Short Term Loans and advances: UNSECURED

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
(i) Other loans and advances (specify nature)		
Unsecured, considered good	-	-
Advance to Supplier	47,042,224	41,761,635
Other Loan and Advances	30,763,721	35,406,001
Total	77,805,945	77,167,636

NOTE No. 16 - Other Current Assets

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Prepaid Insurance	6,992	10,261
Total	6,992	10,261

VANDANA KNITWEAR LIMITED

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NOTE No. 17 - Revenue from operations

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Sales Of Product Comprises: Fabric Cloth	40,611,360	39,215,000
Sales Of Service Comprises: Interest on Lending of Advances	6,213,650	4,697,132
Total	46,825,010	43,912,132

NOTE No. 18 - Other Income :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
a. Dividend income	-	-
- from long term investments	-	-
b. Net gain on sale of:		
Current investments	-	-
Long-term investments	-	-
Total	-	-

NOTE No. 19 - Change in Inventory :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Inventories at the end of the year:		
Stock-in-trade	-	-
Inventories at the beginning of the year:		
Stock-in-trade	-	-
Total	-	-

NOTE No. 20 - Employee benefits :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Salaries	1,453,000.00	1,821,400.00
Conveyance	186,760.00	166,394.00
Staff Welfare Expenses	197,633.00	186,126.00
Directors Remuneration	240,000.00	240,000.00
Total	2,077,393.00	2,413,920.00

NOTE No. 21 - Financial Charges :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
a . Interest	-	-
- Banks	-	-
Total	-	-

NOTE No. 22 - Depreciation and Amortisation:

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Depreciation	274,851.00	91,643.00
Total	274,851.00	91,643.00

NOTE No. 23 - Other Expenses :

	As at 31-03-2014 [Rs.]	As at 31-03-2013 [Rs.]
Advertisement Expenses	78,136.00	114,729.00
Audit Fees	25,000.00	20,000.00
Books and Periodicals	21,925.00	26,142.00
Bank Charges/Commission	674.72	9,391.00
Business Promotion Expenses	125,120.00	378,010.00
Commission & Brokerage	-	550,000.00
Donations	51,000.00	221,000.00
Electricity Charges	58,191.00	54,660.00
Insurance	13,704.00	11,137.00
Interest on TDS	545.00	6,316.00
Motor Car Expenses	69,260.00	57,720.00
Membership Fees	112,360.00	112,360.00
Office Expenses	220,503.00	167,992.00
Postage & Telegram	-	8,469.00
Printing & Stationery	237,776.00	199,273.00
Professional Fees	533,220.00	657,660.00
Rates and Taxes	1,540.00	80,323.00
Rent	267,000.00	250,200.00
Repairs and Maintenance	126,308.14	41,056.00
RTA Fees and Expenses	52,747.0	84,372.00
Security Charges	66,000.00	70,000.00
Sundry Expenses	5,000.00	-
Sundry Balance Written off	34,861.50	27,831.00
Telephone Expenses	42,737.00	27,055.00
Travelling Expenses	880,783.00	379,356.00
Total	3,024,391.36	3,555,052.00

SCHEDULE 24

NOTES TO THE ACCOUNTS

(A) SIGNIFICANT OF ACCOUNTING POLICIES

1. SYSTEM OF ACCOUNTING

- a) The Company follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis except in respect of interest income on Non Performing Assets which is reckoned on realization basis as per the norms set by the Reserve Bank of India.
- b) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value of purchase power of money.
- c) Accounting policies, not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles followed by the company.

2. USE OF ESTIMATE

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on the Management's evaluation of relevant facts and circumstances as on the date of the financial statements. The actual outcome may diverge from these estimates.

3. FIXED ASSETS

Fixed assets are stated at cost less depreciation. Depreciation has been provided on the written down value method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

4. INVESTMENT

The Investments in quoted equity shares have been treated as long term investment. Accordingly, these investment have been valued at cost.

5. INVENTORIES

Inventories are valued at cost (on FIFO basis) or at realisable value which ever is less.

6. DEPRECIATION

Depreciation has been provided on the written down value method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

7. PRIOR PERIOD EXPENSES / INCOME

The Company follows the practice of making adjustments through "Expenses / Income under / over provided in previous year in respect of all material transactions pertaining to the period prior to current accounting year, if any.

8. INCOME FROM INVESTMENT

Income from investments, where appropriate are taken into revenue in full on declaration or receipt and tax deducted at source thereon is treated as advance tax.

9. TREATMENT OF CONTINGENT LIABILITES

Contingent liabilities are disclosed by way of note to the accounts, if any.

10. ACCOUNTING FOR TAXES ON INCOME

Income tax expenses comprises current tax (i.e. amount of tax for the year determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year)

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets / liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The company offsets assets and liabilities representing current tax and deferred tax where it has a legally enforceable right to set off the recognised amounts and it intends to settle those assets and liabilities on a net basis.

11. BORROWING COSTS

The company has charged the entire borrowing costs to the Profit & Loss Account there being no qualifying asset with the company.

12. The company does not have any intangible assets

13. IMPAIRMENT OF ASSETS

Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable value. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

14. EMPLOYEE BENEFITS:

1. Short Term Employee benefits have been accounted for either as an expenses as a charge to Profit & Loss Account or as a liability if unpaid.
2. Post Employment Benefits:
 - a. Defined Contributions Plans: The company has no liability towards any defined contributions plans.
 - b. Defined Benefit Plans: The Company accounts for expenditure on defined benefits plans on actual payment basis. It is the view of the management that, due to a small number of workers the liability of the company under defined benefit plans (i.e. gratuity) is not material considering the present composition of the work force and its volume of business. The company has no liability towards retirement benefits as on 31.03.2014.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business, the provision for all known liabilities is adequate and no in excess of the amount considered reasonably necessary.
2. Contingent Liabilities not provided for : Nil. **(Previous Year :NIL)**

VANDANA KNITWEAR LIMITED

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3. There is no liability in respect of retirement benefits as on 31.03.2014.

4. Auditor's Remuneration

Sr No.	Particulars	31.03.2014	31.03.2013
1	Statutory Audit Fees	25,000	20,000
2	Tax Audit Fees	20,000	10,000
3	Other Charges	31,000	10,000
	Total (Excluding Service Tax)	76,000	40,000

5. DEFERRED TAX

In view of the uncertainty attached with the future profitability of the Company and lack of any convincing evidence that sufficient future taxable income would be available, company has decided not to recognize any Deferred Tax Asset in respect of the timing differences outstanding at the beginning of the year as well as those arisen during the year.

However the company has recognized the Deferred Tax Liability in respect of Depreciation excess charged in the Income tax:

Sr No.	Particulars	31.03.2014	31.03.2013
1	DEFERRED TAX LIABILITY Related to Fixed Assets	20,493 -	22,267 -
2	DEFERRED TAX ASSETS Related to Disallowance Under Income Tax	- -	- -
	NET DEFERRED TAX LIABILITY	20,493	22,267

6. EARNING PER SHARE

Sr No.	Particulars	31.03.2014	31.03.2013
1	Net Profit as per Profit and Loss Account	14,20,239	11,41,121
2	Number of Shares: Weighted (Re. 1/- per share) (PY Rs. 1/- per share)	10,69,85,070	10,69,85,070
3	Basic and Diluted Earning Per Share	0.01	0.01

7. **Expenditure in Foreign Currency – NIL**
(Previous year Rs. NIL/-)

8. Quantitative details of goods traded :

FOR THE YEAR ENDING 31.03.2014

Sr No	Particulars	Units	Opening Stock	Purchases	Sales	Closing Stock
1	Fabric	MTRS	-	3,15,605	3,15,605	-

FOR THE YEAR ENDING 31.03.2013

Sr No	Particulars	Units	Opening Stock	Purchases	Sales	Closing Stock
1	Fabric	MTRS	-	3,00,500	3,00,500	-

9. Disclosure in accordance with AS 18" Related Party Disclosures"

FOR THE YEAR ENDING 31.03.2014

Particulars	Associates Personnel	Key Management	Relative of Key Management Personnel	Total Services
Expenditure on Services		2,40,000	-	2,40,000

FOR THE YEAR ENDING 31.03.2013

Particulars	Associates Personnel	Key Management	Relative of Key Management Personnel	Total
Expenditure on Services	-	2,40,000	-	2,40,000

NOTE: Name of Key Management Personnel and description of relationship :

- Mr. Mukesh Kumar Gadia (Managing Director)
 Mr. Babulal Jian (Executive Director)
 Mr. Pradeep Saremal Jain (Independent Director & Compliance Officer)
 Mr. Pawan Mandowara (Independent Director)
 Mr. Manish Tamboli (Additional Director)
 Mrs. Nidhi Gupta (Company Secretary)

10. Based on the information available with the company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006."
11. Figures of the previous year have been regrouped rearranged and recast wherever necessary, to make them comparable with the figures of the current year.

VANDANA KNITWEAR LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

Amount in Rs.

	For the Year ended 31.03.2014		For the Year ended 31.03.2013	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit(Loss) before tax and Extra Ordinary Item				
Ordinary Items		2,095,309		1,726,517
Adjustment for:				
Depreciation	274,851		91,643	
Dividend	-		-	
Profit(Loss) on sale of Investments	-		-	
Profit (Loss) on Sale of Other Assets	-		-	
Interest Income (Expenses) : NET	(6,213,650)	(5,938,799)	(4,697,132)	(4,605,489)
Operating Profit before Working Capital Changes		(3,843,490)		(2,878,972)
Adjustment for:				
Reduction In Inventory	-		-	
Trade Receivables	(8,614,853)		1,877,831	
Other Receivables - Prpaid Insurance	-		-	
Other Current Liability	-		-	
Other non Current Assets	(300,369)		-	
Other Provisions	402,750		-	
Deffered Revenu Expenditure			-	
Trade Payable	8,150,094	(362,378)	(1,827,139)	50,692
Cash Generated from Operations		(4,205,868)		(2,828,280)
Direct Taxes Refund/(Paid)		(678,226)		(570,000)
Cash Flow before Extraordinary Item		(4,884,094)		(3,398,280)
Extraordinary Items				-
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	A	(4,884,094)	A	(3,398,280)
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale (Purchase) of Fixed Assets:NET		-		(893,383)
Sale/(Purchase)of Investments: Net		-		-
Loans and Advances		(633,669)		1,194,651
Interest Received		-		-
Profit/(Loss) on Sale of Investment		-		-
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	B	(633,669)	B	301,268
C CASH FLOW FROM FINANCE ACTIVITIES				
Proceeds from Issue of Share Capital		-		-
Premium on Issue of Share Capital		-		-
Proceeds from Long Term Borrowings		-		-
Proceeds from Short Term Borrowings		-		-
Interest Income (Expenses):NET		6,213,650		4,697,132
NET CASH FROM/(USED IN) FINANCE ACTIVITIES	C	6,213,650	C	4,697,132
Net Increase(decrease) In Cash And Cash				
Equivalents (A + B + C)		695,887		1,600,120
Opening Balance Of Cash And Cash Equivalents		1,986,998		386,878
Closing Balance Of Cash And Cash Equivalents		2,682,885		1,986,998

Place: Hyderabad

Date : 26.05.2014

On behalf of the Board,
For VANDANA KNITWEAR LIMITED,

sd/-

Managing Director

sd/-

Director

sd/-

Company Secretary

VANDANA KNITWEAR LIMITED

CIN : L18101TG1995PLC019777

(Formerly known as Trendy Knitwear Limited)

Regd. Office: 4-1-223, Hanuman Takdi, Bank Street, ,Hyderabad 500095

Tel No: 9441271629, 040-24763322 , Email Id: trendyknitwear@gmail.com , Website:
www.trendyknitwearlimited.com

ATTENDANCE SLIP

Registered Folio/ DP ID & Client ID	
No. of Shares held	
Name and Address of the Shareholder	

1. I hereby record my presence at the 19th Annual General Meeting of the Company being held on Saturday, 27th September, 2014 at 9.30 a.m. at Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad, Andhra Pradesh – 500 095
2. Signature of the Shareholder/Proxy Present

--
3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of Annual Report for reference at the meeting.

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VANDANA KNITWEAR LIMITED

CIN : L18101TG1995PLC019777

(Formerly known as Trendy Knitwear Limited)

Regd. Office: 4-1-223, Hanuman Takdi, Bank Street, ,Hyderabad 500095

Tel No: 9441271629, 040-24763322 , Email Id: trendyknitwear@gmail.com , Website:
www.trendyknitwearlimited.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the member (s)	
Registered address	
E-mail Id	
Folio No/ DP Id /Client Id	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint :

1. Name : _____

Address _____

E-mail Id : _____ Signature: _____ or failing him

2. Name : _____

Address _____

E-mail Id : _____ Signature: _____ or failing him

3. Name : _____

Address _____

E-mail Id : _____ Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual general meeting of the company, to be held on on Saturday, 27th September, 2014 at 9.30- a.m. at Jain Dharamshala, Next to Axis Bank, Hanuman

VANDANA KNITWEAR LIMITED

19th ANNUAL REPORT 2013-14

Takdi, Bank Street, Hyderabad, Andhra Pradesh – 500 095 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Audited Financial Statements, Directors' and Auditors' Report for the year ended 31st March, 2014		
2	Appointment of Director in place of Mr. Pradeep Saremal Jain (DIN: 03363790), who retires by rotation and being eligible, offers himself for re-appointment		
3	Appointment of a Director in place of Mr. Manish Tamboli (DIN: 02786180), who retires by rotation and being eligible, offers himself for re-appointment		
4	Appointment of a Director in place of Mr. Pawan Mandowara(DIN: 03201119), who retires by rotation and being eligible, offers himself for re-appointment		
5	Appointment of Auditors and fix their remuneration		
Special Business			
6	To increase the remuneration payable to Mr. Babulal Jain, Executive Director		
7	Appointment of Mr. Pradeep Saremal (DIN: 03363790), as an Independent Director		
8	Appointment of Mr. Manish Tamboli (DIN: 02786180), as an Independent Director		
9	To consider appointment of Mr. Pawan Mandowara(DIN: 03201119) as an Independent Director		

Signed this _____ day of _____ 2014

Signature of shareholder _____

Signature of Proxy holder(s) _____

AFFIX REVNUE STAMP

Notes:

- 01. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- 02. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 19th Annual General Meeting of the Company**

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BOOK POST

If undelivered, please return to

VANDANA KNITWEAR LIMITED

4-1-223, Hanuman Takdi, Bank Street,
Hyderabad, Andhra Pradesh – 500 095

Tel No. 040-2476 322



Vandana Knitwear Limited

(formerly known as Trendy Knitwear Limited) CIN : L18101TG1995PLC019777

4-1-223, Hanuman Takdi, Opp. Axis Bank Ltd., Near Ramdev Optical, Bank Street, Hyderabad - 500 095.

Tel: 9441271629, 040-2476 3322 Fax : 040-2476 8877.

www.trendyknitwearlimited.com Email : trendyknitwear@gmail.com

FORM A

1.	Name of the Company	Vandana Knitwear Limited
2.	Annual Financial Statements for the year ended	31st March, 2014
3.	Type of Audit Observation	Un-qualified / Matter of Emphasis
4.	Frequency of Observation	N.A.
5.	To be signed by-	
	• CEO/Managing Director	* Mukesh Gadiya (MUKESH GADIYA)
	• CFO	
	• Auditor of the Company	S. N. Kabra (S. N. KABRA)
	• Audit Committee Chairman	Manish Tamboli (C MANISH TAMBOLI)

For Vandana Knitwear Limited

Mukesh Gadiya
Director



Corporate Office

Shop No. 1, D/27, Yogi Kripa CHS. Ltd., Yogi Nagar, Borivali (W), Mumbai-400091.