



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

29th September, 2018

To,
BSE Limited,
Listing Dept. /Dept. of Corporate Service,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Security Code: 532090

Security ID: VANDANA

Dear Sirs,

Sub: Submission of Annual Report for the Financial Year 2017-18

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) regulations 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2017-18 approved and adopted by the members as per the provision of the Companies Act, 2013, at the Annual General Meeting of the Company held on Friday, 28th September, 2018 at 11:00 a.m., at 4-1-223, Hanuman Takdi, Bank Street, Hyderabad, Telengana – 500 095.

Yours faithfully,

For Vandana Knitwear Limited

Mukesh Gadiya

Mukesh Gadiya

Chairman & Managing Director



Corporate Office

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

Tel No. 022 - 28335345 Fax : 28332172 Mob.: 93237 27379.

VANDANA KNITWEAR LIMITED
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23rd Annual Report 2017-18

VANDANA KNITWEAR LIMITED
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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	-	Independent & Non-Executive Director
Bhuneshwari	-	Executive Director
CS Nidhi Gupta	-	Company Secretary

BOARD COMMITTEES

- **AUDIT COMMITTEE**
 - Manish Tamboli** - Chairman
 - Babulal Khimraj Jain** - Member
 - Pradeep Saremal Jain** - Member

- **INVESTOR GRIEVANCES REDRESSAL COMMITTEE**
 - Manish Tamboli** - Member
 - Babulal Khimraj Jain** - Chairman
 - Pradeep Saremal Jain** - Member

- **NOMINATION AND REMUNERATION COMMITTEE**
 - Manish Tamboli** - Member
 - Babulal Khimraj Jain** - Member
 - Pradeep Saremal Jain** - Chairman

INTERNAL AUDITOR

M/s Ajay Gangrade & Co.
303, Silver Sanchora,
7 R.N.T. Marg, Indore.

COMPLIANCE OFFICER

Ms. Nidhi Gupta

STATUTORY AUDITORS

M/s. R.S. BANSAL & Co,
Chartered Accountants,
URVASHI 1ST FLOOR,3 Jaora
Compound, Indore,
Madhya Pradesh – 452 001

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.
E-mail ID: Mumbai@linkintime.co.in
Tel. No.: 022-2596 3838; Fax No.: 022-2594 6969
Website: www.linkintime.co.in

REGISTERED OFFICE ADDRESS

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

BANKERS

Axis Bank Ltd.
Dena Bank

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NOTICE

NOTICE is hereby given that the Twenty Third **Annual General Meeting** of the Members of **VANDANA KNITWEAR LIMITED (formerly known as Trendy Knitwear Limited)** will be held on Friday, 28th day of September, 2018 at 11:00 A.M. at the registered office of the Company at 4-1-223, Hanuman Takdi, Bank Street, Hyderabad, Telengana - 500 095 for transacting the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at March 31st, 2018 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Bhuvneshwari Bhatt (DIN: 07019169), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **Shifting of Registered Office of the Company from the State of Telangana to the State of Rajasthan.**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of section 12, 13(4) and all other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of the Regional Director and other regulatory authorities, government(s), judicial/quasi-judicial authorities, court(s), consent of the Company be and is hereby accorded for shifting of the Registered Office of the Company from the State of Telangana to the State of Rajasthan.

“RESOLVED FURTHER THAT subject to the aforementioned approval and pursuant to section 13 and all other applicable provisions, if any of the Companies Act, 2013, the existing clause II of Memorandum of Association of the Company be and is hereby substituted with the following clause II:

“II. The Registered Office of the Company will be situated in the state of Rajasthan.”

“RESOLVED FURTHER THAT upon the approval of the Regional Director, the Registered office of the Company be shifted from the State of Telangana to Rajasthan.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Director of the company, be and is hereby authorized to do all such acts, deeds, filings, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard.

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4. To Appoint M/s. Jayesh Patel & Co., Chartered Accountants on casual vacancy caused due to resignation of M/s. R.S. Bansal & Co., Chartered Accountants.

To Consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), as recommended by the Board of Directors of the company, M/s. Jayesh Patel & Co, Chartered Accountants (FRN.: 146776W), Ahmedabad be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. R. S. Bansal & Co, Chartered Accountants(FR No.:000939C).

“RESOLVED FURTHER THAT M/s. Jayesh Patel & Co, Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the Company from this Annual General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the ensuing Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31st March, 2019 on such remuneration as may be fixed by the Board of Directors in consultation with them.”

“RESOLVED FURTHER THAT any of the Board of Directors, be and is, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E forms with Registrar of Companies.”

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

**PLACE: HYDERABAD
DATE: 01/09/2018**

**MUKESH GADIYA
(CHAIRMAN&MANAGING DIRECTOR)
DIN: 03025764**

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NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **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.**
3. 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.
4. 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.
5. 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.
6. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. 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.
8. 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 (except Saturday) from the date hereof up to the date of meeting.
9. 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.
10. 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.
11. 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.
12. 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.

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13. 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.
14. Profiles of the Directors seeking re-appointment, as required by SEBI Listing Regulations, is annexed to this notice.
15. **The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive).**

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

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	please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.
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- (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](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.

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- (xviii) The voting period begins on Tuesday, 25.09.2018 (9.00 a.m.) and ends on Thursday, 27.09.2018 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of 21.09.2018, 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.
- (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 21st September, 2018.
- (xxi) The Company has appointed Mr. Suhas Bhattbhatt of M/s. S Bhattbhatt & Co, Practicing Company Secretaries (Membership No. 11975) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM 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.trendyknitwearlimited.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.

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

**PLACE: HYDERABAD
DATE: 01/09/2018**

**MUKESH GADIYA
(CHAIRMAN & MANAGING DIRECTOR)
DIN: 03025764**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No: 3

As per Provision of Section 12 of the Companies Act, 2013 shifting of Registered Office of the Company outside the local limits of any city or town requires approval of the members by Special Resolution. The Registered Office of the Company is presently situated at 4-1-223, Hanuman Takdi, Bank Street, Hyderabad-500095, Telangana with a view to improve Operational Efficiency, the Board of Directors Considered and subject to approval of members, approved the proposal of shifting registered office to Chittorgarh, Rajasthan.

Company would like to focus its main operations/projects in Chittorgarh, (Rajasthan) and its surrounding areas which will enable the Company to conduct its operations more economically and efficiently. Chittorgarh has developed as one of the largest textile center in Rajasthan State, producing cotton yarn, polyester/viscose blended yarn & fabrics, denim & other textile products. The textile industries of the Chittorgarh district displays an annual growth rate of 8 to 10 percent and are widely popular for exporting textile products like synthetic yarn, woollen commodities, cotton yarn, and fabrics. Apparel companies are more labor intensive. Availability of abundant and cheap labor in Rajasthan as compared with other places also attracts the much labor intensive textile and apparel companies towards this city.

The current business of the company is mostly attributed by Rajasthan and it is high time to consider shifting of registered office to the State of Rajasthan which not only give operational efficiency but cost, human resource and overall business growth.

The proposed change will in no way be detrimental to the interest of any member of Public, Employees or other Associates of the Company in any manner whatsoever.

The Board of Directors recommends the approval of special resolution.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution of item No. 3.

Item No.: 4

M/s. R. S. Bansal & Co., Chartered Accountants have tendered their resignation from the position of Statutory Auditors due to their possible other pre-occupancy, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. Board proposes that M/s. Jayesh Patel & Co., Chartered Accountants, Ahmedabad, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. R. S. Bansal & Co., Chartered Accountants.

M/s. Jayesh Patel & Co., Chartered Accountants, Ahmedabad, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

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ANNEXURE TO THE NOTICE OF 23rd AGM

Information in respect of the directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on 28th September, 2018:

Name Of Director	Ms. Bhuneshwari Bhatt
DIN	07019169
Date Of Appointment	30/03/2015
Designation	Director
Expertise in Specific Functional Area	Administration and Management
Qualification	PhD in Hindi Literature
Directorship in other Public Limited Companies as on 31/03/2018	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2018	NIL

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

**PLACE: HYDERABAD
DATE: 01/09/2018**

**MUKESH GADIYA
(CHAIRMAN & MANAGING DIRECTOR)
DIN: 03025764**

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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, 2018:

1. FINANCIAL PERFORMANCE

Particulars	(Amount in Rs.)	
	2017-18	2016-17
Total Income	6003319	6242670
Total Expenditure	5077626	5501002
PROFIT BEFORE TAX (PBT)	925693	741668
Less: Provision of Taxation Including Deferred Tax	548432	321452
PROFIT AFTER TAX (PAT)	377261	420216

2. STATE OF COMPANY'S AFFAIRS:

The net revenue from the operations of the Company decreased from Rs. 62 lacs to Rs. 60 Lacs. The Profit for the year is Rs. 3.77 Lacs as against Rs. 4.20 Lacs of previous year.

3. DIVIDEND

Following the conservative approach to retain profits, your directors did not recommend payment of any dividend for the financial year 2017-18.

4. DECLARATION OF INDEPENDENCE BY DIRECTORS

All the Independent Non-Executive Directors of the Company, have affirmed that they continue to meet all the requirements specified under sub-section (6) of section 149 of Companies Act, 2013 in respect of their position as an "Independent Director" of VANDANA KNITWEAR LIMITED.

5. MANAGEMENT AND BOARD OF DIRECTORS

Ms. Bhuneshwari Bhatt, Executive Director of the Company whose period is liable to retire by rotation pursuant to the provisions of the Companies Act, 2013 and the Articles of Association of the Company retires by rotation in the ensuing AGM and being eligible, offers herself for re-appointment.

6. AUDITORS

➤ Statutory Auditors

M/s. R S Bansal & Co., Chartered Accountants, have tendered their resignation from the position of Statutory Auditors due to their possible other pre-occupancy, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Board proposes that M/s. Jayesh Patel & Co., Chartered Accountants, Ahmedabad, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. R S Bansal & Co., Chartered Accountants.

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AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s S. N. Kabra & Co., Statutory Auditors in their report for the Financial Year ended March 31, 2017. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review

➤ **Secretarial Auditor**

As per Section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to appoint Secretarial Auditor to carry out Secretarial Audit of the Company.

In consonance with the requirements of Section 204 of the Companies Act, 2013 and rules made thereunder, Ms. Sunita Agarwal, Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the financial year 2017-18.

A Secretarial Audit Report issued by Ms. Sunita Agarwal, Practicing Company Secretary, in respect of the secretarial audit of the Company for the financial year ended 31st March, 2018, is given as an Annexure to this Report.

The Secretarial Audit report for the financial year ended 31st March, 2018 is self-explanatory and does not call for any further comments.

➤ **Internal Auditor**

As per Section 138 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors to carry out Internal Audit of the Company.

In consonance with the aforementioned, M/s Ajay Gangrade & Co., Chartered Accountants, Indore, was appointed to conduct the Internal Audit of the Company for the financial year 2017-18.

The Internal Audit report for the financial year ended 31st March, 2018 is self-explanatory and does not call for any further comments.

The Board re-appointed M/s Ajay Gangrade & Co., Chartered Accountants, Indore as the Internal Auditor of the Company for the financial year 2018-19.

7. RELATED PARTY TRANSACTIONS

All the related party transactions that were entered during the financial year are done on arm's length basis. Relevant Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is given in Annexure to this Report.

8. FIXED DEPOSITS

The Company has not invited or accepted any fixed deposit from the public during the year under review.

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9. CORPORATE GOVERNANCE

The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the Country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations. A separate report on Corporate Governance along with Auditors' Certificate confirming Compliance is attached to this report.

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

Provisions of Section 314 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, 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.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub section 3 (c) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- i. in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same;
- ii. 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 a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. LISTING FEES

The shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE) and the Listing Fee for the year 2018-19 had been duly paid.

13. ENVIRONMENT AND POLLUTION CONTROL:

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

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14. CODE OF CONDUCT COMPLIANCE:

Pursuant to the SEBI Listing Regulations, 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 2017-18 is annexed and forms part of the Directors and Corporate Governance Report.

15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18:

- Number of complaints received: NIL
- Number of complaints disposed off: NIL

16. EMPLOYEE REMUNERATION

- (A) None of the employees of the company was in receipt of the remuneration exceeding the limits prescribed u/s 197 (12) read with rule 5, sub-rule 2 of The Companies (Appointment and Remuneration of Managerial Personnel) of the Companies Act, 2013 during the year under review.
- (B) The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report.

17. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussions and Analysis Report, forming part of the Directors' Report for the year under review, is presented in a separate section forming part of the Annual Report.

18. EXTRACT OF THE ANNUAL RETURN

Relevant extract of annual return in form no. MGT-9 as on the financial year ended on March 31, 2018 is given in Annexure to this Report.

19. CASH FLOW ANALYSIS:

In conformity with the clauses of the Listing Regulations, the Cash Flow Statement for the year ended 31st March, 2018 is annexed hereto.

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20. ACKNOWLEDGEMENT

Your Board acknowledges with appreciation, the invaluable support provided by the Company's stakeholders, auditors, advisors and business partners, all its customers for their atonage. Your Board records with sincere appreciation the valuable contribution made by employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Company has set for the future.

Date: 01/09/2018
Place: Hyderabad

For and on behalf of the Board

Mukesh Gadiya
Chairman & Managing Director
DIN: 03025764

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Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]*

To,
The Members,
Vandana Knitwear Limited
(Formerly known as Trendy Knitwear Limited)
CIN: L18101TG1995PLC019777
4-1-223, Hanuman Takdi, Bank Street,
Hyderabad, Telangana – 500 095

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VANDANA KNITWEAR LIMITED** (hereinafter called “the company”). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

I have also examined compliance with the applicable clauses of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 made effective w.e.f 1st December, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

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During the period under review, provisions of the following regulations were not applicable to the company:

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that the Company's website is not updated properly as per the disclosures requirements, but the Board ensures its compliance during the current financial year.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Mumbai
Date: 13.08.2018

Sunita Manish Agarwal
Practicing Company Secretary
ACS: 23524; COP: 10097

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Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions: Nil
- (c) Duration of the contracts / arrangements/transactions: Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Nil
- (e) Justification for entering into such contracts or arrangements or transactions: Nil
- (f) Date(s) of approval by the Board: Nil
- (g) Amount paid as advances, if any: Nil
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Nil

2. Details of material contracts or arrangement or transactions at arm's length basis: N.A.

- (a) Name(s) of the related party and nature of relationship: Nil
- (b) Nature of contracts/arrangements/transactions: Nil
- (c) Duration of the contracts / arrangements/transactions: Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Nil
- (e) Date(s) of approval by the Board, if any: Nil
- (f) Amount paid as advances, if any: Nil

Date: 01/09/2018
Place: Hyderabad

For and on behalf of the Board

Mukesh Gadiya
Chairman & Managing Director
DIN: 03025764

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**RELEVANT EXTRACT OF ANNUAL RETURN
for the financial year ended on 31st March, 2018**

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L18101TG1995PLC019777
2.	Registration Date	22.03.1995
3.	Name of the Company	VANDANA KNITWEAR LIMITED
4.	Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	4-1-223, Hanuman Takdi, Bank Street, Hyderabad, Telangana – 500 095
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078. E-mail ID: Mumbai@linkintime.co.in Tel. No.: 022-2596 3838; Fax No.: 022-2594 6969 Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing **10 % or** more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company (approx)
1	FD Suitings		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : N.A

S. No.	Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
-----N.A.-----					

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category code	Category of Shareholder	Number of Shareholders	Table (I)(a)		Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialized form	As a percentage of(A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group²							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	7	15673352	15673352	14.65	14.65	0	
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	
(e)	Any Others(Specify)	0	0	0	0.00	0.00	0	
(e-i)	Other Individuals	0	0	0	0.00	0.00	0	
(e-ii)	Mutual Fund	0	0	0	0.00	0.00	0	
(e-iii)	Body Corp in Concert	0	0	0	0.00	0.00	0	
(e-iv)	Non Government Institutions	0	0	0	0.00	0.00	0	
	Sub Total(A)(1)	7	15673352	15673352	14.65	14.65	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	
b	Bodies Corporate	0	0	0	0.00	0.00	0	
c	Institutions	0	0	0	0.00	0.00	0	
d	Any Others(Specify)	0	0	0	0.00	0.00	0	
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group	7	15673352	15673352	14.65	14.65	0	0.00

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	(A)= (A)(1)+(A)(2)							
(B) Public shareholding								
1 Institutions								
(a) Mutual Funds/ UTI	0	0	0	0.00	0.00			
(b) Financial Institutions / Banks	0	0	0	0.00	0.00			
(c) Central Government/ State Government(s)	0	0	0	0.00	0.00			
(d) Venture Capital Funds	0	0	0	0.00	0.00			
(e) Insurance Companies	0	0	0	0.00	0.00			
(f) Foreign Institutional Investors	0	0	0	0.00	0.00			
(g) Foreign Venture Capital Investors	0	0	0	0.00	0.00			
(h) Any Other (specify)	0	0	0	0.00	0.00			
Sub-Total (B)(1)	0	0	0	0.00	0.00			
B 2 Non-institutions								
(a) Bodies Corporate	0	0	0	0	0			
(a-i) Corporate Client Bene	0	0	0	0.00	0.00			
(a-ii) Corporate client Margin	0	0	0	0.00	0.00			
(a-iii) Corporate Body (Offer)	0	0	0	0.00	0.00			
(b) Individuals				0.00	0.00			
I Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	2766	42673380	42673380	39.89	39.89			
II ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	64	30878712	30878712	28.86	28.86			
(c) Any Other (specify)	0	0	0	0.00	0.00			
(c-i) HUF	144	5648183	5648183	5.28	5.28			
(c-ii) OCB	0	0	0	0.00	0.00			
(c-iii) Foreign Bodies	0	0	0	0.00	0.00			

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iii)								
(c-iv)	NRI (Repatriation)	17	874698	874698	0.82	0.82		
(c-v)	NRI (Non-repatriation)	2	82600	82600	0.08	0.08		
(c-vi)	Clearing Members	20	4052446	4052446	3.79	3.79		
(c-vii)	Bodies Corporates	61	7003249	7003249	6.55	6.55		
	Sub-Total (B)(2)	3070	91311718	91311718	85.35	85.35		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3070	91311718	91311718	85.35	85.35		
	TOTAL (A)+(B)	3077	106985070	106985070	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
(1)	Promoter and Promoter Group	0	0	0		0.00		0.00
(2)	Public	0	0	0		0.00		
	GRAND TOTAL (A)+(B)+(C)	3077	106985070	106985070	100.00	100.00		

ii) ShareHolding of Promoters

Sr. No.	Name of the shareholder	Details of Shares held	Encumbered shares (*)	Details of warrants	Details of convertible securities	Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital

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		Number of shares held	As a % of grand total	No.	As a %	As a % of grand total	Number of warrants held	As a % total number of warrants of the same class	No. of convertible securities held	As a % total number of convertible securities of the same class	
1	BABULAL KHIMRAJ JAIN	5599980	5.23	-	-	-	-	-	-	-	5.23
2	CHANDADEVI BABULALJI JAIN	1000000	0.93	-	-	-	-	-	-	-	0.93
3	KUSUM NILESH MOHILE	1773372	1.66	-	-	-	-	-	-	-	2.80
4	MANOJ GUPTA	1900000	1.78	-	-	-	-	-	-	-	1.78
5	RATHOD JAIN KISHORE B	1000000	0.93	-	-	-	-	-	-	-	0.93
6	SANGEETA SANJAY RATHOD	1000000	0.93	-	-	-	-	-	-	-	0.93
7	SANJAY BABULAL RATHOD	3400000	3.18	-	-	-	-	-	-	-	3.18
Total		15673352	14.65	-	-	-	-	-	-	-	14.65

iii) Public Share Holding

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	SPICE MERCHANTS PVT. LTD.	1550283	1.45	0	0.000000	0	0.000000	1.45
2	APEX COMMOTRADER PVT. LTD.	1465717	1.37	0	0.000000	0	0.000000	1.37
3	JHP SECURITIES PVT. LTD.	3373102	3.15	0	0.000000	0	0.000000	3.15

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4	MANVI RAJALBANDI PAVAN KUMAR	1500000	1.40	0	0.000000	0	0.000000	1.40
5	PRATIK PRABHUDAS JAJAL	1376529	1.29	0	0.000000	0	0.000000	1.29
6	ARTI DINESH MODI	1080365	1.01	0	0.000000	0	0.000000	1.01

V. INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--
Change in Indebtedness during the financial year				
* Addition	--	--	--	--
* Reduction	--	--	--	--
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mukesh Gadiya, (Managing Director)	Babulal Jain (Executive Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,80,000	1,80,000	3,60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under	--	--	--

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	section 17(3) Income- tax Act, 1961	--		
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--
5	Others, please specify	--	--	--
	Total (A)	1,80,000	1,80,000	3,60,000
	Ceiling as per the Act	--	--	--

B. Remuneration to other directors- Nil

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					
	• Fee for attending board committee meetings					Nil
	• Commission					Nil
	• Others, please specify					Nil
	Total (1)					Nil
2	Other Non-Executive Directors					
	• Fee for attending board committee meetings					Nil
	• Commission					Nil
	• Others, please specify					Nil
	Total (2)					Nil
	Total (B)=(1+2)					Nil
	Total Managerial Remuneration					Nil
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,12,400	--	2,12,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission			

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	- as % of profit	--	--	--
	- others, specify...	--	--	--
5	Others, please specify	--	--	--
	Total	2,12,400	--	2,12,400

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act,1956	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.

Date: 01/09/2018

Place: Hyderabad

For and on behalf of the Board

Mukesh Gadiya
Chairman & Managing Director
DIN: 03025764

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. The industry provides employment to millions of workers directly and indirectly. This industry contributes to 14% of the country's industrial output and to 11% its export earnings.

The demand for textile products in India is very large and growing with the increase in disposable income of the people. A very high proportion of young and working population is also a favourable factor influencing domestic demand for textiles. 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 was not been able to perform at a higher side. The profit after tax (PAT) comes down to Rs. 3.77 Lacs in comparison to Rs. 4.20 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.

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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 Regulations 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.

Date: 13/08/2018
Place: Hyderabad

For and on behalf of the Board

Mukesh Gadiya
Chairman & Managing Director
DIN: 03025764

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is most often viewed as both the structure and the relationships which determine corporate direction and performance. The Board of Directors is typically central to Corporate Governance. Its relationship to the other primary participants, typically shareholders and management, is critical. Additional participants include employees, customers, suppliers, and creditors. The Corporate Governance framework also depends on the legal, regulatory, institutional and ethical environment of the community.

The Corporate Governance report is pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and contains the details of Corporate Governance systems and practices at Vandana Knitwear Limited (VKL).

I. COMPANY'S PHILOSOPHY

Vandana Knitwear Limited (VKL or the 'Company') believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

II. BOARD OF DIRECTORS

Composition of the Board

The Company has a very balanced structure of Board of Directors, which take care of the business necessity and stakeholders' interest. The Board consists of 6 Directors comprising of 3 Executive and 3 Non-Executive Independent Directors. The 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 2017-18 i.e. from 1st April, 2017 to 31st March, 2018, 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, 2017, 14th August, 2017, 14th November, 2017 and 14th February, 2018.

The Board composition (name & category) as on 31st March, 2018, Director's attendance at the Board meetings held during the year and at the last Annual General Meeting, is as follows:

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S. No.	Name of Director	Category of Director	No. of Directorships in other Companies#	No. of other 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	Mahadev Knitwear Private Limited	Nil	Nil	4	4	Yes
3.	Mr. Pradeep Saremal Jain	Non-Executive Independent	Marvel Capital and Finance (India) Ltd., Ramchndra 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	Vishwamangal Dairies & Farming Pvt. Ltd.	Nil	Nil	4	4	Yes
6.	Ms. Bhuneshwari	Non-Executive Independent	Nil	Nil	Nil	4	4	No

#includes directorship held in Private Limited Companies, Foreign Companies and Companies u/s 8 of the Companies Act, 2013.

- None of the directors on the Board were Directors in more than 10 (Ten) Public Limited Companies and were members of more than 10 committees or acted as Chairperson of more than 5 committees across all the companies in which they were directors.
- None of the Directors were related to any director or were a member of an extended family.
- None of the Independent Directors of the Company served as Independent Director in more than 7 Listed Companies.
- As required under section 149(3) of the Companies Act, 2013, Ms. Bhuneshwari, a lady Director, has been appointed as Director on the Board.
- **Remuneration paid to Directors during the year 2017-18:**
 - Mr. Babulal Jain – Rs. 1,80,000/-
 - Mr. Mukesh Gadiya – Rs. 1,80,000/-

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- None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- The individual details of the directors seeking appointment / re-appointment 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 2017-18 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 2016-17, the Committee met 4 (four) times on 30th May, 2017, 14th August, 2017, 14th November, 2017 and 14th February, 2018.

As required under SEBI Listing regulation, 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.

The previous Annual General Meeting of the Company was held on 28th September, 2017 and was attended by Mr. Manish Tamboli, the than Chairman of the Audit Committee.

The role of Audit Committee broadly includes the following:

1. The Audit Committee acts as a link between the auditors and the Board of Directors.
2. 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.
3. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
4. Approval of Payment to Statutory Auditors for any other services rendered by them.

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5. 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.
6. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
7. Reviewing with the management, the performance of Statutory and Internal Auditors, adequacy of Internal Control Systems.
8. 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.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. 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.
11. 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.
12. 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. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- The Stakeholders' Relationship 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 2017-18 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 2016-17, the Committee met 4 (four) times on 30th May, 2016, 26th July, 2016, 5; 8th November, 2016 and 13th February, 2017.
- 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.

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Status of Investor Complaints received and redressed during 2017-18

Total Complaints Received	Total Complaints Redressed	Pending as on 31/03/2018
NIL	NIL	Nil

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 2017-18 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 2017-18, the Committee met once on 30th May, 2017, 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
2016-17	Thursday, 28 th September, 2017 at 11:00 A.M.	4-1-223, Hanuman Takdi, Bank Street, Telengana – 500 095
2015-16	Friday, 30 th September, 2016 at 11:00 A.M.	4-1-223, Hanuman Takdi, Bank Street, Telengana – 500 095
2014-15	Tuesday, 29 th September, 2015 at 10:00 A.M.	Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Telengana – 500 095
2013-14	Saturday, 27 th September, 2014 at 9.30 A.M.	Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad – 500 095

Extra-Ordinary General Meeting

No Extra-ordinary General Meeting was held in the year 2016-17, 2015-16.

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Special resolutions: No special resolution was passed at the AGM held on 29th September, 2015 and 28th September, 2013, while at AGM held on 27th September, 2014, a special resolution was passed with regard to the increase in remuneration of Mr. Babulal Jain, Executive Director of the Company.

POSTAL BALLOT

During the current year, no approval of shareholders was taken 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 2017-18. 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 the SEBI Listing Regulations duly signed by the CEO was placed before the Board and the same is also provided with this report.
- **Secretarial Audit Report:** The Company has undertaken Secretarial Audit for the financial year 2017-18 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.
- **Compliance with the mandatory requirements of the SEBI Listing Regulations:** The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under the Listing Regulations. 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.

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- c. The Board has already set up a Remuneration Committee, the details whereof are furnished already in this Report.

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	Twenty Third
Financial Year	2017-18
Day, date and time	Friday, 28 th September, 2018 at 11:00 A.M.
Venue	4-1-223, Hanuman Takdi, Bank Street, Telengana – 500 095

As required by Listing Regulations, 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 2018-19)

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

First Quarter Ending Results (June, 2018)	Within 45 days from end of quarter.
Second Quarter Ending Results (September, 2018)	Within 45 days from end of quarter.
Third Quarter Ending Results (December, 2018)	Within 45 days from end of quarter.
Fourth Quarter / Year Ending Results (March, 2019)	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 Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive)

4. Listing at Stock Exchange(s)

The Company's shares are presently listed only on

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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 2018-19.

5. Stock Code

Bombay Stock Exchange : 532090

6. Stock Market Data

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

Month and Year	Stock Prices		
	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-17	0.24	0.21	307286
May-17	0.23	0.19	304601
Jun-17	0.31	0.20	539271
Jul-17	0.29	0.19	292631
Aug-17	0.21	0.19	318415
Sep-17	0.29	0.19	272484
Oct-17	0.26	0.19	615311
Nov-17	0.23	0.19	1161031
Dec-17	0.25	0.19	942875
Jan-18	0.30	0.19	2474302
Feb-18	0.27	0.20	834936
Mar-18	0.27	0.21	67877

7. Shareholding Pattern As On 31st March, 2018

Category	No. of Shares held	% of shareholding
Indian Promoters	15673352	14.65
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	7003249	6.546
Indian Public	73552092	68.75
NRIs/ OCB	1055748	0.98
Any Other (Clearing Members Demat Transit)	9700629	9.0673
GRAND TOTAL		

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8. 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, 2018, 10,21,97, 653 Equity shares of Re. 1/- each consisting of 95.53% of the Total Paid up Share Capital were held in dematerialized form.

9. Share Transfer System

95.53% 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 Link Intime India Pvt. Ltd.). 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 Link Intime India Pvt. Ltd., 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, of the documents are complete in all respects. Certain Directors, Compliance officer and the Company Secretary are severally empowered to approve transfers.

10. 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, 2018, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

11.Registrar & Share Transfer Agent (RTA)

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.

E-mail ID: Mumbai@linkintime.co.in

Tel. No.: 022-2596 3838; Fax No.: 022-2594 6969

Website: www.linkintime.co.in

12.Depository

Central Depository Services (India) Limited

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

National Securities Depository Limited

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

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

INE219M01013

14. Registered Office:

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

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15. Corporate Identification Number:

L18101AP1995PLC019777

16. Address for Correspondence

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

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.

E-mail ID: Mumbai@linkintime.co.in

Tel. No.: 022-2596 3838; Fax No.: 022-2594 6969

Website: www.linkintime.co.in

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

Secretarial Department
Vandana Knitwear Limited
4-1-223, Hanuman Takdi, Bank Street,
Hyderabad, Telengana – 500 095

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

The Company has designated exclusive Email ID for redressal of Investor Grievances i.e. trendyknitwear@gmail.com

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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

Place: Hyderabad
Dated: 13/08/2018

(Mr. Babulal Jain)
Chief Executive Officer

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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, 2018, received from the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

Place Hyderabad
Dated: 13/08/2018

(Mr. 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, 2017, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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 Regulations.

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 R S Bansal & Co.
Chartered Accountants
Firm No. 0009396

Date: 13.08.2018
Place: Hyderabad

Ravindrakumar Chourasiya
M.No.: 076850

INDEPENDENT AUDITOR'S REPORT

To the Members of
VANDANA KNITWEAR LIMITED

Report on the Financial Statements for the F.Y. 2017-18

We have audited the accompanying financial statements of Vandana Knitwear Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express a reasonable opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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. 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 audit opinion on the financial statements.

VANDANA KNITWEAR LIMITED

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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, 2018; and
- b) in the case of the Profit and Loss Account and the statement of Cash Flow for the year ended on March 31, 2018;

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditors Report) Order 2016 ('the order') issued by Central Government of India in terms of subsection (11) of section 143 of the Act, we enclose in the "Annexure 1" a statement on the matters specified in paragraphs 3 & 4 of the said order, to extent applicable.

2. As required by section 143(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 statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In our opinion there are no observations or comments on the financial, which may have an adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2"
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - IV. The disclosure regarding details of specified bank notes held and transacted during 8 November, 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31st March, 2018.

For R S Bansal & Co.
Chartered Accountants
Firm No. 0009396

Date: 29.05.2018
Place: Hyderabad

Ravindrakumar Chourasiya
M.No.: 076850

“ANNEXURE 1” TO THE INDEPENDENT AUDITOR’S REPORT

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

- 1) a) The Company has a regular program of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of two years. In our opinion, the periodicity of physical verification is a reasonable having regards to the size of the Company and nature of its assets. Pursuant to the program a portion of the fixed assets has been physically verified by the management, during the year and no material discrepancies have been noticed on such verification.

b) According to the information and explanations received by us, and on the basis of our examination of the records of the company, the title deeds of immovable properties as disclosed in the Note E to the financial statement of the Company.
- 2) Physical verification of inventory has been conducted by the management at reasonable intervals as required under clause 3(ii).
- 3) The Company has not granted loans, secured or unsecured to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the reporting requirement under clause (iii) of the said order does not arise.
- 4) Based on our scrutiny of the Company’s records and according to the information and explanations received by us from the management, we are of the opinion that in respect of loans and guarantees given, investments made, and securities purchased by the company, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- 5) In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence the reporting requirement under clause (v) of the said order does not arise.
- 6) Being a trading company having turnover below prescribed limit, the provisions of section 148(1) of the Act with regard to the maintenance of cost records are not applicable to the Company.
- 7) a) Based on our scrutiny of the Company’s Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it and no undisputed amounts payable in respect of any statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

b) According to the records of the company and the information and explanations received by us from the management, there are no disputed statutory dues outstanding in the name of the company.

VANDANA KNITWEAR LIMITED

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- 8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, the company has not defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders.
- 9) According to the records of the company, the company has neither raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instrument) nor has the company raised any term loans during the Financial Year start from 01/04/2017 to 31/03/2018. Hence, in our opinion the reporting requirement under clause (ix) of the said order does not arise.
- 10) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
- 11) According to the records of the company, Managerial remuneration has been paid or provided during the year under audit is within the limit of provision of companies act, 2013.
- 12) In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi Company. Hence, in our opinion the reporting requirement under clause (xii) of the said order does not arise.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) Based on our scrutiny of the Company's Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, the reporting requirement under clause (xiv) of the said order does not arise.
- 15) Based on our scrutiny of the Company's Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company has not entered into any non-cash transactions with its directors or persons connected with him. Hence, the reporting requirement under clause (xv) of the said order does not arise.

For R S Bansal & Co.
Chartered Accountants
Firm No. 0009396

Date: 29.05.2018
Place: Hyderabad

Ravindrakumar Chourasiya
M.No.: 076850

VANDANA KNITWEAR LIMITED
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Balance Sheet as on 31st March, 2018

(Amount in Rs.)

Particulars	Notes	As at 31.03.2018	As at 31.03.2017
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
(a) Share Capital	1	10,69,85,070	10,69,85,070
(b) Reserves and Surplus	2	40,28,479	36,51,218
(2) Non-Current Liabilities			
(a) Long-term Borrowings	3	0.00	0.00
(b) Deferred Tax Liability (Net)	4	0.00	0.00
(c) Other Long-term Liabilities	-	0.00	0.00
(e) Long-term Provisions	-	0.00	0.00
(3) Current Liabilities			
(a) Short-term Borrowings	5	0.00	0.00
(b) Trade Payables	6	3,62,86,274	4,01,58,200
(c) Other Current Liabilities	7	26,95,100	18,89,700
(d) Short-term Provisions	8	3,98,077	3,19,580
Total		15,03,93,000	15,30,03,768
<u>II. ASSETS</u>			
<u>(1) Non-current assets</u>			
(a) Fixed Assets	9		
(i) Tangible assets		2,37,382	2,65,882
(ii) Intangible assets		0.00	0.00
(iii) Capital Work-in-progress		0.00	0.00
(b) Non-current Investments	10	74,50,000	16,60,000
(c) Deferred tax assets (net)	11	43,791	60,606
(d) Long-term loans and advances	12	2,54,650	2,54,650
(e) Other Non Current Assets	13	1,62,50,000	1,67,50,000
(2) Current assets			
(a) Inventories	14	0.00	0.00
(b) Trade Receivables	15	1,01,75,979	5,09,82,767
(c) Cash and Cash Equivalents	16	15,28,895	7,90,134
(d) Short-Term Loans and Advances	17	11,39,06,306	8,16,69,140
(e) Other Current Assets	18	5,45,997	5,70,589
Total		15,03,93,000	15,30,03,768
Significant Accounting Policies & Additional Notes to the Accounts	25		

For R S Bansal & Co.
Chartered Accountants
Firm Registration No.: 0009396

For and on behalf of the Board of Directors

Ravindrakumar Chourasiya
Mem No.:- 076850
Place: Ahmedabad
Dated: 29/05/2018

Mukesh Gadiya **Babulal Jain** **Nidhi Gupta**
Managing Director **Director** **Company Secretary**

VANDANA KNITWEAR LIMITED
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Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No	31st March, 2018	31st March, 2017
I. Revenue from operations	19	60,03,319	62,42,670
II. Other Income	20	0.00	0.00
III. Total Revenue (I +II)		60,03,319	62,42,670
IV. Expenses:			
Change in Inventories	21	0.00	0.00
Purchase	-	0.00	0.00
Employee benefit Exp	22	26,16,539	27,44,561
Finance Costs	23	0.00	0.00
Depreciation and Amortization Expenses	24	28,500	28,496
Other Expenses	25	24,32,587	27,27,945
Total Expenses		50,77,626	55,01,002
V. Profit before exceptional & extraordinary items & tax		9,25,693	7,41,668
Exceptional Item		-	-
Profit before Tax		9,25,693	7,41,668
VI. Tax expense:			
Income Tax for earlier years		299540	-
Current tax		232077	309014
Deferred tax		16815	12438
VIII. Profit/(Loss) for the year		548432	420216
IX. Earning per equity share:			
Basic & Diluted (Rs.1/- each)		0.00	0.00
Significant Accounting Policies and other explanatory notes and information			

For R S Bansal & Co.
Chartered Accountants
Firm Registration No.: 0009396

For and on behalf of the Board of Directors

Ravindrakumar Chourasiya
Mem No.:- 076850
Place: Ahmedabad
Dated: 29/05/2018

Mukesh Gadiya **Babulal Jain** **Nidhi Gupta**
Managing Director **Director** **Company Secretary**

VANDANA KNITWEAR LIMITED
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Cash Flow for the year ended 31st March, 2018

	Notes	As at 31 st March, 2018	As at 31 st March, 2017
Cash flow from operating activities			
Profit before tax		925693	741668
Adjustments to reconcile profit for the year to net cash flows			
Depreciation and amortisation expense		28500	28496
Bad debts written off		0	0
Provision for doubtful debts		0	0
Loss/(profit) on sale of assets (net)		0	0
Net gain on foreign exchange fluctuations (unrealised)		0	0
Share based compensation expense		0	0
Interest expense		0	0
Interest on Deposits		(3046607)	(6242671)
Operating profit /(Loss) before working capital changes		(2092414)	(5472507)
Movements in working capital:			
(Increase)/ Decrease in trade receivables		40806788	19315553
Decrease/(increase) in inventories		0	0
Increase in other assets		(32212574)	39664
Decrease in trade payables, other liabilities and provisions		(2988029)	(34912774)
Cash generated from operations		5606185	(21030064)
Taxes paid (net of refunds)		(548432)	521765
Net cash flow generated from operating activities		5057753	(21551829)
Cash flow from investing activities			
Purchase of fixed assets, including capital work-in-progress, capital advances and payables for capital goods		0	0
Proceeds from sale of fixed assets		0	0
Purchase / Sale of Investment		(5790000)	19174000
Investment in bank deposits		0	0
Increase / Decrease of Loan		0	-9491458
(Increase) /Decrease in Non current Assets		516815	0
Interest received		3046607	0
Net cash flow used in investing activities		(2226578)	9682542
Cash flow from financing activities			
Proceeds from issuance of shares		0	0
Proceeds from borrowings		0	0
Repayment of borrowings		0	0
Proceeds from short-term borrowings		0	0
Interest income		0	6242671
Dividend paid on equity shares including tax thereon		0	0
Net cash flow generated from financing activities		(2271135)	6242671
Net increase/(decrease) in cash and cash equivalents		738761	(5626616)
Cash and cash equivalents at the beginning of the year		790134	6416751

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Increase in cash and cash equivalents on amalgamation		0	0
Cash and cash equivalents at the end of the year		1528895	790134
Components of cash and cash equivalents:			
Cash on hand		805520	772359
Balances with banks		723375	17775

For R S Bansal & Co.
Chartered Accountants
Firm Registration No.: 0009396

For and on behalf of the Board of Directors

Ravindrakumar Chourasiya
Mem No.:- 076850
Place: Ahmedabad
Dated: 29/05/2018

Mukesh Gadiya **Babulal Jain** **Nidhi Gupta**
Managing Director **Director** **Company Secretary**

VANDANA KNITWEAR LIMITED
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Notes to Balance Sheet as at 31st March, 2018

NOTE No. 1 - Share Capital

Particulars	31-03-2018 Rs.	31-03-2017 Rs.
(a) Authorised 12,00,00,000 Equity shares of Rs.1/- each (Previous Year 12,00,00,000 Equity shares of Rs.1/- each)	12,00,00,000	12,00,00,000
(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)	10,69,85,070	10,69,85,070

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31-03-2018		As at 31-03-2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Babulal Khimraj Jain	55,99,980	5.23%	55,99,980	5.23%

NOTE No. 2 – Reserves & Surplus

Particulars	Balance as at 01.04.2018 (Rs.)	Additions (Rs.)	Deductions (Rs.)	Balance as at 31.03.2017 (Rs.)
CURRENT YEAR				
a. Security Premium Account	--	--	--	--
b. General Reserve				
Balance in Profit & Loss A/c		40,28,479		36,51,218
Depreciation written back as per companies act 2013				
Total		40,28,479		36,51,218
PREVIOUS YEAR				
a. Security Premium Account	--	--	--	--
b. General Reserve				
Balance in Profit & Loss A/c		36,51,218		32,31,003
Depreciation written back as per companies act 2013				

NOTE No. 3 – Loans

Particulars	As at 31.03.2018	As at 31.03.2017
SECURED LOAN	--	--
UNSECURED LOAN	--	--

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NOTE No. 4 – Deferred Tax Liability (Net)

Particulars	As at 31.03.2018	As at 31.03.2017
On Account of depreciation on Fixed Assets	--	--
Total	--	--

NOTE No. 5 – Short term borrowings

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured Loan: Loans repayable on demand	--	--
Rate of Interest	--	--

NOTE No. 6 – Trade Payables

Particulars	As at 31.03.2018	As at 31.03.2017
Trade Creditors		
Total outstanding dues of Micro Enterprises and Small Enterprises	--	--
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	3,62,86,274	4,01,58,200

NOTE No. 7 – Other Current Liabilities

Particulars	As at 31.03.2018	As at 31.03.2017
Other Current Liabilities	26,95,100	18,89,700
Total	26,95,100	18,89,700

NOTE No. 8 – Short term Provisions

Particulars	As at 31.03.2018	As at 31.03.2017
a. Duties and Taxes Payable	1,21,000	10,500
b. Other Provisions		
Directors Remuneration Payable/Sitting Fees Payable	--	--
Provision for Income Tax	2,77,077	3,09,080
Professional Fees Payable	--	--
Total	3,98,077	3,09,800

NOTE No. 9 – Fixed Assets

Description of Assets	Gross Block				Depreciation & Amortization				Net Block	
	Cost on 01.04.2017	Add	Del	As on 31.03.2018	Written off 01.04.2017	Written back during the year	For the year	Total written off up to 31.03.2018	WDV as on 01.04.2017	WDV as on 31.03.2018
Furniture	12,500	0	0	12,500	10,298	0	736	11,034	2,202	1,466
Car-Ford Figo	6,66,478	0	0	6,66,478	5,06,560	0	27,764	5,34,324	1,59,918	1,32,154
Land	1,03,762	0	0	1,03,762	0	0	0	0	1,03,762	1,03,762
Totals as at										
31.03.2017	11,76,880	0	0	11,76,880	7,00,592	0	1,81,910	8,82,502	4,76,287	2,94,378
31.03.2018	7,82,740	0	0	7,82,740	5,16,858	0	28,500	5,45,358	2,65,882	2,37,382

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NOTE No. 10 – Non Current Investment

Particulars	As at 31.03.2018	As at 31.03.2017
INVESTMENTS		
Non Current Investments - Long Term		
A. Investment in Equity Instruments - Unquoted	74,50,000	16,60,000
Total	74,50,000	16,60,000
Aggregate Value of	--	--
-Unquoted Investments	74,50,000	16,60,000
Total	74,50,000	16,60,000

NOTE No. 11 – Deferred Tax Assets

Particulars	As at 31.03.2018	As at 31.03.2017
Opening difference of taxes	60,606	73,044
Add:- Timing difference of taxes for current year	16,815	12,438
Total	43,791	60,606

NOTE No. 12 – Long term Loan and advances

Particulars	As at 31.03.2018	As at 31.03.2017
Security Deposits		
Electricity Deposit	4,650	4,650
Office Deposit Hyderabad	1,00,000	1,00,000
Office Deposit Mumbai	1,50,000	1,50,000
Total	2,54,650	2,54,650

NOTE No. 13 – Other Non Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017
Other Non Current Assets	1,62,50,000	1,62,50,000
Total	1,62,50,000	1,62,50,000

NOTE No. 14 – Inventories

Particulars	As at 31.03.2018	As at 31.03.2017
INVENTORIES		
(As certified & valued by the management)		
Finished goods: Trading	--	--

NOTE No. 15 – Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017
(Unsecured-Considered good)		
-Exceeding six months	--	--
-Others	1,01,75,979	5,09,82,767

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NOTE No. 16 – Cash and Cash equivalents

Particulars	As at 31.03.2018	As at 31.03.2017
Cash in hand		
Head Office	8,05,520	7,72,359
Balances with Scheduled Banks		
Head Office	7,23,375	17,775
Total	15,28,895	7,90,134

NOTE No. 17 – Short Term Loans and advances: Unsecured

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Other loans and advances (specify nature)		
Unsecured, considered good	11,39,06,306	8,16,69,140
Total	11,39,06,306	8,16,69,140

NOTE No. 18 – Other Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017
Advance Income Tax/TDS (FY 13-14)	9,313	9,313
Advance Income Tax/TDS (FY 14-15)	31,491	31,491
Advance Income Tax/TDS (FY 16-17)	2,18,205	5,27,285
Advance Income Tax/TDS (FY 17-18)	2,79,175	-
Sunita Agrawal	-	2500
Prepaid Insurance	7,813	-
Total	5,45,997	5,38,184

NOTE No. 19 – Revenue from Operations

Particulars	As at 31.03.2018	As at 31.03.2017
SALES OF PRODUCT COMPRISES: FABRIC CLOTH	-	-
SALES OF SERVICE COMPRISES: Interest on Lending of Advances	30,46,607	62,42,670
Total	30,46,607	62,42,670

NOTE No. 20 – Other Income

Particulars	As at 31.03.2018	As at 31.03.2017
a. Dividend income	-	-
- from long term investments	-	-
b. Net gain on sale of:		
Current investments	29,56,712	-
Long-term investments	-	-
Total	29,56,712	-

NOTE No. 21 – Change in Inventory

Particulars	As at 31.03.2018	As at 31.03.2017
Inventories at the end of the year:	-	-

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Stock-in-trade	-	-
Inventories at the beginning of the year:		
Stock-in-trade	-	-
Total	-	-

NOTE No. 22 – Employee benefits

Particulars	As at 31.03.2018	As at 31.03.2017
Salaries	14,36,400	18,59,400
Conveyance	3,35,255	2,18,180
Staff Welfare Expenses	4,84,884	3,06,981
Directors Remuneration	3,60,000	3,60,000
Total	26,16,539	27,44,561

NOTE No. 23 – Financial Charges

Particulars	As at 31.03.2018	As at 31.03.2017
a. Interest	-	-
- Banks	-	-
Total	-	-

NOTE No. 24 – Depreciation and Amortisation

Particulars	As at 31.03.2018	As at 31.03.2017
Depreciation	28,500	28,496
Total	28,500	28,496

NOTE No. 25 – Other Expenses

Particulars	As at 31.03.2018	As at 31.03.2017
Audit Fees	50,000	25,000
Books and Periodicals	35,900	41,262
Bank Charges/Commission	41,221	18,868
Business Promotion Expenses	-	1,46,342
Electricity Charges	1,25,646	96,604
Insurance	5,560	-
Interest on TDS	1,650	1,956
Motor Car Expenses	-	1,48,010
Membership Fees	-	3,02,286
Office Expenses	2,43,881	1,97,737
Postage & Telegram	-	53,283
Printing & Stationery	25,000	63,952
Professional Fees	11,50,000	85,599
Rent	3,30,000	3,30,000
Repairs and Maintenance	-	84,663
ROC Fess	7,500	-
RTA Fees and Expenses	69,005	31,943
Security Charges	-	-
Sundry Expenses	-	46,677
Sundry Balance Written off	-	-

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Telephone Expenses	13,684	25,324
Travelling Expenses	2,53,770	4,00,262
CDSL CHARGE	56,632	57,093
NSDL CHARGES	-	85,875
Donation	-	3,86,000
Society Charges	23,138	99,209
Total	24,32,587	27,27,945

For R S Bansal & Co.
Chartered Accountants
Firm Registration No.: 0009396

For and on behalf of the Board of Directors

Ravindrakumar Chourasiya
Mem No.:- 076850
Place: Ahmedabad
Dated: 29/05/2018

Mukesh Gadiya **Babulal Jain** **Nidhi Gupta**
Managing Director **Director** **Company Secretary**

VANDANA KNITWEAR LIMITED

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NOTE 1: NOTES FORMING PART OF THE FINANCIAL STATEMENTS:

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of financial statements

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"] in India. GAAP comprises mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 (the Act) read with Rule 7 of Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

B. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

C. Revenue Recognitions

- Income from sales is recognized as and when sales are complete during the accounting year.
- Revenue in respect of all other income is recognized when a reasonable certainty as to its realization exists.

D. Employee Benefits

All Employees benefits falling due wholly within twelve month of rendering the services are classified as short term employee benefits which include benefits like salary, wages, short term compensated, absences and performance incentives and are recognized as expense in the period in which the employee renders the related services.

E. Material events after balance sheet date

Events which are of material nature after the balance sheet date are accounted for in the accounts.

F. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

The Company creates a provision when there is a present obligation as a result of past event that probably requires and outflows of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of obligation cannot be made.

VANDANA KNITWEAR LIMITED

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G. Taxes on income

Income tax comprises current and deferred income tax. Income tax expense is recognized directly in equity or in other comprehensive income. Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.

H. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

I. Cash Flow Statements

Cash Flow Statement has been prepared in accordance with Accounting Standard 3 issued by Institute of Chartered Accountants of India.

J. Segment Reporting

The Company operates in a single segment and there are no separate reportable segments as defined in Accounting Standard, AS-17.

Note: "Previous Year's figure have been regrouped rearranged wherever considered necessary"

VANDANA KNITWEAR LIMITED

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To,
Link Intime India Pvt. Ltd,
C-101, 247 Park, L. B. S. Marg, Vikhroli (W),
Mumbai-400083,
Maharashtra.

Updation of Shareholder Information

I / We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC :(11 digit)	
MICR:(9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / beneficiary account.

Place:

Date:

Signature of Sole / First holder

VANDANA KNITWEAR LIMITED
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ATTENDANCE SLIP

PLEASE FILL THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING VENUE.

Joint shareholders may obtain additional Attendance Slip on request.

L.F.No / D.P.Id & Client Id :
No. of Share(s) held :
Name of Members and :
Address of Member(s)

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 23rd Annual General Meeting of Company held on Friday, the 28th September, 2018 at 11.00 a.m. at its Registered Office 4-1-223, Hanuman Takdi, Bank Street, Hyderabad, Telengana - 500 095.

Name of the Member/Proxy

Signature of the Member/Proxy

Notes:

1. Members/Proxy holder(s) is/are requested to bring their copies of the Annual Report with the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided at the entrance of the Meeting Hall.

VANDANA KNITWEAR LIMITED
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FORM NO.MGT-11

PROXY FORM

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

CIN : L18101TG1995PLC019777
Name of the Company : Vandana Knitwear Limited
Registered Office : 4-1-223, Hanuman Takdi, Bank Street, Hyderabad Telangana 500095.

Name of the members	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID / L.F.No.	

I/We being a member / members of _____ shares of the above named company, hereby appoint

- Name : Address :
Email id : Signature :
or failing him
- Name :Address :
Email id :Signature :
or failing him
- Name :Address :
Email id :Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rdAnnual General Meeting of Company held on Friday, the September 28, 2018 at 11.00 a.m. at its Registered Office at 4-1-223, Hanuman Takdi, Bank Street, Hyderabad Telangana 500095 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. To adopt Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.		
2. To appoint Ms.Bhuvneshwari Bhatt as aDirector of the Company.		
3. To change the Registered Office from the state of Telangana to the state of Rajasthan.		
4. To appoint M/s. Jayesh Patel & Co., Chartered Accountant as a Statutory Auditor.		

Signed..... Day of September, 2018

**Affix
Re.1
Revenue
Stamp**

VANDANA KNITWEAR LIMITED

ANNUAL REPORT 2017-18

Note:

1. The proxy form 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.
2. It is optional to indicate your preference. If you leave the “For” or “Against” column blank against any or all resolutions, you proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. Your proxy will be entitled to vote in the manner as he/she may deem appropriate at 23rdAnnual General Meeting of Members of the Company, to be held on Friday, the 28th September, 2018 at 11:00 a.m. at the Registered Office at 4-1-223, Hanuman Takdi, Bank Street, Hyderabad Telangana 500095 or at any adjournment thereof.

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EVSN (Electronic Voting Sequence Number)	Default Pan*
180908013	USE YOUR PAN

*Only Member who have not updated their PAN with Company / Depository Participant(s) shall use default PAN in the Pan filed.

Route Map to the Venue of AGM

4-1-223, Hanuman Takdi, Bank Street, Hyderabad Telangana 500 095

