



VANDANA KNITWEAR LIMITED
ANNUAL REPORT 2022-23

Vandana
Knitwear Limited

(Formerly known as Trendy Knitwear Limited)

28th Annual Report 2022-23

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Company Profile

BOARD OF DIRECTORS

| | | |
|--------------------------|---|---|
| Mr. Naresh Kumar Gattani | - | Managing Director |
| Mrs. Ranjana Gattani | - | Non-Executive Non-Independent Director |
| Mr. Prakhar Garg | - | Independent Director (upto 25.05.2023) |
| Ms. Kirti Agrawal | - | Independent Director (upto 31.10.2022) |
| Ms. Shubhangi Janifer | - | Independent Director (upto 25.05.2023) |
| Ms. Chitra Naraniwal | - | Independent Director (w.e.f 25.05.2023) |
| Mr. Siddharth Jain | - | Independent Director (w.e.f 25.05.2023) |
| Mr. Arpit Jain | - | Independent Director (w.e.f 25.05.2023) |
| Mrs. Charul Gattani | - | Executive Director (w.e.f 25.05.2023) |

COMPLIANCE OFFICER and COMPANY SECRETARY

Ms. Kirti Agarwal (w.e.f 01.11.2022)
Ms. Sangeeta Kumari Birla (upto 31.08.2022)

CHIEF FINANCIAL OFFICER

Mr. Archit Patodi

STATUTORY AUDITORS

M/s S. N. Kabra & Co.,
Chartered Accountants,
207 "C" Block, Silver Mall,
8- R.N.T. Marg,
Indore - 452 001

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 PARK, L.B.S. MARG,
Vikhroli (West), Mumbai – 400 083.
E-mail ID: mumbai@linkintime.co.in
Tel. No.: 022-4918 6000; Fax No.: 022-4918 6000
Website: www.linkintime.co.in

REGISTERED OFFICE ADDRESS

Bhandari Plaza, 2nd Floor,
Opp. Nagar Parishad, Rajendra Marg Road,
Bhilwara, Rajasthan – 311001.
vandanaknitwearlimited2021@gmail.com

BANKERS

ICICI Limited

NOTICE

NOTICE is hereby given that the **28th Annual General Meeting** of the Members of **VANDANA KNITWEAR LIMITED** will be held on through Video Conferencing (VC)/Other Audio Visual Means (OAVM) on Thursday, 28th September, 2023 at 02:30 P.M. for transacting the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended on March 31st, 2023 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Ranjana Gattani (DIN: 00125150), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

3. **To approve the revision in terms of payment of remuneration to Mrs. Ranjana Gattani (DIN: 00125150) Non – Executive Director of the Company, with effect from 1st April, 2023 and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 197 and 198, read with Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the rules made thereunder, including any statutory amendments, modification(s) or re-enactment thereof, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and subject to such other requisite approvals, as may be required, on the recommendation of the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded for revision in terms of remuneration payable to Mrs. Ranjana Gattani (DIN: 00125150), Director of the Company as set out in the Explanatory Statement, with effect from 01st April, 2023; including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the currency of her tenure as per Section 197 read with Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this resolution be paid to Mrs. Ranjana Gattani (DIN: 00125150), Director, as minimum remuneration in accordance Schedule V of the Companies Act, 2013, by making requisite compliances prescribed in the said schedule;

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mrs. Ranjana Gattani (DIN: 00125150), Director, passed as on the date of appointment shall continue to remain in full force and effect;

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall include its committee thereof) be and is hereby authorised to alter and vary the terms and conditions of the said remuneration of Mrs. Ranjana Gattani (DIN: 00125150), as it may deem fit within limits permissible under the Act;

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary of the Company, be and are hereby authorized to settle any question, difficulties or doubts, that may arise in regard to the said appointment as it may in its sole and absolute discretion deem fit and to delegate all or any of its



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power herein conferred to any director(s) and/or officer(s) of the Company and to do all such acts, deeds and things, as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto”.

Place: Bhilwara
Date: 05/09/2023

By Order Of the Board
For Vandana Knitwear Limited

Sd/-
Naresh Kumar Gattani
DIN: 00125231
Managing Director

NOTES:

E-Voting System – For Remote e-voting and e-voting during AGM

1. The Ministry of Corporate Affairs ('MCA'), inter-alia, vide its General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, followed by General Circular Nos. 20/2020 dated 5th May, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated 28th December, 2022 (collectively referred to as 'MCA Circulars') Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated 5th January, 2023 issued by SEBI ("the Circulars"), has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue
2. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.vandanaknitwear.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com.
5. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.
6. Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice.
7. Corporate Members are requested to send a certified copy of the Board Resolution authorising their representative to attend this AGM, pursuant to Section 113 of the Act, through e-mail at <http://www.vandanaknitwear.com/>, or by post to the Investor Service Centre of the Company Office No. Bhandari Plaza, 2nd Floor, Opp. Nagar Parishad, Rajendra Marg Road, Bhilwara, Rajasthan, 311001.
8. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of Central Depository Services Limited ('CDSL'). The Board has appointed Mr. Suhas Bhattbhatt, Proprietor, M/s. S bhattbhatt & Co., Practising Company Secretary as the Scrutinizer to scrutinize the process of e-voting.
9. Remote e-voting will commence at 9.00 a.m. on Monday, 25th September, 2023 and will end at 5.00 p.m. on Wednesday, 27th September, 2023, when remote e-voting will be blocked by CDSL.
10. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, 22nd September, 2023 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for

information purposes only.

11. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
12. Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts 2023, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are required to register their e-mail addresses with the Company at vandanaknitwearlimited2021@gmail.com. Alternatively, Members may send a letter requesting for registration of their e-mail addresses, mentioning their name and DP ID & Client ID / folio number, through e-mail at vandanaknitwearlimited2021@gmail.com. Detailed instructions for participating in the AGM and for voting are provided hereunder.
13. Members who would like to express their views or ask questions with respect to the agenda items of the meeting will be required to register themselves as speaker by sending e-mail to the Executive & Company Secretary at vandanaknitwearlimited2021@gmail.com from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 10.30 a.m. on Monday, 18th September, 2023 will be able to speak at the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time, for smooth conduct of the AGM.
14. Further, Members who would like to have their questions / queries responded to during the AGM are requested to send such questions / queries in advance within the aforesaid time period.
15. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer books will remain closed from Friday, 22nd day of September, 2023 to Thursday, 28th day of September, 2023 (both days inclusive).
16. In case of any queries regarding the Annual Report, members may write to vandanaknitwearlimited2021@gmail.com to receive an email response. Members desiring any information relating to the financial statements at the meeting are requested to email to us at least 10 (Ten) days before the meeting to enable us to keep the information ready.
17. Members are requested to forward all Share Transfers and other communications/ correspondence to the Registrar & Share Transfer Agent (RTA) and are further requested to always quote their Folio Number in all correspondences with the Company.
18. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Registrar & Share Transfer Agents quoting their Folio Number and Bank Account Details along with self-attested documentary proofs. Members holding shares in the dematerialized form may update such details with their respective Depository Participants.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participant with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent of the Company - M/s. Link Intime India Pvt. Ltd
20. Non Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable, if such details were not furnished earlier.

21. The Notice of 28th Annual General Meeting and instructions for e-voting along with Assent / Dissent Form are being sent by electronic mode to all members whose email address are registered with the Company/Depository Participant(s).
22. To facilitate other shareholders whose email id are not registered, to receive this notice electronically and cast their vote electronically, special arrangement has been made with its Registrar & Share Transfer Agent for registration of email addresses in terms of the General Circular No. 14/2020 dated 08th April, 2020, 17/2020 dated 13th April, 2020, dated 15/06/2021, NO.33/2020 dated 28/09/2020, 39/2020 dated 31/12/2020, 10/2021 dated 23rd June, 2021 respectively. The process for registration of email addresses is as under:
23. Pursuant to the aforesaid Circular issued by Ministry of Corporate Affairs, shareholders who have not registered their email address may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd at www.linkintime.co.in. Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting at the ensuing AGM. In case of any queries, shareholder may write to rnt.helpdesk@linkintime.co.in
24. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://www.vandanaknitwear.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the same is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. <https://www.cdslindia.com/>.
25. The facility for voting shall be made available at the venue of the Annual General Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
26. Pursuant to the provisions of Section 72 of the Act read with the Rules made there under, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 duly filled to the Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
27. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No's 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively has allowed Companies to send official documents to their shareholders electronically as part of its Green Initiatives in Corporate Governance.
28. We request you to send an email on vandanaknitwearlimited2021@gmail.com to ensure that the annual report and other documents reach you on your preferred e-mail.
29. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on Monday, 25th September, 2023 at 09:00 A.M. and ends on Wednesday, 27th September, 2023 at 05:00 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 (record date) of 22nd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** are given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings alongwith links of the respective e-Voting service provider i.e. CDSL/NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. |

| | |
|---|--|
| | <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</p> |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| For Shareholders holding shares in Demat Form other than individual 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) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in |

| | |
|--|------------------|
| | instruction (v). |
|--|------------------|

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Vandana Knitwear Limited> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; vandanaknitwearlimited2021@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at vandanaknitwearlimited2021@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at vandanaknitwearlimited2021@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to vishal.parad@linkintime.co.in
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to vishal.parad@linkintime.co.in



VANDANA KNITWEAR LIMITED

ANNUAL REPORT 2022-23

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Annexure to the Notice
Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

SPECIAL BUSINESSES:**Resolution: 3****To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

Mrs. Ranjana Gattani is a graduate having more than 18 years of experience. Mrs. Ranjana Gattani shared her rich experience and made valuable contribution and guided the Company and under her able leadership, the Company ventured into and successfully implemented new business vertical. Further taking into consideration her profile and experience, the responsibilities shared by her and the industry benchmarks, the Board of Directors of the Company (the 'Board'), at its meeting held on 5th September 2023 has, subject to the approval of members, approved the proposal for revision in terms of appointment and payment of remuneration of Mrs. Ranjana Gattani as Director of the Company with effect from 1st April, 2023 up to the remaining period of her present tenure ending on 9th July, 2025 as recommended by the Nomination and Remuneration Committee of the Board in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013.

As per section 197 of the Act, in case a company has no profits or inadequate profit, the Company shall pay remuneration to managerial personnel in the manner as prescribed under Schedule V of the Act with the approval of member by passing Special Resolution as the case may be.

It is therefore proposed to seek the members' approval for the aforesaid revision in terms of appointment and remuneration payable to Mrs. Ranjana Gattani. The salient features of the terms and conditions of and remuneration payable to Mrs. Ranjana Gattani as set out in the draft agreement placed before this Meeting are as follows:

i) Salary: Up to Rs.75,000/- per month.

ii) Remuneration based on net profits:

In addition to the salary, perquisites and allowances as set out above, Mrs. Ranjana Gattani shall be entitled to receive remuneration based on net profits. Such remuneration based on net profits payable to her as also to the other Directors of the Company will be determined by the Board and/or the Nomination and Remuneration Committee of the Board for each financial year.

iii) The overall remuneration payable every year to the Managing Director and the Whole time Directors by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. shall not exceed in aggregate ten percent of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re- enactment thereof.

iv) The aggregate of salary, perquisites and commission in any one financial year shall not exceed the overall limits prescribed under Section 197(1) of the Act read with Schedule V to the Act as may for the time being in force.

v) Reimbursement of Expenses:

Reimbursement of expenses incurred for traveling, boarding and lodging including for their spouse and attendant(s) during business trips, any medical assistance provided including for their family members; and provision of car(s) for use on the Company's business, club membership and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

vi) Minimum Remuneration:

In the event of inadequacy or absence of profits in any financial year during her tenure as Director, Mrs. Ranjana Gattani will be entitled to the foregoing amount of remuneration along with the perquisites and allowances mentioned above as the minimum remuneration for the year subject to the ceiling as applicable and prescribed under Schedule V of the Act.

Further, pursuant to the provisions of Sections 117(3), 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of remuneration shall be placed for the approval of the Shareholders in the Annual General Meeting.

Mrs. Ranjana Gattani satisfy all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. Mrs. Ranjana Gattani is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

DISCLOSURE RELATING TO DIRECTOR PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS.

| | |
|---|--|
| Date of Birth & Age | 13/02/1972 51 years |
| Qualifications & Experience | Mrs. Ranjana Gattani is graduate having experience of being in Directorship position in various corporates for over 18 years. |
| Terms and Conditions of appointment | Appointed as Non-Executive Director by by the members of the company 30 th September 2020. Term of Appointment: Appointed for a term of for a term of five years commencing 10th July 2020 to 09th July, 2025, liable to retire by rotation. |
| Details of remuneration | As per Agreement subject to limit of Schedule V of Companies Act 2023. |
| Date of first appointment | July 10, 2020 |
| Shareholding in the Company | - |
| Relationship with other director/Manager and other KMP | Spouce of Mr. Naresh Kumar Gattani |
| Directorships of other Board | 1. Shorya Business (India) Limited 2. Divam Industries (India) Limited 3. Sandra Hotels Private Limited 4. ATVO Agrochem Limited 5. Shorya Motels Private Limited 6. Sona Processors (India) Limited 7. Bella Viesta Apparels Private Limited 8. IOTA Exports Private Limited 9. Shubhshree Health Care Private Limited 10. Ready Hotel & Resorts Private Limited |
| Membership/Chairmanship of Committees of other Board | - |

Mrs. Ranjana Gattani is interested in the resolution set out in Resolution No. 3 of the Notice, which pertains to the remuneration payable to her. The relatives of Mrs. Ranjana Gattani may be deemed to be interested in the resolution set out in Resolution No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends resolution set out in Resolution No. 3 of the Notice for the approval of members as a Special Resolution.

BOARDS' 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, 2023:

1. FINANCIAL PERFORMANCE

(Amount in Rs.)

| Particulars | 2022-23 | 2021-22 |
|--|------------------|----------------|
| Total Income | 38,657,988 | 31,762,459 |
| Total Expenditure | 37,060,509 | 30,623,584 |
| Profit Before Tax (PBT) | 1,597,479 | 11,38,875 |
| Less: Provision of Taxation Including Deferred Tax | 419,139 | 301,848 |
| Profit After Tax (PAT) | 1,182,133 | 846,350 |

2. STATE OF COMPANY'S AFFAIRS:

The Net Revenue from the operations of the Company increased from Rs. 31,762,459 to Rs. 38,657,988 compare to previous Financial Year 2022-23. The Profit for the year ended on 31st March 2023 is Rs. 1,182,133.

3. DIVIDEND

Following the conservative approach to retain profits, your directors did not recommend payment of any dividend for the financial year 2022-23.

4. CHANGES IN PROMOTERS OF THE COMPANY

During the Financial Year 2023-2022, There is no change in the promoters of the Company.

5. 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**.

6. MANAGEMENT AND BOARD OF DIRECTORS

- During the Year under review, following changes have been made in the board of director & Key Managerial Personnel:

| | | |
|-----------------------|---|--|
| Ms. Kirti Agrawal | : | Resigned from the post of Independent Director as on 31.10.2022 |
| Ms. Sangeeta Kumari | : | Resigned as a Company Secretary & Compliance Officer w.e.f 31.08.2022 |
| Ms. Kirti Agrawal | : | Appointed as a Company Secretary & Compliance Officer w.e.f 01.11.2022 |
| Ms. Shubhangi Janifer | : | Resigned from the post of Independent Director as on 25.05.2023 |
| Mr. Prakhar Garg | : | Resigned from the post of Independent Director as on 25.05.2023 |
| Mr. Siddharth Jain | : | Appointed as an Independent Director w.e.f 25.05.2023 |
| Mr. Arpit Jain | : | Appointed as an Independent Director w.e.f 25.05.2023 |

Mrs. Charul Gattani : Appointed as an Executive Director w.e.f 25.05.2023
Ms. Chitra Naraniwal : Appointed as an Independent Director w.e.f 25.05.2023

7. AUDITORS

STATUTORY AUDITORS

M/s. S. N. Kabra & Co., Chartered Accountants, bearing (Firm Registration Number: : 03439C) who are the statutory auditors of the Company, were appointed at the 27th Annual General Meeting to hold office till the conclusion of 32nd Annual General Meeting.

The report issued by M/s. S. N. Kabra & Co., Chartered Accountants, bearing (Firm Registration Number: 03439C), Statutory Auditor for FY 2022-23 forms part of this report.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. S. N. Kabra & Co., (Firm Registration Number: 03439C) as a Statutory Auditors in their report for the Financial Year ended March 31, 2023. 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 there under, Mr. Suhas Bhattbhatt, Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the Financial Year 2022-23.

A Secretarial Audit Report issued by Mr. Suhas Bhattbhatt, Practicing Company Secretary, in respect of the Secretarial Audit of the Company for the financial year ended 31st March, 2023, is given as an Annexure to this Report.

The Secretarial Audit report for the financial year ended 31st March, 2022 is self-explanatory and does not call for any further comments.

8. 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.

9. FIXED DEPOSITS

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

10. 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.

11. 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.

12. MEETINGS OF THE BOARD

The Board met 5 (Five) times during the financial year 2022-23 i.e. on 23.05.2022, 01.08.2022, 02.09.2022, 01.11.2022 and 03.02.2023, The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

13. 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, 2023, 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.

14. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, attendance, prior study of materials given, participation at the meetings, level and effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the Independent Director being evaluated.

15. FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS:

In compliance with the requirements of SEBI Regulations, 2015, the Company has put in place a familiarization program for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization program are explained in Corporate Governance Report.

16. POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Nomination and Remuneration Committee has laid down the criteria for Directors appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company’s business.

The Policy of the Company on Directors’ appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as Annexure – A to this Report. The Policy has been posted on the website of the Company <http://www.vandanaknitwear.com/investor-relations.asp>.

17. AUDIT COMMITTEE:

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 in the terms of reference to the Audit Committee.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:

There were no material changes and commitments that have affected the financial position of the Company which have occurred during the financial year ended on 31st March, 2023.

19. LISTING FEES:

The shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE). The Company has paid the Listing Fees for the year 2022-23.

20. 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.

21. CODE OF CONDUCT COMPLIANCE:

Pursuant to the SEBI Listing Regulations, the declaration signed by the Mr. Archit Patodi, Chief Financial Officer, affirming compliance with the Code of Conduct by the Director's and senior management personnel, for the financial year 2022-23 is annexed and forms part of the Directors and Corporate Governance Report.

22. 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 2022-23:

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

23. 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.

24. 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.

25. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

There is a Whistle Blower Policy in the Company and that no personnel have been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism.

26. CODE OF CONDUCT:

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of the Corporate Governance Report.

27. CASH FLOW ANALYSIS:

In conformity with the clauses of the Listing Regulations, the Cash Flow Statement for the year ended March 31, 2022 is annexed hereto.

28. DETAILS OF APPLICATION MADE OR PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016

29. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time Settlement of loans taken from Banks and Financial Institutions.

30. PREVENTION OF INSIDER TRADING:

The Board has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

31. 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 patronage. 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.

Place: Bhilwara
Date: 05/09/2023

**By Order Of The Board
For Vandana Knitwear Limited**

Sd/-
Naresh Kumar Gattani
DIN: 00125231
Managing Director

Annexure A to the Boards' Report

Nomination and Remuneration Policy

1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of Vandana Knitwear Limited (**"the Company"**) is required to ensure that the shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 (**"Act"**) and the rules made there under and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time (**"LODR Regulations"**), this policy on nomination and remuneration of Directors (including non-executive directors), the Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive directors), Key Managerial Personnel and Senior Management Personnel.

2. OBJECTIVE OF THE POLICY

The objective of this Policy is to outline a framework to ensure that the Company's remuneration levels are aligned with industry practices and are sufficient to attract and retain competent director(s) on the Board, KMP(s) and the Senior Management Personnel of the quality required and to allow fair rewards for the achievement of key deliverables and enhanced performance. The key objectives of this Policy include:

to formulate the criteria for determining qualifications, competencies, positive attributes and independence (wherever applicable) of directors for their appointment on the Board of the Company.
to recommend to the Board the remuneration payable to the directors, KMPs and senior management personnel.

While determining the remuneration for the directors (including non-executive directors), KMPs and senior management personnel, regard should be given to prevailing market conditions, business performance and practices in comparable companies, also to financial and commercial health of the Company as well as prevailing laws and government/other guidelines, to ensure that pay structures are appropriately aligned and the levels of remuneration remain appropriate.

While designing the remuneration package, it should be ensured:

- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person, to ensure the quality required to run the Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. EFFECTIVE DATE

This Policy shall be effective from the date of its adoption by the Board.

4. DEFINITIONS

- (a) In this Policy, unless the context otherwise requires:

'Board of Directors' or 'Board', in relation to the Company, means the board of directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in terms of the Act and LODR Regulations.

'Independent Director' means a director referred to in Section 149(6) of the Act read with LODR Regulations.

'Key Managerial Personnel' (KMP) shall have the meaning described to it in the Act and the Rules made thereunder.

'Policy' means this Nomination and Remuneration Policy, as may be amended from time to time.

'Senior Management Personnel' for this purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional heads.

(b) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/ or LODR Regulation as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. APPLICABILITY

This Policy is applicable to:

- (i) Directors
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel

6. MEMBERSHIP

- (a) The Committee shall consist of such number of directors as is required under applicable laws.
- (b) Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
- (c) Term of the Committee shall be continuous unless terminated by the Board of Directors.

7. CHAIRMAN

The Chairman of the Committee shall be an Independent Director.

The Chairman of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not be the Chairman of the Committee.

The Chairman of the Nomination and Remuneration Committee meeting may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required subject to minimum one meeting in a financial year.

9. COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the

meetings of the Committee.
10. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

11. QUORUM

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the members of the Nomination and Remuneration Committee; whichever is greater.

12. VOTING

Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting will have a casting vote.

13. RESPONSIBILITY OF THE COMMITTEE

The Committee is responsible for:

formulating criteria for determining qualifications, positive attributes and independence of a director for the purpose of this Policy;

advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including non-executive directors), KMPs and the Senior Management;

monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management;

monitoring and evaluating the application of this Policy;

monitoring and evaluating current remuneration structures and levels in the Company; and

any other responsibility as determined by the Board.

14. APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL

(a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and/or Senior Management Personnel and recommend to the Board his / her appointment.

(b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

(c) Appointment of Directors, KMPs and Senior Management Personnel is subject to compliance of provisions of the Act and LODR Regulations.

15. REMUNERATION

Remuneration to Executive Director

Fixed pay:

Executive Director(s) shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force and the approvals obtained from the shareholders of the Company.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee.

Variable component:

The Executive Director(s) may be paid performance linked commission within the overall limits as approved by the shareholder and Central Government, wherever required.

Remuneration to Non-Executive Directors including Independent Directors:

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% or 3%, as the case may be, of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013

The Non- Executive Directors and Independent Directors of the Company are entitled to receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof in accordance with the provisions of the Act.

The Independent Directors shall not be entitled to any stock incentive of the Company.

Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied: i) The services are rendered by such director in his capacity as the professional; and ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Remuneration to KMP and Senior Management Personnel:

KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Committee. Based on the performance, KMP and Senior Management Personnel will be paid incentives.

Where any insurance is taken by the Company on behalf of its managing director, whole-time director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

16. ■ POLICY ON BOARD DIVERSITY

The Board of Directors shall have the optimum combination of Directors from the different areas/ fields like production, management, quality assurance, finance, sales and marketing, research and development, Human Resources etc. or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise.

17. REMOVAL

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director(s), KMP(s) and Senior Management subject to the provisions and compliance of the applicable Act, rules and LODR Regulations.

18. DISCLOSURE OF INFORMATION

This Policy shall be disclosed in the Board's report.

19. DEVIATION FROM THE POLICY

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

20. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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: 05/09/2023

Place: Bhilwara

**By Order Of The Board
For Vandana Knitwear Limited**

**Sd/-
Naresh Kumar Gattani
DIN: 00125231
Managing Director**

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2023.

ECONOMIC OVERVIEW

The textile trading industry plays a vital role in global commerce, serving as a crucial link in the supply chain between raw material suppliers and end consumers. The textile trading industry is sensitive to overall economic conditions. Economic growth, consumer spending patterns, and disposable income levels impact the demand for textiles. During periods of economic expansion, there is often an increase in demand for clothing, home textiles, and industrial textiles. Conversely, economic downturns can lead to reduced consumer spending and, consequently, lower demand for textile products.

In recent years, technological advancements have transformed the textile trading industry. Automation, artificial intelligence, and data analytics are being integrated into various aspects of the industry, from manufacturing processes to inventory management. These technologies enhance efficiency, reduce costs, and enable companies to respond more effectively to market demands. In recent years, technological advancements have transformed the textile trading industry. Automation, artificial intelligence, and data analytics are being integrated into various aspects of the industry, from manufacturing processes to inventory management. These technologies enhance efficiency, reduce costs, and enable companies to respond more effectively to market demands. The textile industry continues to experience both challenges and opportunities. Global economic fluctuations, supply chain disruptions, and changing consumer preferences have influenced market dynamics. However, increased emphasis on sustainable practices and technological advancements have opened new avenues for growth.

Risk and Concerns

The very nature of the Company's business makes it susceptible to various kinds of risks. The Company encounters market risk, credit risk and operational risks in its daily business operations. The Company has framed a comprehensive Risk Management Manual which inter- alia lays down detailed process and policies in the various facets of risk management function. The risk management review framework provides complete oversight to various risk management practices and process. The framework and assessment remains dynamic and aligns with the continuing requirements and demands of the market. The Company has also implemented surveillance mechanism to deal with various trades related risks and adopted a surveillance policy in line with the regulatory requirements.

Human Resource

Equipping the Company with an engaged and productive workforce is essential to our success. We look for commitment, skills and innovative approach in people. In assessing capability, we consider technical skills and knowledge that have been acquired through experience and practice, along with mental processing ability, social process skills and their application.

We continue to invest in developing a pipeline of future talent and nurture them. As part of this process, we provide development and training opportunities to our workforce, which motivates and encourages them to grow in their work.

Internal Financial Control Systems and their adequacy:

Internal Control system and adequacy Internal Control measures and systems are established to ensure the correctness of the transactions and safeguarding of the assets. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmers adopted by our Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and the Management. The internal control systems are

modified continuously to meet the dynamic change. Further the Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

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: 05/09/2023
Place: Bhilwara

By Order Of The Board
For Vandana Knitwear Limited

Sd/-
Naresh Kumar Gattani
DIN: 00125231
Managing Director

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Vandana Knitwear Limited,
Bhilwara, Rajasthan

We 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). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Vandana Knitwear Limited'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 and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Vandana Knitwear Limited ("the Company") for the financial year ended on 31st March, 2023, according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during audit period);

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:

- A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2015;
- B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable)
- E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during audit period);
- F. 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; (Not Applicable. The Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)
- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable. The shares of the Company are not delisted at any stock exchange, during the year under review) and

- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable. The Company not bought back any shares / securities during the year under review)
- v. Other laws specifically applicable to the Company namely –

We have also examined compliance with the applicable clauses of the following:

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- 2) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. **except** that following:

- During the period under review, the company has not complied the requirement of Regulation 46 & 47 of SEBI (LODR) Regulations, 2015.
- During the period under review, as per Regulation 33(1) (d) of SEBI (LODR) Regulations, 2015, the Statutory Auditor was not holding valid Peer Review Certificate.

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda during the year. 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 are captured and recorded as part of the minutes.

We further report that there are adequate system and processes in the company commensurate with size and operation of the Company to monitor and ensure the Compliance with applicable laws, rules, regulation and guidelines.

We further report that during the audit period there were no instances of

- a) Public / Rights / Debentures / Sweat Equity
- b) Redemption / Buy Back of Securities
- c) Merger / Amalgamation / Re-construction etc.
- d) Foreign Technical Collaboration / Equity Participation.

For S Bhattbhatt & Co.
Practicing Company Secretaries

Sd/-
Suhas Bhattbhatt
Proprietor
A.C.S.:11975; C.P.:10427
UDIN: A011975E000936021

Place: Vadodara
Date: 04/09/2023

This Report is to be read with our letter of even date which is annexed as **Annexure -1** and forms an integral part of this report.

'Annexure -1'

**To,
The Members,
Vandana Knitwear Limited**

Our report of even date is to be read along with this letter.

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S Bhattbhatt & Co.
Practicing Company Secretaries**

**Sd/-
Suhas Bhattbhatt
Proprietor
A.C.S.:11975; C.P.:10427
UDIN: A011975E000936021**

**Place: Vadodara
Date: 04/09/2023**

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 1 Executive, 1 Non Executive Non-Independent Director and 4 Non-Executive Independent Directors. The Chairman of the Board is a Executive Directors (Managing Director). 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 2022-23 i.e. from 1st April, 2022 to 31st March, 2023, the Board met 5 (Five) times and the maximum gap between any two Board Meetings was not more than 120 days. The dates on which these Board meetings were held are 23rd May, 2022, 22nd August, 2022, 2nd September 2022, 1st November, 2022 and 3rd February, 2023.

The Board composition (name & category) as on 31st March, 2023, Director's attendance at the Board meetings held during the year and at the last Annual General Meeting, is as follows:

| Sr. 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 (*eligible to attend) | Attended | |
| 1. | Mr. Naresh Kumar Gattani | Executive Managing Director | 00 | Nil | Nil | 4 | 4 | Yes |
| 2. | Mrs. Ranjana Gattani | Non-Executive Non-Independent Director | 00 | Nil | 2 | 4 | 4 | Yes |
| 3. | Mr. Prakhar Garg | Non-Executive Independent Director | 00 | 1 | 2 | 4 | 4 | Yes |
| 4. | Ms. Kirti Agrawal | Non-Executive Independent Director (upto 30.10.2022) | 01 | Nil | Nil | 2 | 2 | Yes |
| 5. | Ms. Shubhangi Janifer | Non-Executive Independent Director | 00 | 2 | 2 | 4 | 4 | Yes |

#includes directorship held in only Listed Companies and does not include 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.
- **Remuneration**
- Paid to Directors during the year 2022-23: Nil
- None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- There is no 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 as no appointment/re-appointment is taken place at the ensuing 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.

COMMITTEES OF THE BOARD
A. AUDIT COMMITTEE

- a. **Composition:** The Audit Committee of the Company, comprises of 3 (three) Non-Executive Independent Directors as on date of annual report. Details of composition as well as attendance record of the Audit Committee meetings are as follows:

| Name of Members | Designation | No. of Meetings held (*eligible to attend) | Meetings Attended |
|---|-------------|--|-------------------|
| Ms. Chitra Naraniwal (W.e.f. 25.05.2023) | Chairperson | - | - |
| Ms. Shubhangi Janifer (upto 25.05.2023) | Chairperson | 4 | 4 |
| Mr. Prakhar Garg (upto 25.05.2023) | Member | 4 | 4 |
| Mrs. Ranjana Gattani (W.e.f. 25.05.2023) | Member | 4 | 4 |
| Mr. Arpit Jain | Member | - | - |
| Mr. Siddharth Jain | Member | - | - |

No. of Meetings: 05 (Five) times during the financial year 2022-23 i.e. on 23.05.2022, 01.08.2022, 02.09.2022, 01.11.2022 and 03.02.2023, The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

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, 2022 and was attended by Ms. Shubhangi Janifer, the 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.
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 3 (three) Non-Executive Independent Directors as on 31st March, 2023. The Chairman of the Committee is a Non-Executive Independent Director. Details of composition as well as attendance record of the Committee meetings as on 31st March, 2023 are as follows:

| Name of Members | Designation | No. of Meetings held (*eligible to attend) | Meetings Attended |
|---|-------------|--|-------------------|
| Ms. Shubhangi Janifer (upto 25.05.2023) | Chairperson | 2 | 2 |
| Mrs. Ranjana Gattani (w.e.f 25.05.2023) | Chairperson | - | - |
| Mr. Prakhar Garg (upto 25.05.2023) | Member | 2 | 2 |
| Mrs. Ranjana Gattani (upto 25.05.2023) | Member | 2 | 2 |
| Ms. Chitra Naraniwal (w.e.f 25.05.2023) | Member | 2 | 2 |
| Mr. Arpit Jain (w.e.f 25.05.2023) | Member | 2 | 2 |

- **No. of Meetings:** 02 (Two) times during the financial year 2022-23 i.e. on 23.05.2022 and 02.09.2023, The necessary quorum was present for all the meetings.
- 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.

Status of Investor Complaints received and redressed during 2022-23

| Total Complaints Received | Total Complaints Redressed | Pending as on 31/03/2023 |
|---------------------------|----------------------------|--------------------------|
| NIL | NIL | Nil |

C. NOMINATION AND REMUNERATION COMMITTEE

- The Nomination and Remuneration Committee comprises of 3 (three) Directors including 3 (three) Non-Executive Independent Directors as on 31st March, 2023. The Chairman of the Committee is a Non-Executive Independent Director. Details of composition as well as attendance record of the Committee meetings as on 31st March, 2023 are as follows:

| Name of Members | Designation | No. of Meetings held during the year (*eligible to attend) | Meetings Attended |
|---|-------------|--|-------------------|
| Ms. Shubhangi Janifer (upto 25.05.2023) | Chairperson | 4 | 4 |
| Mrs. Ranjana Gattani (upto 25.05.2023) | Member | 4 | 4 |
| Mr. Prakhar Garg (upto 25.05.2023) | Member | 4 | 4 |
| Ms. Chitra Naraniwal (w.e.f 25.05.2023) | Member | - | - |
| Mr. Arpit Jain (w.e.f 25.05.2023) | Chairperson | - | - |
| Mr. Siddharth Jain (w.e.f 25.05.2023) | Member | - | - |

- No. of meetings:** During the year 2022-23, the Committee met 4 (Four) times on 23rd May, 2022, 2nd September, 2022, 1st November, 2022 and 3rd February 2023.
- 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.

III. GENERAL BODY MEETINGS

The details of last three AGMs are mentioned hereunder:

| Year | Day, Date & Time | Venue |
|---------|--|--|
| 2021-22 | Wednesday, 28th September, 2022 at 2:00 pm | Held through Video Conferencing. Deemed Venue was Bhandari Plaza, 2nd Floor, Opp. Nagar Parishad Rajendra Marg Road, Bhilwara Rajasthan - 311001 |
| 2020-21 | Thursday, 30 th September, 2021 at 2:00 pm | Held through Video Conferencing. Deemed Venue was 4-1-223, Hanuman Takdi, Bank Street, Telengana – 500 095 |
| 2019-20 | Wednesday, 30 th September, 2020 at 2:00 pm | Held through Video Conferencing. Deemed Venue was 4-1-223, Hanuman Takdi, Bank Street, Telengana – 500 095 |

Extra-Ordinary General Meeting

No Extra-ordinary General Meeting was held in the year 2022-23.

In the current financial year company has held Extra-ordinary General Meeting on 25th August 2023. The Company had passed four Special resolution at the EGM with regard to regularisation of appointment of Ms. Charul Gattani (DIN: 09796702) as an Executive Director, Regularisation of appointment of Ms. Chitra Naraniwal (DIN: 09077116) as a Non – Executive Independent Director, Regularisation of appointment of Mr. Arpit Jain (DIN: 10166012) as Non – Executive Independent Director and Appointment of Mr. Siddharth Jain (DIN: 10164421) as Non – Executive Independent Director.

IV. 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 2022-23. 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 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 2022-23 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.
 - c. The Board has already set up a Remuneration Committee, the details whereof are furnished already in this Report.

V. MEANS OF COMMUNICATION

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

VI. GENERAL SHAREHOLDER INFORMATION
1. Annual General Meeting

| | |
|-------------------------------|--|
| Annual General Meeting | Twenty Eighth |
| Financial Year | 2022-23 |
| Day, date and time | Thursday, 28th September, 2023 at 02:30 P.M. |
| Venue | Through Video Conferencing. Deemed Venue at Bhandari Plaza, 2 nd Floor, Opp. Nagar Parishad, Rajendra Marg Road, Bhilwara, 311001, Rajasthan. |

2. Book Closure Date

The Share Transfer Registers of the Company shall remain closed from Friday, 22nd September, 2022 to Thursday, 28th September, 2022 (both days inclusive).

3. Listing at Stock Exchange(s)

The Company's shares are presently listed only on

BSE Limited,
 Phiroze Jeejeebhoy Towers,
 Dalal Street, Fort, Mumbai - 400 001

4. Stock Code

Bombay Stock Exchange: 532090

5. 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-22 | 1.99 | 1.5 | 1289514 |
| May-22 | 1.99 | 1.5 | 1963461 |
| Jun-22 | 2.1 | 1.6 | 2165675 |
| Jul-22 | 2.09 | 1.66 | 946605 |
| Aug-22 | 2.29 | 1.8 | 1571967 |
| Sep-22 | 2.34 | 1.94 | 476592 |

| | | | |
|--------|------|------|---------|
| Oct-22 | 2.02 | 1.61 | 2454986 |
| Nov-22 | 2.2 | 1.74 | 3907903 |
| Dec-22 | 2.17 | 1.81 | 1916569 |
| Jan-23 | 2.22 | 1.78 | 616064 |
| Feb-23 | 2.14 | 1.84 | 280687 |
| Mar-23 | 2 | 1.62 | 428908 |

6. Shareholding Pattern As On 31st March, 2023

| Category | No. of Shares | % of Total Capital |
|------------------------------------|---------------------|--------------------|
| A. Promoters Holding | | |
| a. Indian Promoters | 5,40,40,405 | 50.51 |
| b. Foreign Promoter | ----- | ----- |
| B. Non Promoters Holding | | |
| a. Foreign Institutional Investors | ----- | ----- |
| b. Indian Public | 5,29,44,665 | 49.49 |
| Total | 10,69,85,070 | 100.00 |

* No Promoters of the Company were changed during the Financial Year 2022-23.

7. 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, 2023, 10,63,46,140 Equity shares of Re. 1/- each consisting of 99.40% of the Total Paid up Share Capital were held in dematerialized form.

8. Share Transfer System

99.40% 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.

9. 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, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

10. Registrar & Share Transfer Agent (RTA)

Link Intime India Pvt. Ltd.
 C-101, 247 PARK, L.B.S. MARG,
 Vikhroli (West), Mumbai – 400 083.
 E-mail ID: mumbai@linkintime.co.in
 Tel. No.: 022-4918 6000; Fax No.: 022-4918 6000
 Website: www.linkintime.co.in

11. **Depository**

Central Depository Services (India) Limited

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

National Securities Depository Limited

Trade World – A Wing, Kamala Mills Compound

Lower Parel, Mumbai - 400013

12. **Demat ISIN for NSDL and CDSL as on 31st March, 2023**

INE219M01021

13. **Registered Office:**

Bhandari Plaza, 2nd Floor, Opp. Nagar Parishad, Rajendra Marg Road, Bhilwara, 311001, Rajasthan.

14. **Corporate Identification Number:**

L18101RJ1995PLC072122

15. **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-101, 247 PARK, L.B.S. MARG,

Vikhroli (West), Mumbai – 400 083.

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

Tel. No.: 022-4918 6000; Fax No.: 022-4918 6000

Website: www.linkintime.co.in

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

Secretarial Department

Vandana Knitwear Limited

Bhandari Plaza, 2nd Floor,

Opp. Nagar Parishad, Rajendra Marg Road,

Bhilwara, 311001, Rajasthan.

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. vandanaknitwearlimited2021@gmail.com

CEO and CFO CERTIFICATION

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

We, to the best of knowledge and belief, certify that:

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 of Vandana Knitwear Limited for the year and based on our knowledge, belief and information:

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

Sd/-
Naresh Kumar Gattani
Managing Director

Sd/-
Archit Patodi
Chief Financial Officer

Date: 05/09/2023
Place: Bhilwara

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)
Bhilwara.

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, 2023, received from the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

Sd/-
Naresh Kumar Gattani
Managing Director

Date: 05/09/2023
Place: Bhilwara

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,
The Members,
VANDANA KNITWEAR LIMITED**

We have examined the compliance of conditions of Corporate Governance by **VANDANA KNITWEAR LIMITED** ('the Company'), CIN: L18101RJ1995PLC072122 having registered office at Bhandari Plaza, 2nd Floor, Opp. Nagar Parishad, Rajendra Marg Road, , Bhilwara, Rajasthan, 311001 for the year ended on March 31, 2023, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges. The compliance of conditions of corporate governance is the responsibility of the management.

Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance to the extent applicable, as stipulated in the provisions specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Listing Agreement of the said Company with stock exchange.

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

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Date: 10/05/2023
Place: Indore

For S.N. Kabra & Co.
Chartered Accountants

Sd/-
F R No.: 003439C
M. No.: 072497
UDIN: 23072497BGSOCJ3563

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Vandana Knitwear Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VANDANA KNITWEAR LIMITED** having CIN L18101RJ1995PLC072122 and having registered office at Bhandari Plaza, 2nd Floor, Opp. Nagar Parishad, Rajendra Marg Road, Bhilwara, Rajasthan - 311001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the following Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Details of Directors:

| Sr No | Name of Directors | DIN | Date of Appointment in the Company |
|-------|---|----------|------------------------------------|
| 1 | Ms. Ranjana Gattani | 00125150 | 10.07.2020 |
| 2 | Mr. Naresh Kumar Gattani | 00125231 | 29.03.2021 |
| 3 | Mr. Prakhar Garg (upto 25.05.2023) | 03281591 | 10.07.2020 |
| 4 | Ms. Kirti Agarwal (upto 30.10.2022) | 09125391 | 29.03.2021 |
| 5 | Ms. Subhangi Janifer (upto 25.05.2023) | 09125625 | 29.03.2021 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 12/05/2023
Place: Vadodara

For S Bhattbhatt & Co
Practicing Company Secretaries

Sd/-
Suhas Bhattbhatt
Proprietor
ACS: 11975 CP: 10427
UDIN: A011975E000295874

INDEPENDENT AUDITOR'S REPORT

**To,
The Members,
Vandana Knitwear Limited**

Report on the Financial Statements for the F.Y. 2022-23

Opinion

We have audited the accompanying standalone financial statements of **Vandana Knitwear Limited** which comprise the standalone Balance Sheet as at **31st March, 2023**, and the standalone Statement of Profit and Loss (Including Other Comprehensive Income), standalone Cash Flow Statement and the standalone statement of Changes in Equity for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (Here in after referred to as "Standalone Ind AS financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss, other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards specified under section 133 of the Companies Act and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Director are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements.

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the standalone financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes 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 standalone Balance Sheet and the standalone Statement of Profit and Loss(including Other Comprehensive Income), the standalone Statement of Cash Flows and the standalone Statement of Changes of Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

- e) On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigation as at March 31, 2023 on its financial position in its financial statements, except as provided in Annexure “A”.
- ii. The Company did not have any long-term and derivative contracts as at March 31, 2023.
- iii. There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

Date: 25/05/2023
Place: Indore

For S.N. Kabra & Co.
Chartered Accountants

F R No.: 003439C
M. No.: 072497
UDIN: 23072497BGSODG8794

“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, 2023 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.
- 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 01/04/2022 to 31/03/2023. 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.

Date: 25/05/2023
Place: Indore

For S.N. Kabra & Co.
Chartered Accountants

Sd/-
F R No.: 003439C
M. No.: 072497
UDIN: 23072497BGSODG8794

“ANNEXURE 2” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (2)g under ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report of even date, to the members of the Company on the Financial statements for the year ended 31st March, 2023.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of the Company as of Vandana Knitwear Limited as on 31st March, 2023 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023.

Date: 25/05/2023
Place: Indore

For S.N. Kabra & Co.
Chartered Accountants

Sd/-
F R No.: 003439C
M. No.: 072497
UDIN: 23072497BGSODG8794

Balance Sheet as on 31st March, 2023

| PARTICULARS | NOTES | (Amount In ₹) | |
|---|-------|---------------------|---------------------|
| | | 31.03.2023 | 31.03.2022 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share capital | 1 | 10,69,85,070 | 10,69,85,070 |
| Reserves & Surplus | 2 | 62,09,167 | 49,07,035 |
| Share Application Money | | | |
| | | 11,31,94,237 | 11,18,92,105 |
| NON CURRENT LIABILITIES | | | |
| Long-Term Borrowings | 3 | 1,63,23,022 | 3,57,62,743 |
| Deferred Tax Liabilities (Net) | 4 | (13,116) | (9,323) |
| Other Long Term Liabilities | | - | - |
| | | 1,63,09,906 | 3,57,53,420 |
| CURRENT LIABILITIES | | | |
| Short Term Borrowings | 5 | - | - |
| Trade Payable | 6 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises- | | 21,85,557 | 11,27,344 |
| Other Current Liabilities | 7 | 7,01,871 | 10,09,333 |
| Short Term Provision | 8 | 4,61,300 | 3,01,848 |
| | | 33,48,728 | 24,38,525 |
| TOTAL | | 13,28,52,871 | 15,00,84,050 |
| <u>ASSETS</u> | | | |
| NON CURRENT ASSETS | | | |
| Property, Plant & Equipment & Intangible Assets | | | |
| Property, Plant & Equipment | 9 | 4,80,381 | 5,48,413 |
| Intangible Assets | | - | - |
| Capital Work in Progress (incl. Preop. Expenses) | | - | - |
| Non-Current Investments | 10 | - | - |
| Other Non Current Asset | 11 | 10,000 | - |

| | | | |
|-----------------------------|----|---------------------|---------------------|
| Long Term Loan & advances | 12 | - | - |
| | | 4,90,381 | 5,48,413 |
| CURRENT ASSETS | | | |
| Current Investments | | - | - |
| Inventories | 13 | 31,28,655 | 1,05,619 |
| Trade Recievable | 14 | 14,55,011 | 14,28,276 |
| Cash and Cash Equivalents | 15 | 61,12,390 | 2,28,036 |
| Short-term loans & advances | 16 | 12,08,04,435 | 14,71,94,282 |
| Other Current Assets | 17 | 8,61,998 | 5,79,424 |
| | | 13,23,62,489 | 14,95,35,637 |
| TOTAL | | 13,28,52,871 | 15,00,84,050 |

For S.N. Kabra & Co
Chartered Accountants

CA Satyanarayan Kabra
F R No.: 003439C
M. No.: 072497

Date: 25/05/2023
Place: Indore

For Board of Directors of Vandana Knitwear Ltd.

Naresh Kumar Gattani
Managing Director

Ranjana Gattani
Director

Kirti Agarwal
Company SEcretary

Archit Patodi
CFO

Statement of Profit and Loss for the year ended 31-03-2023

| PARTICULARS | NOTES | (Amount In ₹) | |
|---|-------|--------------------|--------------------|
| | | 31.03.2023 | 31.03.2022 |
| <u>REVENUE</u> | | | |
| I) Revenue From Operations | 18 | 3,18,45,101 | 2,71,60,787 |
| II) Other Income | 19 | 69,71,729 | 46,01,672 |
| TOTAL INCOME | | 3,88,16,830 | 3,17,62,459 |
| <u>EXPENSES</u> | | | |
| Cost of materials consumed | 20 | - | - |
| Purchase of Stock in trade | 21 | 3,45,15,688 | 2,58,00,857 |
| Changes in inventories | 22 | (30,23,036) | 10,35,206 |
| Manufacturing expenses | 23 | - | - |
| Employee Benefit expenses | 24 | 17,74,200 | 13,30,000 |
| Finance Cost | 25 | 5,187 | 18,683 |
| Depreciation/Amortisation expenses | | 68,032 | 83,570 |
| Other expenses | 26 | 37,17,120 | 23,55,268 |
| IV) TOTAL EXPENSES | | 3,70,57,191 | 3,06,23,584 |
| V) Profit before exceptional and extraordinary items (III - IV) | | 17,59,639 | 11,38,875 |
| VI) Exceptional Items/Extraordinary items. | | - | - |
| VII) Profit before Tax (PBT) (V- VI) | | 17,59,639 | 11,38,875 |
| <u>VIII) Tax expenses of continuing operations</u> | | | |
| Current Tax | | 4,61,300 | 3,01,848 |
| MAT Credit Recognised | | - | - |
| Deferred Tax | | (3,793) | (9,323) |
| | | 4,57,507 | 2,92,525 |
| IX) Profit / (loss) for the period from continuing operations (VII-VIII) | | 13,02,132 | 8,46,350 |

| | | | |
|--|--|-----------|----------|
| X) Profit / (loss) for the period from discontinuing operations. | | | |
| XI) Profit / (loss) for the period (Profit After Tax) (IX+X) | | 13,02,132 | 8,46,350 |
| Earning Per Share | | 0.01 | 0.01 |

For S.N. Kabra & Co
Chartered Accountants

CA Satyanarayan Kabra
F R No.: 003439C
M. No.: 072497

Date: 25/05/2023
Place: Indore

For Board of Directors of Vandana Knitwear Ltd.

Naresh Kumar Gattani
Managing Director

Ranjana Gattani
Director

Kirti Agarwal
Company Secretary

Archit Patodi
CFO

Statement of Cash Flow for the year ended 31st March, 2023
(Amount in Rs.)

| | Particulars | 31.03.2023 | 31.03.2022 |
|------------|--|--------------------|----------------------|
| (A) | CASH FLOW STATEMENT FROM OPERATING ACTIVITIES | | |
| | Net Profit Before Tax | 17,59,639 | 11,38,875 |
| | Adjustments for :- | | |
| | Depreciation | 68,032 | 83,570 |
| | Interest Expenditure | 5,187 | 18,683 |
| | Interest Income | (69,71,729) | (46,01,672) |
| | Preliminary Expenses W/off | - | - |
| | Foreign Exchange Gain Loss | | |
| | Adjustments for :- | | |
| | Inventories | (30,23,036) | 10,35,206 |
| | Trade Receivable | (26,735) | (14,28,276) |
| | Loans and Advances | 2,63,89,847 | (6,62,31,399) |
| | Other Current Assets | (2,82,574) | (4,95,046) |
| | Current liabilities | 7,50,750 | 21,36,677 |
| | Less : Taxes Paid (Net of refund) | (3,01,848) | (7,042) |
| | Add : Extra ordinary Income / (Loss) | - | - |
| | Cash Generated from Operations (A) | 1,83,67,533 | (6,83,50,423) |
| (B) | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets | - | - |
| | Increase in Capital W.I.P. | - | - |
| | Sale of Fixed Assets | - | - |
| | Interest Received | 69,71,729 | 46,01,672 |
| | Non current Assets | (10,000) | 79,00,000 |
| | Non current Investment/ Preliminary addition | - | 1,91,00,000 |
| | Net Cash Used in Investing Activities (B) | 69,61,729 | 3,16,01,672 |
| (C) | CASH FLOW FROM FINANCING ACTIVITIES | | |

| | | | |
|------------|--|----------------------|--------------------|
| | Net Proceeds from long term borrowing | (1,94,39,721) | 3,57,62,743 |
| | Increase in Long term Liabilities | - | |
| | Increase in bank borrowing for Working Capital | - | - |
| | increase in share capital/application money/Security Premium | - | |
| | Subsidy Received | - | |
| | Interest Paid | (5,187) | (18,683) |
| | Net Cash From Financing Activities (C) | (1,94,44,908) | 3,57,44,060 |
| (D) | Net Increase / (Decrease) in Cash & Cash Equivalent (A-B+C) | 58,84,354 | (10,04,691) |
| | Closing Balance of Cash & Cash Equivalent | 61,12,390 | 2,28,036 |
| | Opening Balance of Cash & Cash Equivalent | 2,28,036 | 12,32,727 |

For S.N. Kabra & Co
Chartered Accountants

CA Satyanarayan Kabra
F R No.: 003439C
M. No.: 072497

Date: 25/05/2023
Place: Indore

For Board of Directors of Vandana Knitwear Ltd.

Naresh Kumar Gattani
Managing Director

Ranjana Gattani
Director

Kirti Agarwal
Company Secretary

Archit Patodi
CFO

NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2023

| NOTE 1 - SHARE CAPITAL | (Amount In ₹) | |
|---|----------------------|---------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Authorised Share Capital | | |
| 12,00,00,000 Equity shares of Rs. 1/-each (12,00,00,000 Equity shares of Rs. 1/-each in previous year) | 12,00,00,000 | 12,00,00,000 |
| Issued ,Subscribed & Paid Up Capital | | |
| 10,69,85,070 Equity shares of Rs. 1/-each (10,69,85,070 Equity shares of Rs. 1/-each in previous year) | 10,69,85,070 | 10,69,85,070 |
| | 10,69,85,070 | 10,69,85,070 |

| NOTE 2 - RESERVE & SURPLUS | (Amount In ₹) | |
|--|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Securities Premium Reserve | | |
| Balance as per last financial statements | - | - |
| Addition during the year | - | - |
| Closing Balance | - | - |
| Profit & Loss a/c | | |
| Balance as per last financial statements | 49,07,035 | 40,60,685 |
| Profit for the year | 13,02,132 | 8,46,350 |
| Closing Balance | 62,09,167 | 49,07,035 |
| Total Reserve and Surplus | 62,09,167 | 49,07,035 |

| NOTE 3 - LONG TERM BORROWINGS | (Amount In ₹) | |
|--|----------------------|--------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| A) Secured Term Loans from Banks and FI's | | |
| Term Loan From Bank | - | - |
| Net Amount (A) | - | - |
| B) Unsecured Loans | | |
| From Directors, Promoters & Related Parties | - | - |
| From Corporates | 1,63,23,022 | 3,57,62,743 |
| Net Amount (B) | 1,63,23,022 | 3,57,62,743 |

| | | |
|-----------------------------|--------------------|--------------------|
| Total Amount (A + B) | 1,63,23,022 | 3,57,62,743 |
|-----------------------------|--------------------|--------------------|

| Particulars | 31.03.2023 | 31.03.2022 |
|--|-------------------|----------------------|
| NOTE 4 - DEFERRED TAX LIABILITIES (NET) | | (Amount In ₹) |
| Deferred Tax Liability/ (Assets) (Opening) | (9,323) | - |
| Add: Deferred tax liability/(Assets) of current year | (3,793) | (9,323) |
| Deferred Tax Liability/ (Assets) (Closing) | (13,116) | (9,323) |

| NOTE 5 - SHORT TERM BORROWINGS | (Amount In ₹) | |
|--|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| A) FROM BANKS <i>(SECURED)</i> | | |
| CC limit from Bank | - | - |
| Current Maturities of long term debts | - | - |
| | - | - |

| Particulars | 31.03.2023 | 31.03.2022 |
|---|-------------------|----------------------|
| NOTE 6 - TRADE PAYABLE | | (Amount In ₹) |
| (A) Total outstanding dues of micro enterprises and small enterprises A | - | - |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises- | | |
| For Goods | 21,85,557 | 11,27,344 |
| For Others | - | - |
| TOTAL B | 21,85,557 | 11,27,344 |
| GRAND TOTAL A+B | 21,85,557 | 11,27,344 |
| <u>Ageing Schedule of Trade Payable</u> | | |
| <u>Other than MSME</u> | | |
| Less than 1 year- Undisputed | 21,85,557 | 11,27,344 |
| 1-2 years -Undisputed | - | - |
| 2-3 years -Undisputed | - | - |
| More than 3 Years - Disputed | - | - |

| | | |
|--------------|------------------|------------------|
| Total | 21,85,557 | 11,27,344 |
|--------------|------------------|------------------|

| NOTE 7 - OTHER CURRENT LIABILITIES | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Outstanding Liability | 5,20,000 | 9,50,000 |
| TDS Payable | 1,81,871 | 59,333 |
| | 7,01,871 | 10,09,333 |

| NOTE 8 - SHORT TERM PROVISIONS | (Amount In ₹) | |
|---------------------------------------|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Provision for Income Tax | 4,61,300 | 3,01,848 |
| | 4,61,300 | 3,01,848 |

| Particulars | 31.03.2023 | 31.03.2022 |
|--|----------------------|-------------------|
| NOTE 10 - NON CURRENT INVESTMENTS | (Amount In ₹) | |
| Preliminary Expenses to the extend not written off | - | - |
| Incurred during the year | - | - |
| Total | - | - |
| Less: Written off during the year | - | - |

| NOTE 11 - Other Non Current Assets | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Security Deposits with PrabhudasLilladher Pvt Ltd | 10,000 | - |
| | 10,000 | - |

| NOTE 12 - LONG TERM LOAN AND ADVANCES | (Amount In ₹) | |
|--|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Inter corporate Loan | - | - |
| Loan To Other | - | - |
| | - | - |

| NOTE 13 - INVENTORIES | (Amount In ₹) | |
|---|-------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| (As taken ,valued & certified by the management) | | |
| Fabrics | 31,28,655 | 1,05,619 |
| | 31,28,655 | 1,05,619 |
| A. All the above inventories have been valued at Cost or Net realisable value whichever is lower. | | |
| B. Finished Goods includes Stock in Trade. | | |

| NOTE 14 - TRADE RECEIVABLES | (Amount In ₹) | |
|--|-------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Undisputed Trade Receivables – considered good | 14,55,011 | 14,28,276 |
| Disputed Trade Receivables – considered good | - | - |
| Balance with Related Parties | - | - |
| | 14,55,011 | 14,28,276 |
| Ageing Schedule of Trade receivables | | |
| <u>Undisputed Trade Receivables – considered good</u> | | |
| Less than 6 months | 14,55,011 | 14,28,276 |
| 6 months - 1 year | - | - |
| 1-2 years | - | - |
| 2-3 years | - | - |
| More than 3 years | - | - |
| Total | 14,55,011 | 14,28,276 |
| <u>Disputed Trade Receivables – considered Good</u> | | |
| More than 3 years | - | - |
| TOTAL | 14,55,011 | 14,28,276 |

| NOTE 15 - CASH AND CASH EQUIVALENTS | (Amount In ₹) | |
|--|-------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Cash in Hand | 23,696 | 35,743 |
| Balance with Bank | 60,88,694 | 1,92,293 |

| | | |
|--------------|------------------|-----------------|
| TOTAL | 61,12,390 | 2,28,036 |
|--------------|------------------|-----------------|

| Particulars | 31.03.2023 | 31.03.2022 |
|--|---------------------|---------------------|
| NOTE 16 - SHORT TERM LOAN AND ADVANCES (Unsecured, considered Good unless otherwise stated) | | |
| Advances Recoverable in Cash or Kind or for value to be received | 12,08,04,435 | 14,71,94,282 |
| TOTAL | 12,08,04,435 | 14,71,94,282 |

| NOTE 17 - OTHER CURRENT ASSETS | (Amount In ₹) | |
|---------------------------------------|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Advance Income Tax/TDS (FY 22-23) | 6,81,805 | - |
| Advance Income Tax/TDS (FY 21-22) | - | 4,80,708 |
| GST Input Credit | 1,80,193 | 98,716 |
| TOTAL | 8,61,998 | 5,79,424 |

| NOTE 18 - REVENUE FROM OPERATIONS | (Amount In ₹) | |
|--|----------------------|--------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Sale from product | 3,18,45,101 | 2,71,60,787 |
| TOTAL | 3,18,45,101 | 2,71,60,787 |

| NOTE 19 - OTHER INCOME | (Amount In ₹) | |
|-------------------------------|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Interest Received | 69,71,729 | 46,01,672 |
| TOTAL | 69,71,729 | 46,01,672 |

| NOTE 20 - COST OF RAW MATERIALS CONSUMED | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Yarn | | |
| Opening Stock | - | - |
| Add: Purchases | - | - |
| Less: Closing Stock | - | - |

| | | |
|--------------|---|---|
| TOTAL | - | - |
|--------------|---|---|

| NOTE 21 - PURCHASE OF STOCK IN TRADE | (Amount In ₹) | |
|---|----------------------|--------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Purchases | 3,45,15,688 | 2,58,00,857 |
| TOTAL | 3,45,15,688 | 2,58,00,857 |

| NOTE 22 - CHANGES IN INVENTORIES OF FINISHED GOODS , WIP | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Opening Stock | | |
| Finish Fabric | 1,05,619 | 11,40,825 |
| | 1,05,619 | 11,40,825 |
| Less : Closing Stock | | |
| Finish Fabric | 31,28,655 | 1,05,619 |
| | 31,28,655 | 1,05,619 |
| TOTAL | (30,23,036) | 10,35,206 |

| NOTE 23 - MANUFACTURING EXPENSES | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Other Manufacturing Expenses | | |
| TOTAL | - | - |

| Particulars | 31.03.2023 | 31.03.2022 |
|---|-------------------|-------------------|
| NOTE 24 - EMPLOYEE BENEFITS EXPENSES | | |
| Salary | 17,74,200 | 13,30,000 |
| TOTAL | 17,74,200 | 13,30,000 |

| NOTE 25 - FINANCE COSTS | (Amount In ₹) | |
|--------------------------------|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| Bank Charges | 2,524 | 18,683 |
| Interest to others | 2,663 | - |
| TOTAL | 5,187 | 18,683 |

| NOTE 26 - OTHER EXPENSES | (Amount In ₹) | |
|---|----------------------|-------------------|
| Particulars | 31.03.2023 | 31.03.2022 |
| A) ADMINISTRATIVE EXPENSES | | |
| BSE Charges | 3,54,000 | 6,10,620 |
| Office Expenses | 1,10,571 | 1,48,789 |
| Postage & Telegram | 14,824 | 17,067 |
| Professional Fees | 15,52,714 | 57,650 |
| Rent | 60,000 | 24,000 |
| RTA Fees and Expense | 1,01,524 | 35,000 |
| Printing and Stationery | 5,989 | 19,330 |
| Audit Fees | 25,000 | - |
| CDSL Charges | 53,100 | 77,110 |
| NSDL Charges | 53,100 | 53,644 |
| | 23,30,822 | 10,43,210 |
| B) SELLING & DISTRIBUTION EXPENSES | | |
| Commission & Brokerage Exp. | 13,33,940 | 11,86,677 |
| Grading Expenses | 32,613 | 45,698 |
| Packing Expenses | 19,745 | 30,803 |
| Freight & cartage | - | 48,880 |
| | 13,86,298 | 13,12,058 |



VANDANA KNITWEAR LIMITED
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| | | |
|--------------|------------------|------------------|
| TOTAL | 37,17,120 | 23,55,268 |
|--------------|------------------|------------------|

For S.N. Kabra & Co
Chartered Accountants

For Board of Directors of Vandana Knitwear Ltd.

CA Satyanarayan Kabra
F R No.: 003439C
M. No.: 072497

Naresh Kumar Gattani
Managing Director

Ranjana Gattani
Director

Date: 25/05/2023
Place: Indore

Kirti Agarwal
Company SEcretary

Archit Patodi
CFO

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- a) The financial Statements have been prepared under the historical cost convention of the basis of "Accrual Concept" and in accordance with generally accepted accounting and principles and the accounting standards referred under the companies Act 2013 as adopted consistently by the company.
- b) The Company generally follows mercantile system of accounting recognizes significant items of income and expenditure on accrual basis. The claims rate difference, Discounts interest on Debtors and creditors, gratuity & leave enchantment is unascertainable and accounted for as and when settled.

2. FIXED ASSETS AND DEPRECIATION:

- a) Fixed assets are stated at cost at acquisition including freight, excise local taxes and incidental expenses less accumulated depreciation.
- b) Depreciation on Fixed Assets i.e. provided on straight-line method at the rate and in manner prescribed in schedule XIV to companies Act, 2013.
- c) Depreciation on addition to assets or on sale/discernment assets, is calculated pro-rate from the month of such addition or up to the of such sale/discernment, as the case may be;
- d) Expenditure incidental to the expansion are accounted for in accordance with the conduce note on "Treatment of expenditure during construction period" issued by the institute of the Chartered Accountants or of India. The said expenditure is allocated to fixed assets in the year of commencement of the commercial production.

3. INVENTORY:

Inventories valuation has been done on following basis.

| | |
|---------------------|---|
| A. Raw Material | At Cost |
| B. Work in Progress | At Estimated Cost |
| C. Finish Goods | At Cost or net realizable value whichever is lower. |
| D. Store & Spares | At Cost |
| E. Packing Material | At Cost |

4. INVESTMENT:

Investments are stated at cost if any.

5. TAXATION:

Provision for current tax has been made on the basis income for the current accounting year as per the provision of Income tax Act, 1961.

The deferred tax for timing difference between the book and tax profits for the year is account for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax liabilities arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

6. REVENUE RECOGNITION:

Income and expenditure are accounted for on accrual basis except certain items like interest, rebate, discounts and claims on sales and insurance claims etc. where there is no reasonable certainty regarding the amount and or its collectability/ recognition.

7. MISC. EXPENDITURE:

Preliminary expenses have been written off in 5 years.

8. EMPLOYEE RETIREMENT BENEFITS:

- a) The liabilities in respect of gratuity has been not accounted as no one of the employees has completed qualified period of services to be entitled for gratuity as per policy of the company. The gratuity has been provided as and when paid.
- b) Contribution to provided fund and superannuating scheme accruing during each year as per the schemes are charges to profit and loss account

9. CONTINGENT LIABILITIES:

As explained by the Company that there is no contingent liability.

10. TREATMENT OF EXPENDITURE DURING CONSTRUCTION PERIOD:

- a. Pre-Operative expenses incurred on the new project/expansions are being determined separately and capitalized on the fixed assets Acquired.
- b. Expenses incurred for installation, Completion of construction and combining of plant capitalized during the year.

11. IMPAIRMENT OF ASSETS:

Factors giving rise to any indication of any impairment of the carrying amount of the company's assets are appraised at each balance sheet date to determined and provide / revert an impairment loss following the Accounting Standard AS-28 for impairment of assets. No impairment loss/ profit have been recognized during this year.

12. TRANSACTION IN FOREIGN CURRENCY ITEMS:

Foreign currency transaction in respect of fixed asset are restated at the exchange rate prevailing in the market at the end and the increase / decrease arising out of it is adjusted to the P&L account as per principles of Revised AS – 11 issued by ICAI. Foreign currency debtors are readjusted at the Balance Sheet date as per Revised AS – 11 issued by ICAI.

13. NOTES ON ACCOUNTS:

- a) Figures have been rounded off to the nearest rupees.
- b) Figure of the previous years have been regrouped, rearrange and reclassified wherever considered necessary to make them comparable with those for the current year.
- c) The Balances of sundry Debtors, creditors, unsecured loans and advances are subject to confirmation & reconciliation if any;
- d) Payment of Auditors Remuneration of Rs. 25000/- includes Tax Audit fees, Statutory audit fees, Vat Audit & consultancy charges.
- e) The Company has no employee drawing Rs. 850,000/- or more per month if employed for part of the year or Rs. 1,02,00,000/- or
- f) In the opinion of the management and to the best of their belief, the value on realization of loan and advances and other current assets during the ordinary course of business will not be

less than the amount stated in the Balance-Sheet and provision for all known liabilities has been made.

- g) Company has not received copies of the Memorandum filled with concerned authority by entities falling under the MSMED Act 2006. Company is unable to identify units as well as furnished details required under the said Act.

For S.N. Kabra & Co
Chartered Accountants

For Board of Directors of Vandana Knitwear Ltd.

CA Satyanarayan Kabra
F R No.: 003439C
M. No.: 072497

Naresh Kumar Gattani
Managing Director

Ranjana Gattani
Director

Date: 25/05/2023
Place: Indore

Kirti Agarwal
Company Secretary

Archit Patodi
CFO