

VANDANA KNITWEAR LIMITED

(Formerly known as Trendy Knitwear Limited)

18th Annual Report

2012-13

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VANDANA KNTWEAR LIMITED

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BOARD OF DIRECTORS

Mukesh Gadiya	-	Chairman & Managing Director
Babulal Khimraj Jain	-	Promoter & Executive Director
Satya Narayan Gadiya⁽¹⁾	-	Independent & Non-Executive Director
Pradeep Saremal Jain	-	Independent & Non-Executive Director
Pawan Mandowara	-	Independent & Non-Executive Director
Manish Tamboli⁽²⁾	-	Additional Director
Nidhi Gupta	-	Company Secretary

BOARD COMMITTEES

AUDIT COMMITTEE

Satya Narayan Gadiya⁽¹⁾	-	Chairman
Manish Tamboli⁽²⁾	-	Chairman
Babulal Khimraj Jain	-	Member
Pradeep Saremal Jain	-	Member

SHARE TRANSFER / INVESTOR GRIEVANCES REDRESSAL COMMITTEE

Satya Narayan Gadiya⁽¹⁾	-	Chairman
Manish Tamboli⁽²⁾	-	Member
Babulal Khimraj Jain⁽³⁾	-	Chairman
Pradeep Saremal Jain	-	Member

REMUNERATION COMMITTEE

Satya Narayan Gadiya⁽¹⁾	-	Chairman
Manish Tamboli⁽²⁾	-	Member
Babulal Khimraj Jain	-	Member
Pradeep Saremal Jain⁽³⁾	-	Chairman

CHIEF EXECUTIVE OFFICER

Mr. Babulal Khimraj Jain

COMPLIANCE OFFICER

Mr. Pradeep Saremal Jain

STATUTORY AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE ADDRESS

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

BANKERS

Axis Bank Ltd.
Dena Bank

⁽¹⁾ Resigned from the Directorship of the Company with effect from 4th October, 2012.

⁽²⁾ Appointed as an Additional Director of the Company with effect from 4th October, 2012.

⁽³⁾ Appointed as Chairman of the Committee after the resignation of Mr. Satya Narayan Gadiya i.e. w.e.f. 4th October, 2012.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18th **Annual General Meeting** of the Members of **VANDANA KNITWEAR LIMITED (formerly known as Trendy Knitwear Limited)** will be held on Saturday, the 28th day of September, 2013 at 9.30 A.M. at Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad, Andhra Pradesh – 500 095 for transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2013 and the statement of Profit and Loss Statement & the Cash Flow statement for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Babulal Khimraj Jain, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pawan Mandowara, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. S. N. Kabra & Co., Chartered Accountants, the retiring Auditors, as the Statutory Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To appoint Mr. Manish Tamboli as Director and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** Mr. Manish Tamboli, who was appointed as an Additional Director, pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from one of its Member proposing his candidature for the office of Director under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

sd/-

**PLACE: HYDERABAD
DATE: 12th August, 2013**

**Mukesh Gadiya
(Chairman & Managing Director)**

NOTES:

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The duly stamped, filled and signed instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting.

3. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
4. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. Members desiring any information with regards to the accounts are requested to write to the Company at least 10 (ten days) prior to the date of meeting to enable the Management to keep the information ready at the meeting.
6. All the documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company between 10.30 A.M. to 12.30 P.M. on all working days from the date hereof up to the date of meeting.
7. Members are informed that in case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
8. Members are requested to immediately intimate change of Address / bank mandate, if any, to their respective Depository Participants (DP) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agents, in respect of their physical share folios.
9. Members having shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to the Company's Registrars and Transfer Agents, for consolidation into single Folio.
10. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
11. Profiles of the Directors seeking re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, is annexed to this notice.
12. The Register of Members and Share Transfer Books of the Company shall remain closed from **Tuesday, 24th September, 2013 to Saturday, 28th September, 2013** (both days inclusive).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

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

ITEM NO. 5

To broad base the Board of Directors and to comply with the requirement of Clause 49 of the Listing Agreement, Mr. Manish Tamboli was appointed as an Additional Director of the Company in the category of Non-executive Independent Director w.e.f. 4th October, 2012. As per the provisions of Section 260 of the Act read with Article 96 of the Articles of Association of the Company, an Additional Director shall hold office only upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Mr. Manish Tamboli for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

It will be in interest of the Company that Mr. Manish Tamboli is appointed as Director, who if appointed, shall be liable to retire by rotation, in accordance with the provisions of Articles of Association of the Company.

A brief Resume of Mr. Manish Tamboli, nature of expertise in specific functional areas and names of other Companies in which he holds Directorships and memberships /Chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement signed by the Company with the Stock Exchange in India, are provided in Report of Corporate Governance forming part of the Annual Report.

Save and except Mr. Manish Tamboli, none of the other Directors of the Company, are in any way, concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution for approval.

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

sd/-

**PLACE: HYDERABAD
DATE: 12th August, 2013**

**Mukesh Gadiya
(Chairman & Managing Director)**

VANDANA KNIWEAR LIMITED

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**Details of Directors seeking Appointment / Re-appointment in the forthcoming Annual General Meeting
(in pursuance of Clause 49 of Listing Agreement)**

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the directors who are proposed to be appointed / re-appointed at the ensuing Annual General Meeting to be held on 28th September, 2013:

NAME OF DIRECTOR	MR. BABULAL KHIMRAJ JAIN	MR. PAWAN MANDOWARA	MR. MANISH TAMBOLI
DIN	02387803	03201119	02786180
Age	62 years	29 Years	35 Years
Date Of Appointment	20 th May, 1997	10 th Nov, 2011	4 th Oct, 2012
Designation	Director	Director	Director
Expertise in specific functional area	Trading of hosiery Goods, readymade garments, gold, silver, jewellery and other commodity	Finance, Accounts, Audit & Taxation	Finance, Accounts, Audit & Taxation
Qualification	Secondary Education	B. Com, CA	B. Com, CA
Directorship in other Public Limited Companies as on 31/03/2013	NIL	NIL	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2013	NIL	NIL	NIL
Share holding in the Company	55,99,980 Shares	NIL	NIL

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

sd/-

PLACE: HYDERABAD
DATE: 12th August, 2013

Mukesh Gadiya
(Chairman & Managing Director)

DIRECTORS' REPORT

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

Your Directors have pleasure in submitting their Report for the year ended 31st March, 2013:

1. FINANCIAL HIGHLIGHTS

(Amount in Rs.)

Particulars	2012-13	2011-12
Total Income	4,39,12,132	2,01,37,552
Total Expenditure	4,21,85,615	1,85,92,003
PROFIT BEFORE TAX	17,26,517	15,45,549
Less: Provision of Taxation Including Deferred Tax	5,88,365	5,02,661
PROFIT AFTER TAX (PAT)	11,38,152	10,42,888
Add: Balance Brought Forward From Previous Year	(19,10,230)	(29,54,358)
Add: Excess / (Short) Provision for taxation for Earlier year written back	(2,969)	(1,240)
Balance Carried To Balance Sheet	(7,69,109)	(19,10,230)

2. STATE OF COMPANY'S AFFAIRS:

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

During the year under report, the company marked its income from operation by earning Rs 39,215,000 as against of Rs 15,186,010 previous year. The profit after tax (PAT) went up to Rs 11,41,121 in financial year 2012-13 From Rs. 10,44,128 in financial year 2011-12.

3. DIVIDEND

Due to accumulated losses of the Company your Directors do not recommend any dividend for the year under report.

4. DIRECTORS

Retire by Rotation

Mr. Babulal Khimraj Jain and Mr. Pawan Mandowara, Directors of the Company whose period of office is liable to retire by rotation pursuant to the provisions of Companies Act, 1956 and Articles of Association of the Company retires by rotation and being eligible offer themselves for re-appointment.

A brief Resume of Director (Mr. Babulal Khimraj Jain and Mr. Pawan Mandowara) eligible for re-appointment alongwith the additional information required under Clause 49 (VI)(A) of the Listing Agreement is included in the Report on Corporate Governance.

Appointment of Additional Director

Mr. Manish Tamboli was appointment as an Additional Director at the Board Meeting held on 4th October, 2012. The Board received a notice u/s 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Manish Tamboli as a Director. In view of this the Board recommends his appointment as a regular Independent Director of the Company liable

to retire by rotation.

The Details are furnished in Explanatory Statement annexed to the Notice calling AGM.

5. AUDITORS AND AUDITORS' REPORT

The Auditors, M/s S. N. Kabra & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, has offered themselves for re-appointment.

The Company had received letters from M/s S. N. Kabra & Co., Chartered Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the Act.

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

6. FIXED DEPOSITS

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

7. CORPORATE GOVERNANCE

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

8. PARTICULARS OF EMPLOYEES

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

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

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

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

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year ended 31st March, 2013 and of profit of the Company for that year;
3. The Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the Annual Accounts on a 'going concern' basis.

11. LISTING FEES

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

12. ENVIRONMENT AND POLLUTION CONTROL:

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

13. CODE OF CONDUCT COMPLIANCE: