

VANDANA KNITWEAR LIMITED

(Formerly known as Trendy Knitwear Limited)

**20th Annual Report and Accounts
2014-15**

BOOK POST

If undelivered, please return to
VANDANA KNITWEAR LIMITED
4-1-223, Hanuman Takdi, Bank Street,
Hyderabad Andhra Pradesh - 500095
Tel. No. : 040-24763322,

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BOARD OF DIRECTORS

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

BOARD COMMITTEES

AUDIT COMMITTEE

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

STAKEHOLDER RELATIONSHIP COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

INTERNAL AUDITOR

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

COMPLIANCE OFFICER

Pradeep Saremal Jain

CHIEF EXECUTIVE OFFICER

Babulal Khimraj 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,
Telengana – 500 095
Web Address: www.trendyknitwearlimited.com
E-mail ID: trendyknitwear@gmail.com

BANKERS

Axis Bank Ltd.
Dena Bank

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twentieth Annual General Meeting** of the Members of **VANDANA KNITWEAR LIMITED (formerly known as Trendy Knitwear Limited)** will be held on Tuesday, 29th day of September, 2015 at 10:00 A.M. at its Registered Office at Jain Dharamshala, Next to Axis Bank, Hanuman Takdi, Bank Street, Hyderabad, Telangana – 500 095 for transacting the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at March 31st, 2015 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Babulal Jain (DIN: 02387803), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/s. S. N. Kabra & Co, Chartered Accountants are eligible for re-appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

SPECIAL BUSINESS

4. APPOINTMENT OF MS. BHUNESHWARI AS AN EXECUTIVE DIRECTOR

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Ms. Bhuneshwari (DIN: 07019169), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company by the Board of Directors with effect from 30th March, 2015 and who was holding office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from Mukesh Gadia under Section 160 of the Act, proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Executive Director of the Company to hold office for a term of five years from the conclusion of this Annual General Meeting till 30th March, 2020, not liable to retire by rotation at a monthly remuneration of Rs. 12,000/-”

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

**PLACE: HYDERABAD
DATE : 14/08/2015**

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

NOTES:

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

13. As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company
14. Profiles of the Directors seeking re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, is annexed to this notice.
15. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).

16. Procedure For E-voting

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

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

For Members holding shares in Demat Form and Physical Form

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to logon to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) The voting period begins on 23.09.2015(9.30am) and ends on 25.09.2015(5.30pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 25th September, 2015.
- (xxi) Ms. Sunita Manish Agarwal, Practicing Company Secretaries (Membership No.23524 CP No.10097) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.atharventerprises.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

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

ITEM NO. 4

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

To comply with the requirement of having female director on the board of the Company, the Directors, appointed Ms. Bhuneshwari (an existing employee of the Company) as an Additional Director of the Company with effect from 30th March, 2015, pursuant to Section 161 of the Companies Act, 2013, read with the rules framed thereunder and the Articles of Association of the Company.

In terms of the provisions of Section 161 of the Companies Act, 2013, Ms. Bhuneshwari will hold office up to the date of the ensuing Annual General Meeting.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from Mukesh Gadia along with requisite deposit, proposing the appointment of Ms. Bhuneshwari as a Director of the Company.

Ms. Bhuneshwari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as an Executive Director of the Company for a term up to 5 (five) consecutive years on the Board of a company, liable to retire by rotation.

The Company has received a declaration from Ms. Bhuneshwari that she is not disqualified from being appointed as a Director of the Company. Keeping in view her expertise and knowledge, it will be in the interest of the Company that Ms. Bhuneshwari be appointed as Director. Copy of the draft letter for appointment of Ms. Bhuneshwari as Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company. Her qualification is PHD Hindi Literature and having experience of Administration and Management.

Save and except Ms. Bhuneshwari, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

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

**PLACE: HYDERABAD
DATE : 14/08/2015**

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

ANNEXURE TO THE NOTICE OF 20TH AGM

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 29th September, 2015:

NAME OF DIRECTOR	Mr. Babulal Jain	Ms. Bhuneshwari
DIN	02387803	07019169
AGE	64 years	33 years
DATE OF APPOINTMENT	20/05/1997	30/03/2015
Designation	Director	Director
Expertise in specific functional area	Trading of hosiery goods, readymade garments, gold, silver, jewellery and other commodity.	Administration and management 5 years.
Qualification	Secondary Education	PHD Hindi Literature
Directorship in other Public Limited Companies as on 31/03/2015	NIL	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2015	NIL	NIL

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

**PLACE: HYDERABAD
DATE : 14/08/2015**

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

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, 2015:

1. FINANCIAL PERFORMANCE

Particulars	(Amount in Rs.)	
	2014-15	2013-14
Total Income	4,16,33,434	4,68,25,009
Total Expenditure	3,99,33,923	4,47,29,700
PROFIT BEFORE TAX	16,99,511	20,95,309
Less: Provision of Taxation Including Deferred Tax	5,80,000	6,80,000
PROFIT AFTER TAX (PAT)	11,19,511	14,15,309
Add: Balance Brought Forward From Previous Year	6,51,130	(7,69,109)
Add: Excess / (Short) Provision for taxation for Earlier year written back	(30,903)	(4,930)
Balance Carried To Balance Sheet	17,96,299	6,51,130

2. STATE OF COMPANY'S AFFAIRS:

The net revenue from the operations of the Company decreased from Rs. 468 lacs to Rs. 416 Lacs. The Profit before tax for the year is Rs. 16.99 Lacs as against Rs. 20.95 Lacs of previous year.

3. DIVIDEND

Following the conservative approach to retain profits, your directors did not recommend payment of any dividend for the financial year 2014-15.

4. DECLARATION OF INDEPENDENCE BY DIRECTORS

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

5. MANAGEMENT AND BOARD OF DIRECTORS

During the year, Ms. Bhuneshwari was appointed as an Additional Director on the Board of the company w.e.f. 30.03.2015, and subject to the approval of the members at the ensuing Annual General Meeting her appointment is being regularized as Executive Director on the terms and conditions as mentioned in the resolution in the Notice.

Mr. Babulal Jain, Director of the Company whose period is liable to retire by rotation pursuant to the provisions of the Companies Act, 2013 and the Articles of Association of the Company retires by rotation in the ensuing AGM and being eligible, offers himself for re-appointment.

6. AUDITORS

> Statutory Auditors

As per the provisions of Section 139 of the Companies Act, 2013, M/s S. N. Kabra & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company till the conclusion of the 22nd Annual General Meeting (AGM) to be held in the year 2017, subject to the ratification of their appointment at every AGM. As such the appointment of M/s S. N. Kabra & Co. as the statutory auditors of the Company has been put forth in the ensuing Annual General Meeting.

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

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

> Secretarial Auditor

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

In consonance with the requirements of Section 204 of the Companies Act, 2013 and rules made thereunder, Ms. Sunita Agarwal, Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the financial year 2014-15.

An Secretarial Audit Report issued by Ms. Sunita Agarwal, Practicing Company Secretary, in respect of the secretarial audit of the Company for the financial year ended 31st March, 2015, is given as an Annexure to this Report.

The Secretarial Audit report for the financial year ended 31st March, 2015 is self explanatory and does not call for any further comments.

The Board has re-appointed Ms. Sunita Agarwal, Practicing Company Secretary, as Secretarial Auditor of the Company to carry out secretarial audit of the Company for the financial year 2015-16.

> Internal Auditor

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

In consonance with the aforementioned, M/s Ajay Gangrade & Co. Chartered Accountants, Indore was appointed to conduct the Internal Audit of the Company for the financial year 2014-15.

The Internal Audit report for the financial year ended 31st March, 2015 is self-explanatory and does not call for any further comments.

The Board re-appointed M/s Ajay Gangrade & Co., Chartered Accountants, as the Internal Auditor of the Company for the financial year 2015 -16.

7. RELATED PARTY TRANSACTIONS

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

8. FIXED DEPOSITS

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

9. 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.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, 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.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures from the same;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. LISTING FEES

The shares of the Company are listed on Bombay Stock Exchange Ltd. (BSE) and the Listing Fee for the year 2014-15 had been duly paid.

13. 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.

14. CODE OF CONDUCT COMPLIANCE:

Pursuant to Clause-49 of the Listing Agreement, the declaration signed by the Mr. Babulal Jain, Chief Executive Officer, affirming compliance with the Code of Conduct by the Director's and senior management personnel, for the financial year 2014-15 is annexed and forms part of the Directors and Corporate Governance Report.

15. WHISTLE BLOWER POLICY

As required under section 177(9) of the Companies Act read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, 2013 and Clause 49 of the Listing Agreement, company has established a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

It provides mechanism for the directors and employees to report violations without fear of victimization of any unethical behavior, suspected or actual fraud, violation of the code of conduct etc. which are detrimental to the organization's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website www.trendyknitwearlimited.com

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

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

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

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

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

16. EMPLOYEE REMUNERATION

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

17. MANAGEMENT DISCUSSION & ANALYSIS

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

18. EXTRACT OF THE ANNUAL RETURN

Relevant extract of annual return in form no. MGT-9 as on the financial year ended on March 31, 2015 is given in Annexure to this Report.

19. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31st March, 2015 is annexed hereto.

20. ACKNOWLEDGEMENT

Your Board acknowledges with appreciation, the invaluable support provided by the Company's stakeholders, auditors, advisors and business partners, all its customers for their 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.

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

**PLACE: HYDERABAD
DATE : 14/08/2015**

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

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015**
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015, according to the provisions of:

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

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

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

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

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that

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

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

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

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

Place: Mumbai
Date: 30.06.2015

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

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

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

**PLACE: HYDERABAD
DATE : 14/08/2015**

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