

TREND ELECTRONICS LIMITED



ANNUAL REPORT
2015-16

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vivek D. Dharm
Mr. Subhash S. Nabar
Mr. Chandrakant S. Jyoti
Mrs. Smita V. Dharm

AUDITORS

KHANDELWAL JAIN & CO.

Chartered Accountants
12-B, Baldota Bhavan, 117, Maharshi Karve Road, Opp.
Churchgate Railway Station, Mumbai – 400 020.

KADAM & CO.

Chartered Accountants
“Vedant”, 8/9, Viraj Estate, Opp. Tarakpur Bus Stand,
Ahmednagar- 414 003.

COMPANY SECRETARY

Mr. Kaustubha A. Sahasrabudhe

REGISTERED OFFICE AND MANUFACTURING FACILITY

20 K.M. Stone, Aurangabad-Beed Road, Village: Bhalgaon,
Aurangabad – 431 210 (Maharashtra)

BANKERS

- Canara Bank
- Central Bank of India
- Indian Bank
- Kotak Mahindra Bank Limited
- Punjab National Bank
- State Bank of Hyderabad

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NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the members of **TREND ELECTRONICS LIMITED** (the "Company") will be held on Monday, 26th September, 2016 at the Registered Office of the Company at 20 K. M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial period ended 31st March, 2016, the Audited Balance Sheet as at that date and the Cash Flow Statement together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Smita V. Dharm (DIN: 07144712), who retires by rotation, and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Auditors, and fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai (Firm Registration No.105049W) and M/s. Kadam & Co., Chartered Accountants, Ahmednagar (Firm Registration No. 104524W), as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. the 26th Annual General Meeting until the conclusion of the 27th Annual General Meeting on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and ratify the remuneration to be paid to Mr. Jayant B. Galande, (Membership No. 5255), Cost Auditor of the Company, and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any amendment thereto or re-enactment thereof for the time being in force) Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-Time Practice, Aurangabad, who was appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the audit of cost accounting records of the Company for the financial year commencing on 1st April, 2016, at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only) excluding service tax, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed."

5. To take on record the appointment of Mr. Chandrakant Sidram Jyoti (DIN: 03375482), Independent Director appointed in Casual Vacancy and to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Rules made thereunder the members of the Company do hereby take on record the appointment of Mr. Chandrakant Sidram Jyoti (DIN: 03375482), as an Independent Director appointed in Casual Vacancy caused by the resignation of Mr. Bhopinder J. Chopra, to hold office upto the date upto which Mr. Bhopinder J. Chopra would have held office if he had not resigned."

**By order of the Board of Directors of
TREND ELECTRONICS LIMITED**

**KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
ACS 21165**

Registered Office:

20 K. M. Stone, Aurangabad- Beed Road,
Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra).
CIN: L99999MH1989PLC052233
E-mail Id: secretarial_trend@videconmail.com
Website: www.trendelectronics.in
Tel. No.: +91-240-2644507 / 9 / 10 / 12
Fax No.: +91-240-2644506

NOTES:

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013 READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**
2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.
3. Copies of the Notice of 26th Annual General Meeting together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company / Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares in physical form and whose names appear in the Company's Register of Members on Saturday, 13th August, 2016 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 12th August, 2016 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode.
4. Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Director seeking re-appointment / confirmation at the ensuing Annual General Meeting is appended to this Notice.
5. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
6. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by attendance slip, which is annexed to the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
7. Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the attendance slip and bring their attendance slip, as enclosed, alongwith their copy of Annual Report to the Meeting.
8. The businesses set out in this Notice are also being conducted through remote e-voting. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and

- Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. Please note that the voting through electronic mode is optional. The Members who have casted their votes through remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but they shall not be allowed to vote again at the Meeting. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Meeting apart from providing remote e-voting facility for all those members who are present at the Meeting but have not casted their votes by availing the remote e-voting facility.
9. In case of joint holders attending the Meeting, and who have not exercised their right to vote by remote e-voting facility, only such joint holder who is higher in the order of names shall be entitled to vote.
 10. The remote e-voting facility shall be opened from Friday, 23rd September, 2016 at 9.00 a.m. to Sunday, 25th September, 2016 till 5.00 p.m., both days inclusive. Detailed instructions of remote e-voting forms part of this Notice. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Sunday, 25th September, 2016. During the period when facility for remote e-voting is provided, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date / entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the Member, he shall not be allowed to change it subsequently or cast the vote again.
 11. The Notice of the Meeting is being placed on the website of the Company viz., www.trendelectronics.in and on the website of CDSL viz., www.cdslindia.com.
 12. Mrs. Kanchan A. Kakade, (CP No. 11999) Company Secretary in Whole-Time Practice or failing her Mr. Mangesh M. Kamble, (CP No. 9621) Company Secretary in Whole-Time Practice, has been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting and remote e-voting process in a fair and transparent manner.
 13. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.trendelectronics.in and on the website of CDSL at www.cdslindia.com, immediately after the results are declared by the Chairman.
 14. The Company has fixed Monday, 19th September, 2016, as the cut-off date / entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off / entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting.
 15. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date / entitlement date i.e. Monday, 19th September, 2016, may obtain the User ID and Password by sending an e-mail request to secretarial_trend@videoconmail.com. Members may also call on +91 22 6611 3658 or send a request to The Company Secretary, by writing to him at Trend Electronics Limited at 2nd Floor, Fort House, Dr. D N Road, Fort, Mumbai- 400 001.
 16. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Monday, 19th September, 2016, the cut-off date / entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.
 17. The Register of Members and Share Transfer Books shall remain closed from Wednesday, 14th September, 2016 to Monday, 26th September, 2016 (both days inclusive) for the purpose of the Meeting.
 18. The Company has transferred the unclaimed dividend for the financial year 2007-2008 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed dividend warrant(s) for the subsequent years are requested to contact M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, for seeking issue of duplicate warrant(s). Members are requested to note that no claims shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and no payment shall be made in respect of any such claims. The details of the unpaid / unclaimed dividend as on 27th June, 2015 (the date of previous Annual General Meeting) are available on the Company's website www.trendelectronics.in and on the website of Ministry of Corporate Affairs at www.mca.gov.in.
 19. Members who hold shares in physical form, under multiple folios, in identical names or joint accounts in the same order or names, are requested to send the share certificates to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, for consolidation into a single folio.
 20. Members holding shares in physical form are requested to kindly notify any change in their address(es) to the Company, so as to enable the Company to address future communications to their correct address(es). Members holding shares in electronic form are requested to notify any change in their address(es) to their respective Depository Participant(s).
 21. Non-Resident Indian Members are requested to inform M/s. MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company, immediately, of change in their residential status on return to India for permanent settlement together with the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
 22. The equity shares of the Company are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e., NSDL and CDSL. Taking into consideration the enormous advantages offered by the Depository System, Members are requested to avail the facility of dematerialization of the Company's shares on either of the Depositories, as aforesaid.
 23. The relevant documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days between 12.00 noon to 3.00 p.m. upto the date of the Meeting.
 24. Members desiring any information as regards to the Financial Statements / Directors' Report are requested to write to the Company at an early date so as to enable the Management to reply at the Meeting.
 25. The Annual Report of the Company will be made available on the Company's website www.trendelectronics.in.
 26. Members may address their queries / communications at secretarial_trend@videoconmail.com
 27. Members are requested to kindly bring their copy of the Annual Report to the Meeting.
 28. GREEN INITIATIVE: Securities and Exchange Board of India & the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment. E-mail communications to the shareholders will result in multiple benefits as under:
 - a. Timely receipt of all communications without any transit loss.
 - b. Helping in protecting environment and conservation of resources.
 - c. Easy storage in soft copy, thereby eliminating the requirement of storage of bulky documents for subsequent reference.
- The Company will simultaneously display full text of the Annual Report and other shareholders' communications on its website, www.trendelectronics.in, as soon as the same is e-mailed to the shareholders and will also be made available for inspection at the Registered Office of the Company during the office hours.
- Members holding shares in physical mode are requested to register their e-mail ID's with M/s. MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective

Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Registrar and Share Transfer Agent of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form.

REMOTE E-VOTING INSTRUCTIONS

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted is as under:

- (i) The voting period begins on Friday, 23rd September, 2016 at 9.00 a.m. and ends on Sunday, 25th September, 2016 at 5.00 p.m. (both days inclusive). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date / entitlement date i.e. Monday, 19th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (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 | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 8 digits of the sequence number, given below on attendance slip, in the PAN field. In case the sequence 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>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.</p> <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 (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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 **TREND ELECTRONICS LIMITED** 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 a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app viz., m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 the 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.
- (xx) 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
- (xxi) Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date / entitlement date i.e. Monday, 19th September, 2016, may obtain the User ID and Password by sending an email request to secretarial_trend@videoconmail.com. Members may also call on +91 22 6611 3658 or send a request to The Company Secretary, by writing to him at Trend Electronics Limited at 2nd Floor, Fort House, Dr. D N Road, Fort, Mumbai- 400 001.

**By order of the Board of Directors of
TREND ELECTRONICS LIMITED**

**KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
ACS 21165**

Place: Mumbai
Date: 13th August, 2016

A STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment of Mr. Jayant B. Galande, (Membership No. 5255) Cost Accountant in Whole-time Practice, Aurangabad, as the Cost Auditor of the Company to conduct the Audit of the Cost Accounting Records of the Company for the financial year commencing from 1st April, 2016 and fixed a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding service tax and other taxes, travelling and other out-of-pocket expenses at actual, to Mr. Jayant B. Galande for the financial year commencing from 1st April, 2016.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor shall be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee and the same shall be subsequently ratified by the shareholders of the Company at a general body meeting.

Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out in item 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year commencing from 1st April, 2016.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concern or interested financially or otherwise, in this resolution. The Board recommends an Ordinary Resolution set out at item No. 4 of the Notice for the approval of the members.

Item No. 5:

Mr. Chandrakant Sidram Jyoti (DIN: 03375482) was appointed as an Independent Director at the Board meeting held on 29th January, 2016 to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. In terms of the provisions of Section 161 of the Companies Act, 2013, and Rules made there under, he holds office of Director upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated. Accordingly, Mr. Chandrakant Sidram Jyoti shall hold office of Director upto the date Mr. Bhopinder J. Chopra would have hold office if he had not resigned.

The Company has received from Mr. Chandrakant Sidram Jyoti (1) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (2) intimation in Form DIR-8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the

Companies Act, 2013 and (3) a declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

A brief profile of Mr. Chandrakant Sidram Jyoti, nature of expertise in specific functional area, name of other public companies in which he holds directorship and membership / chairmanship of the committees of the Board of Directors and the particulars of the shareholding and the relationship between the Directors, key managerial personnel and manager of the Company as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements), Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India is appended to the Notice.

In the opinion of the Board of Directors, Mr. Chandrakant Sidram Jyoti, an Independent Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management.

All the relevant documents in connection with the appointment of Mr. Chandrakant Sidram Jyoti, are available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on working days upto the date of the Meeting.

As per the provisions of the Companies Act, 2013, the Company is not required to seek approval from shareholders for confirming the appointment of Mr. Chandrakant Sidram Jyoti who was appointed in casual vacancy. However, as a matter of abundant caution, the Board thought it fit to seek approval from shareholders to that effect. Accordingly, the shareholders are requested to take on record the appointment of Mr. Chandrakant Sidram Jyoti as an Independent Director appointed in casual vacancy.

No Director, Key Managerial Personnel or their relatives, except Mr. Chandrakant Sidram Jyoti, to whom the resolution relates, is interested or concerned in this resolution.

**By order of the Board of Directors of
TREND ELECTRONICS LIMITED**

**KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
ACS 21165**

Place: Mumbai
Date: 13th August, 2016

BRIEF PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT / CONFIRMATION AT THE ENSUING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015) READ WITH SECRETARIAL STANDARD 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

| PARTICULARS | PROFILE OF THE DIRECTOR | |
|--|--|--|
| Name of the Director | Mrs. Smita V. Dharm | Mr. Chandrakant Sidram Jyoti |
| DIN | 07144712 | 03375482 |
| Date of Birth | 27 / 11 / 1970 | 20 / 01 / 1963 |
| Age (in years) | 45 Years | 53 Years |
| Educational Qualification | Bachelor of Commerce | Bachelor of Commerce M.B.A with specialization in Marketing & HR. |
| Date of Appointment | 31st March, 2015 | 29th January, 2016 |
| Category of the Director | Non Executive – Non Independent | Independent |
| Terms and Conditions of re-appointment / confirmation along with the details of remuneration sought to be paid | Mrs. Smita V. Dharm shall be Non Executive – Non Independent, liable to retire by rotation and shall not draw any remuneration and shall be eligible to get the sitting fees for attending the meetings of the Board of Directors of the Company as per the Articles of Association of the Company. Mrs. Smita V. Dharm shall perform such functions and duties as provided in the Companies Act, 2013 and the Rules made there under. | Mr. Chandrakant Sidram Jyoti was appointed as an Independent Director at the Board meeting held on 29th January, 2016 to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. In terms of the provisions of Section 161 of the Companies Act, 2013, and Rules made there under, he shall hold office of Director upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated. Accordingly, he shall hold office of Director upto the date Mr. Bhopinder J. Chopra would have held office if he had not resigned. He shall not be liable to retire by rotation and shall not draw any remuneration and shall be eligible to get the sitting fees for attending the meetings of the Board and Committees of the Board of Directors of the Company as per the Articles of Association of the Company. He shall perform such functions and duties as provided in the Companies Act, 2013 and the Rules made there under. |
| Remuneration last drawn, if any | Nil | Nil |
| No. of Board Meetings attended during the period | 1 | 2 |
| Area of expertise / senior position held / work experience | She has more than a decade of experience in various fields like marketing, management, etc. | He has rich experience in fields of Human Resources, Customer Service, Sales, Marketing & Administration. He has won several accolades like CETMA (Consumer Electronics and Television Manufacturers' Association). |
| Names of other Public Limited Companies in which the Director holds directorships | Nil | Techno Kart India Limited |
| Names of other Companies in which Director is Chairman of the Committees* | Nil | Techno Kart India Limited (Audit Committee) |
| Names of other Companies in which Director is Member of the Committees* | Nil | Nil |
| Number of Shares held | Nil | Nil |
| Relationships inter-se between Directors, Key Managerial Personnel and Mangers of the Company | Relative- Mr. Vivek D. Dharm | Nil |

*Committee Chairmanship / Membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty-Sixth Annual Report together with the Audited Accounts and Auditors' Report for the financial period ended on 31st March, 2016.

FINANCIAL HIGHLIGHTS

The performance of the Company, for the financial period ended on 31st March, 2016, is summarized below:

(₹ in Million)

| Particulars | 15 months Ended on 31st March, 2016 | Year Ended on 31st December, 2014 |
|---|--|--------------------------------------|
| Net Sales | 18,749.56 | 14,768.79 |
| Other Income | 44.86 | 57.50 |
| Total Income | 18,794.42 | 14,826.29 |
| Profit / (Loss) Before Finance Costs, Depreciation and Tax | 1,032.36 | 490.96 |
| Finance Costs | 1,108.18 | 720.46 |
| Depreciation and Amortization | 306.57 | 218.09 |
| Profit / (Loss) Before Tax | (382.39) | (447.59) |
| Profit / (Loss) for the period/ year | (229.76) | (347.79) |

The financial period under review is for a period of 15 months commencing from 1st January, 2015 to 31st March, 2016 and the previous financial year was for 12 months commencing from 1st January, 2014 to 31st December, 2014, hence the figures are not comparable.

PERFORMANCE REVIEW

The year 2015-16 showed a steady growth in the Set Top Box (STB) market. Rise in disposable income along with high penetration of television in rural India is driving the Indian STB market. The introduction of High Definition (HD) channels and Smart TVs has led to an increase in digital TV viewing which in turn will hike the growth of the STB market.

The Core Advisory Group for Research and Development in Electronics Hardware (CAREL) has identified STBs as one of the six products to be designed, developed and manufactured indigenously. STB industry provides a huge potential for economic activity, employment generation and saving valuable foreign exchange and increase in the revenue for the government.

For the 15 months period ended on 31st March, 2016, the Company has earned a total income of ₹ 18,794.42 Million as against ₹ 14,826.29 Million for the previous year. Total Expenditure amounted to ₹ 19,176.81 Million as against ₹ 15,273.88 Million for the previous year. The Company has incurred a net loss of ₹ 229.76 Million as against a loss of ₹ 347.79 Million for the previous year.

CHANGE IN NATURE OF BUSINESS

During the period under review, there was no change in the nature of business of the Company.

DIVIDEND

In view of the loss incurred by the Company, the Board of Directors do not recommend any dividend for the financial period ended on 31st March, 2016.

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to any reserve.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of ₹ 2,21,162/- in respect of unpaid / unclaimed dividend for the Financial Year 2007-08 to the Investor Education And Protection Fund.

ISSUES / ALLOTMENT

During the period under review, the Board of Directors of the Company at their Meeting held on 30th March, 2016, have allotted 1,00,00,000 (One Crore) Non Convertible, Non Cumulative, Non Participating Redeemable Preference Shares of ₹ 100/- each at par aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore Only) on private placement basis in terms of the resolution passed by the members at the Annual General Meeting held on 27th June, 2015.

FIXED DEPOSITS

Your Company has not accepted any Deposit within the meaning of Chapter V of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRED AFTER THE BALANCE SHEET DATE

No material changes and commitments affecting the financial position of the Company occurred after the Balance Sheet date and as at the date of signing of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees given and investments made during the period from 1st January, 2015 to 31st March, 2016 as required under Section 186 of Companies Act, 2013, are provided in Notes 11 and 32 (ii) of the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS AS PER SECTION 188(1)

All the related party transactions are entered on arm's length basis, in ordinary course of business and are in compliance with the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel, etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. However, the details of transactions with Related Party are provided in Company's Financial Statements in accordance with the Accounting Standards.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's weblink <http://www.trendelectronics.in/image/trend/Trend%20Related%20Party%20Transaction%20Policy.pdf>.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Venture and Associate Company.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has in place the Nomination and Remuneration Committee. The Company has further formulated the Nomination and Remuneration Policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The other details form part of the Corporate Governance Report.

EMPLOYEES REMUNERATION

In terms of the provisions of Section 197(12) of the Act read with Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, together with the notification dated 30.06.2016 issued by the Ministry of Corporate Affairs, a statement showing (i) names and other particulars of Top Ten employees and employees drawing remuneration in excess of the limits set out in the said Rules and (ii) the ratio of the remuneration of each director to the median employee's remuneration are provided in Annexure 1 and 2 of the Directors' Report respectively.

CONSERVATION OF ENERGY

Energy conservation is the quickest, cheapest and most practical method of overcoming energy shortage. It is the goal to reduce the amount of energy required to provide products and services. The gap between demand and supply of energy can be narrowed by effective conservation and efficient utilization of the available energy resources. Your Company firmly believes that, the short term goals can be achieved by improving the energy efficiency as the same is probably the most cost saving technique in the present scenario.

The Company is trying to reduce the overhead costs with a goal to enhance energy conservation prospects in future with optimum utilisation of the natural resources. The Company is presently focusing on development of energy saving methods to avoid wastage of energy and trying to reduce energy consumption through various in-process innovations and adoption of best practices like machine productivity and improving the efficiency to reduce specific energy consumption.

The Research and Development Centre of the Company comprising of the In-house expert team under the valuable guidance of expert engineers continuously monitors and devise various means to conserve energy and identify methods for the optimum use of energy without affecting productivity.

Some of the specific measures undertaken by the Company for the conservation of energy are:

- Energy efficiency audit;
- Installation of electronic timers which has helped to cut down the electricity consumption;
- Proper ventilation at the Factory Premises that makes use of natural illumination and thereby reducing the usage of electric bulbs / tubes.
- Use of energy saving Lighting Systems;
- Addition and installation of newer generation Air Compressor that consume less power, yet can deliver more throughout;
- Regular maintenance and replacement of worn-out Machinery for optimum performance with reduction in power consumption;
- Use of dimmer switches;
- Recycling of papers, cups, cardboards and envelopes etc.;
- Display of charts at the premises, plant, office, showing the means for conservation of energy;
- Unplugging appliances when not in use or unused;
- Insulation of walls & ceilings;
- People involvement & Awareness programmes towards optimum utilization of natural resources at managerial as well as employee level;
- Inspection of machinery by the team of experts at regular intervals; and
- Encourage communications through e-mails.

The adoption of the above mentioned energy conservation measures have helped in proper monitoring and usage of energy, minimizing the wastage and increase in overall efficiency at every stage of power consumption which has resulted to maintain the cost of production at optimum level.

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The term "research and development" is widely linked to the concept of corporate innovation. Research and development (R&D) refers to investigative activities a business conducts to improve existing products and procedures or to lead to the development of new products and procedures. Your Company utilizes R&D to improve on product lines, growth through improvements and through the development of new goods and services.

In endeavour to keep pace with the changing technologies worldwide and to offer products with maximum durability at low cost, the Company pays utmost importance to R&D. The Company has in-house R&D Facility comprising of experts to help Company to stay at par with the latest technologies.

Primary function of the R&D department is to conduct researches for new products / new technologies and develop new solutions. Every product has its shelf life and the consumer's needs & tastes are always changing. In order to be competitive, the Company continuously has to be updated on such changing needs and has to find ways for new technologies and development of various products. The following key tasks are carried out as a continuous process, viz.:

- To include an evaluation of the need for the product before the design
- To ensure it is a functional product that customers want to use.

- Ensuring that, the newer products satisfy the consumer's aspirations, in terms of features & the product cost.
- The quality checks on products manufactured by the company.
- To ensure the products of the Company meet market standards.
- Aids to the company in staying competitive with others in the industry.
- To research and analyze the products other businesses are creating, as well as the new trends within the industry.
- Develop and update the products created by the Company.

Benefits derived from R & D Activities:

Some advantages of research and development are clear, such as the possibility for increased productivity or new product lines. R&D efforts lead to an improved type of business process – cutting marginal costs or increasing marginal productivity – it is easier to realize a competitive advantage.

The well focused R&D activities of the Company have resulted in introducing variety of models with superior technology and improved proficiency and reliability at right time and at right cost, which meet the needs of all the categories of the consumers. Because of these efforts only, the Company was successful in developing and launching the India's first 4K Set Top Box.

Further, the Company could also derive the following benefits:

- Launch Bluetooth Dongle, that can connect any Mobile device to the Set Top Box & use the Mobile device like the Remote Control.
- The company plans to introduce "Unlimited Recording" of the Video content from the Set Top Box, with "Time Shift" recording. This feature allows the subscriber to watch any program, while the Set Top Box can record the content from any other channel. As such, the subscriber can watch the recorded content at leisure.

Introduction of High Definition 4K Set-top Box with Digital Video Recording facility to record as much content as a subscriber wishes to:

- Development and production of Digital Direct Broadcast (DDB) technology in India with a broader convergence of TV, D2H, Internet and Cloud computing, STRATA & HARMAN-KARDON certified audio, 2D to 3D conversion etc.;
- Introduction of MPEG-4 DVBS-2 technologies which has many exciting features like Multiple Tickers, 12 PIP Mosaic, 22 Active Music Audio Video Channels, which shall take viewing experience to a new level and;
- Introduction of Direct to Mobile (d2m) facility, where it is possible to see television on mobile phone.

Future Plan of action:

In near future, your Company shall continue to focus on all the areas of technology as mentioned earlier and also aims to offer new technologies and processes to provide better products at affordable prices to the customers. Your Company shall continue to rollout innovative products, which is in line with its ideology of bringing about change combined with quality that is trusted by the millions of customers.

The future plan of action includes:

- The Company plans to provide the Set Top Box with internet connectivity. Such connectivity can offer the user to directly access popular applications such as Youtube, Picassa etc.;
- The future plan also includes introducing Wi-Fi connectivity in the Set Top Box;
- The Company has plans to introduce a unique motion control & Audio Streaming remote control in the Set Top Box. With this innovative product, the user can listen to the Audio Streaming using Headphones, without disturbing others & can also use Google Voice search, can navigate using the motion control or Air Mouse Function. Such an Air Mouse function, will allow the customer to play interactive video games via the Set Top Box.

During the year under review, the recurring expenses on R&D amounted to ₹ 5.22 Million representing 0.04% of the turnover.

Technology Absorption:

Using technology efficiently needs a conscious effort. Because of its continuous efforts in the sphere of technology absorption, your Company has been accredited with Certificate of Compliance to the latest ESD Standard i.e., ESD 20:20 which minimize or eliminate risks associated with electrostatic discharge, improving product quality and customer satisfaction. All the products that are manufactured by the Company are certified to the latest Bureau of Indian Standard, ISO 13252:2010. The Company has also installed Climatic Chambers and Salt Spray Chambers to simulate the effect of ageing of the products in actual field conditions, ahead of the

production. Such tests help predict the possibility of early failures and thereby, the same can be prevented.

The Company also plans to focus on development of new technologies which would offer better products to all classes of consumers at an affordable price.

Foreign Exchange Earnings and Outgo:

During the period under review, there was no Foreign Exchange Earnings. Foreign Exchange Outgo amounted to ₹ 4,023.51 Million as against ₹ 3,219.07 Million for the previous year.

RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place the Risk Management Policy to identify the risk elements and manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has proper confidentiality and privacy policies to control risk elements. The Company has, wherever required, taken insurance policies to protect the property, assets etc.

The Company has formed Risk Management Committee. The scope and composition of the Committee forms part of the Corporate Governance Report. Further, the members of the Risk Management Committee and the senior management personnel review the Risk Management Policy periodically and discuss and mitigate the identified risks from time to time.

CORPORATE SOCIAL RESPONSIBILITY POLICY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company values the basic principals enshrined in the concept of Corporate Social Responsibility. The manufacturing process and plants of your Company adhere with the standards laid down by various regulatory authorities for the protection of environment and safety of workers engaged in the manufacturing process. Your Company shall continue to discharge its CSR in the best possible manner. The Company continues to undertake various programs as a part of Corporate Social Responsibility. During the period under review the Company has undertaken various activities such as Blood Donation Camp of employees, up gradation of green and energy-efficient products, contributing to local communities, encouraging the spread of environmental conservation activities.

The Company has formed a Committee titled as "Corporate Social Responsibility Committee" in terms of the provisions of Section 135 of the Companies Act, 2013. The scope and composition of the Committee forms part of the Corporate Governance Report. The said Committee recommends the amount of expenditure to be incurred on such activities; and monitors the Corporate Social Responsibility Policy of the Company. In view of the loss incurred by the Company, no expenses were incurred towards Corporate Social Responsibility activities.

HEALTH, SAFETY & ENVIRONMENT

Primary focus of your Company is to ensure safety at its plant. Your Company takes efforts to avoid the accidents by constantly improving the standards of safety equipments. The following steps have been taken to improve the safety standards at the factory:

- Defined clearly some Do's and Don'ts;
- Subjective assessment and direct observation methods were used on the operators to discover the problems in their workstations;
- Retraining of operators by more qualified trainers;
- Conducting regular safety audit and mock drill;
- Timely disposal of waste and scrap materials;
- Round the clock occupational health center and ambulance with all medical devices;
- Risk-assessment at the workplace at regular intervals;
- Installation of Effluent Treatment Plant, where the waste water is treated & recycled for gardening purpose;
- First-Aid boxes are located at several points in the factory;
- Providing protective clothing and equipment to employees;
- Proper safeguards are put into place to eliminate the risk of violence as far as possible; and
- AIDS Awareness Program.

The manufacturing facility and offices are equipped with modern amenities to meet strict requirements of efficient servicing and smooth functioning at all times. The Company follows strict compliance of pollution, environment and safety norms in carrying out all its activities.

INFORMATION TECHNOLOGY

Information technology (IT) is the application of computers and internet to store, retrieve, transmit, and manipulate data or an information often in the context of a business of the Company. IT is considered a subset of information and

communications technology (ICT). The term is commonly used as a synonym for computers and computer networks, but it also encompasses other information distribution technologies. Several industries are associated with information technology, including computer hardware, software, electronics, semiconductors, internet, telecom, equipment, engineering, healthcare, e-commerce, and computer services.

The company has recently installed high-end IBM Servers running Microsoft SQL Database Engine for Database Management of the Set Top Box Manufacturing. This shall help the company trace the product, right from the beginning of the assembly process till the finished product.

The management believes that use of latest and upgraded IT can be extensively used in all spheres of its activities to improve productivity and efficiency levels.

The Company has already implemented SAP (System Analysis Programming), a customized ERP (Enterprise Resource planning) module, at its manufacturing facility.

The Company has implemented a network application for facilitating the storage & retrieval of the Set Top Box pairing elements. The application developed uses state of the art Database Servers & deployed using Microsoft, .Net and Java. The applications have been integrated with the online production management system effectively. The Company has implemented latest version of SAP and ERP for better operational control. MySAP solution has enabled your Company to leverage the benefits of integration in business operations, optimization of enterprise resources, standardized business process, thereby enabling standard operating practices with well established controls. It has also benefited the management at all levels with business information which is available online and reliable to control the business operations in a well informed manner.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formed an Internal Complaints Committee to *inter-alia* (i) Prevent sexual harassment of women at the workplace and (ii) Redress the complaints in this regard.

During the period under review, the Company did not receive any complaint.

DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED DURING THE PERIOD

During the period under review, pursuant to the provisions of second proviso to Section 149(1) and Section 161 of the Companies Act, 2013 and the Rules made thereunder and in terms of the Articles of Association of the Company, Mrs. Smita Dharm was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company w.e.f 31st March, 2015. Subsequently, her appointment was confirmed and she was appointed as Non Executive Director by the shareholders of the Company at the Annual General Meeting held on 27th June, 2015, liable to retire by rotation.

Further, appointment of Mr. Subhash S. Nabar and Mr. Bhopinder J. Chopra as Independent Directors of the Company for a period of 5 consequent years from 14th August, 2014 was confirmed by the shareholders of the Company at the Annual General Meeting held on 27th June, 2015.

During the period under review, Mr. Bhopinder J. Chopra (DIN: 00329550) Independent Director of the Company resigned from the Board of Directors of the Company on 29th January, 2016. The Board takes this opportunity and places on record its sincere appreciation for the valuable contribution of Mr. Bhopinder J. Chopra in the growth and development of the Company.

Mr. Chandrakant Sidram Jyoti (DIN: 03375482) was appointed as an Non-Executive, Independent Director of the Company w.e.f 29th January, 2016 to fill the casual vacancy caused by the resignation of Mr. Bhopinder J. Chopra to hold office upto the date upto which Mr. Bhopinder J. Chopra would have held office if he had not resigned. Mr. Chandrakant Sidram Jyoti, 53 is Bachelor of Commerce and M.B.A with specialization in Marketing & HR. He has vast and diversified experience to his credit in the field of HR, Customer Service, Sales, Marketing & Administration functions.

In terms of the provisions of Section 152 of the Companies Act, 2013, Mrs. Smita Dharm, is liable to retire by rotation and being eligible offers herself for reappointment. The Board proposes re-appointment of Mrs. Smita Dharm as a Director at the ensuing Annual General Meeting.

A brief profile of Director seeking appointment / re-appointment / confirmation at the ensuing Annual General Meeting, nature of expertise and in specific functional area, name of other public companies in which he / she holds directorship, membership / chairmanship of committees of the Board of Directors, particulars of the shareholding and relationship between the Directors, KMP's, Manager as stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India is appended to the Notice.

Details of Key Managerial Personnel:

In compliance with the provisions of Section 203 of the Companies Act, 2013 the Company has appointed Company Secretary and Chief Financial Officer.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided therein.

NUMBER OF MEETINGS OF THE BOARD HELD DURING THE PERIOD

During the financial period under review, the Board met 10 (Ten) times. The details regarding the attendance and the date of Board Meetings are provided in the Corporate Governance Report.

COMMITTEES OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Finance and General Affairs Committee

The composition, scope and powers of the aforementioned Committees together with details of meetings held during the period under review, forms part of Corporate Governance Report.

FORMAL ANNUAL EVALUATION

During the period under review, pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individuals Directors, including Key Management Personnel / Senior Management, etc. The exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues, etc.

LISTING

The equity shares of your Company are listed on the BSE Limited.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with a certificate from the auditors confirming the compliance, is annexed and forms part of this Annual Report.

CASH FLOW STATEMENT

The Cash Flow Statement for the financial period from 1st January, 2015 to 31st March, 2016, in conformity with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Stock Exchange, is annexed hereto and forms part of this Financial Statement.

AUDITORS AND THEIR REPORTS

1. STATUTORY AUDITORS AND AUDIT REPORT:

The Members of the Company at the 25th Annual General Meeting held on 27th June, 2015, have approved the appointment of M/s. Kadam & Co., Chartered Accountants, (Firm Registration No. 104524W), Ahmednagar, and M/s. Khandelwal, Jain & Co., Chartered Accountants, (Firm Registration No. 105049W), Mumbai for a term of 2 years i.e. from the conclusion of 25th Annual General Meeting until the conclusion of 27th Annual General Meeting of the Company.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the ensuing Annual General Meeting. Accordingly, the re-appointment of M/s. Kadam & Co., Chartered Accountants, (Firm Registration No. 104524W), Chartered Accountants, Ahmednagar, and M/s. Khandelwal, Jain & Co., Chartered Accountants, (Firm Registration No. 105049W), Mumbai as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 27th Annual General Meeting is recommended for ratification by the members.

A certificate from M/s. Kadam & Co., Chartered Accountants, (Firm Registration No. 104524W), Ahmednagar, and M/s. Khandelwal, Jain & Co., Chartered Accountants, (Firm Registration No. 105049W), Mumbai that their re-appointment is within the prescribed limits under Section 141 of the Companies Act, 2013 has been obtained by the Company.

The Board recommends the ratification of re- appointment of the said Auditors at the ensuing Annual General Meeting.

AUDIT REPORT:

The Statutory Auditors of the Company have submitted Auditor's Report, for the financial period ended on 31st March, 2016. The Auditors' Report in unqualified.

2. COST AUDITOR AND COST AUDIT REPORT:

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and amendments made thereto; from time to time.

The Board of Directors of the Company have accorded its approval for appointment of Mr. Jayant B. Galande, Cost Accountant in Whole-Time Practice, Aurangabad (Membership No. 5255) as the Cost Auditor of the Company, to conduct audit of Cost Accounting Records maintained by the Company for the financial year commencing on 1st April, 2016 and ending on 31st March, 2017 in respect of the products covered under "Electricals or Electronic Machinery".

In compliance with the provisions, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus applicable service tax and out of pocket expenses payable to the Cost Auditor for the financial year commencing on 1st April, 2016 and ending on 31st March, 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, Sneha Gaurav Badwe & Co., Cost Accountant in Whole-Time Practice (Membership No. 35552), Ahmednagar was appointed as Cost Auditor for conducting Audit of Cost Accounting Records maintained by the Company for the financial year started from 1st January, 2015. However, pursuant to the Companies (Cost Records and Audit) Amendments Rules, 2014, the Company was not required to appoint Cost Auditor for the financial year started from 1st January, 2015. As such Sneha Gaurav Badwe & Co., resigned as Cost Auditor after the Annual General Meeting held on 27th June, 2015.

In compliance with the provisions of the Companies (Cost Audit Report) Rules, 2011 and General Circulars thereof, we hereby submit that the Company has filed the Cost Audit Report for the Financial period started from 1st January, 2014 and ended on 31st December, 2014 on 23rd June, 2015 (due date being 29th June, 2015).

3. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board had appointed Mrs. Kanchan A. Kakade, Company Secretary in Whole-time Practice (CP No. 11999), to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial period ended on 31st March, 2016. The report of the Secretarial Auditor is annexed to this report as Annexure-3. In connection with the Secretarial Auditor's qualifications in the report, it is clarified:

- Regarding non filing of various e-forms, the Company was unable to file the forms due to technical difficulties.
- Regarding delay in filing of Annual Return for the year ended on 31.12.2014, it is clarified that delay in filing of Annual Return in Form MGT-7 for the financial year ended on 31.12.2014 was due to technical difficulty in filing. The Company has filed the said form.
- In compliance with the provisions of Section 203 of the Companies Act, 2013, the Company has appointed Company Secretary and Chief Financial Officer. The Company has undertaken the process of identification of suitable candidate for appointment as Chief Executive Officer or Managing Director or Manager or Whole Time Director.
- The Delay in publication of Notice of Meeting of Board of Directors of the Company is accidental omission due to inadvertence.
- The Company is in process of filing Annual Return on Foreign Liabilities and Assets (FLA return) for the financial year ended on 31st December, 2014, as required under the provisions of the Foreign Exchange Management Act, 1999.

DETAILS OF FRAUDS REPORTED BY AUDITORS (OTHER THAN REPORTABLE TO CENTRAL GOVERNMENT)

No fraud / misconduct detected at the time of statutory audit by Auditors of the Company for the financial period ended on 31st March, 2016.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the period, such controls were tested and no reportable material weakness in the design or operation were observed.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT 9 pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as Annexure- 4.

ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

There were no material orders passed by Regulators / Courts / Tribunals during the period impacting the going concern status and company's operations in future.

DIRECTOR RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (3) (c) and 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 period and of the loss of the company for that period;
- (c) the directors had 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;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board of Directors would like to thank the Customers, Vendors, Investors, Financial Institutions, Bankers, Business Partners and Government Authorities for their continued support. The Board of Directors also appreciate the contribution made by the employees at all levels for their hard work, dedication, co-operation and support for the growth of the Company.

The Board of Directors would also like to thank all stakeholders for the continued confidence and trust placed by them with the Company.

**For and on Behalf of the Board of Directors of
TREND ELECTRONICS LIMITED**

VIVEK D. DHARM SUBHASH S. NABAR
DIRECTOR DIRECTOR
DIN: 00214361 DIN: 01341057

Place: Mumbai
Date: 13th August, 2016

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016.

| Sr. No. | Name of Employee | Designation | Remuneration (in ₹) | Qualification | Age (Years) | Experience (Years) | Date of Joining (dd/mm/yyyy) | Name of the Last Employer | Position (Designation) in Last Organisation |
|---------|---------------------|--------------------------|---------------------|------------------------------|-------------|--------------------|------------------------------|--|---|
| 1. | Sanjay S. Mehra | Vice President | 10,557,361 | B.COM | 63 | 29 years 2 months | 01/06/1987 | N.A. | N.A. |
| 2. | Jagdish L. Bangad | Associate Vice President | 6,896,231 | B.E. (ELECTRONICS), MEP | 50 | 28 years 10 months | 11/03/1988 | M/s.Santel Color Limited. | Trainee Engineer |
| 3. | Anirudha A. Bhide | Dy. Gen. Manager | 2,362,194 | B.E.(ELECT.), DBM | 49 | 26 years 7 months | 16/06/1989 | Instruments & Systems, Nagpur | Trainee Engineer |
| 4. | Deen Dayal Goyal | Dy. Gen. Manager | 2,296,428 | CA, ICWA | 47 | 24 years | 26/05/2007 | Jindal Power Limited, Tamnar, Dist. Raigad | Dy. Manager |
| 5. | Milind S. Ekbote | Asst. Gen. Manager | 1,889,441 | B.Com., MBA, DLL | 52 | 27 years 6 months | 08/07/2010 | Endurance Technologies Pvt. Ltd., Aurangabad | Manager - HR & Admin. |
| 6. | Sunil D. Tamboli | Asst. Gen. Manager | 1,460,301 | B.E. (Ind. Electronics), MBA | 51 | 27 years 10 months | 04/09/2009 | Desai Electronics Limited, Pune | Plant Head |
| 7. | Narayan Chavan | Manager | 1,370,012 | B.COM | 46 | 23 years | 20/01/1997 | Khandelwal Jain & Co. Aurangabad | Audit Assistant |
| 8. | Sachin Talaulikar | Manager | 1,256,577 | B.E. (Electronics) | 46 | 23 years 7 months | 23/03/2008 | Philips Electronics Ltd., Pune | Dy. Manager |
| 9. | Milind M. Deshpande | Chief Financial Officer | 1,200,718 | B.COM, LL.B, DBM, DCA | 48 | 25 years 5 months | 18/02/2008 | Kiroskar Brothers Limited, Pune | Asst. Manager |
| 10. | Mangesh Ghag | Manager | 1,182,578 | B.E. (Mech.) | 43 | 23 years 3 months | 01/10/1993 | Polyset Plastics Ltd., Mumbai | Asst. Manager |

(a) Remuneration includes Basic Salary, Ex-Gratia, H.R.A., C.A., L.T.A., Furniture & Maint., Uniform Washing Medical reimbursement and Contribution to Provident Fund.

(b) The Employees are in whole-time employment of the Company and the employment is contractual in nature.

(c) None of the employee is a relative of any director or manager of the Company.

(d) None of the above employees holds by himself or along with his spouse and dependent children any equity shares of the Company.

**For and on Behalf of the Board of Directors of
TREND ELECTRONICS LIMITED**

**VIVEK D. DHARM
DIRECTOR
DIN: 00214361**

**SUBHASH S. NABAR
DIRECTOR
DIN: 01341057**

Place: Mumbai
Date: 13th August, 2016

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016.

- (1) Ratio of the remuneration of each Director / KMP (as defined in Section 203 of the Companies Act, 2013) to the median remuneration of all the employees of the Company for the financial period:

The Directors of the Company are paid remuneration by way of fees for attending the meetings of the Board and Committees thereof.

| Name of Director and KMP | Ratio of remuneration to median remuneration of all employees | Percentage (%) increase in remuneration in the Financial Period 2015-16 |
|--|---|---|
| Non-Executive Directors | | |
| Mrs. Smita V. Dharm (appointed on 31st March, 2015) | 0.01 | N.A.* |
| Independent Directors | | |
| Mr. Vivek D. Dharm | 0.25 | 75.38 |
| Mr. Subhash S. Nabar | 0.21 | 62.71 |
| Mr. Bhopinder J. Chopra (resigned on 29th January, 2016) | 0.17 | 107.69 |
| Mr. Chandrakant S. Jyoti (appointed on 29th January, 2016) | 0.05 | N.A.* |
| Key Managerial Personnel | | |
| Chief Financial Officer | 5.39 | 73.26 |
| Company Secretary | 5.22 | 9.46 |

Notes:

- * As regards Mrs. Smita V. Dharm and Mr. Chandrakant S. Jyoti, the remuneration paid in 2015-16 is un-comparable since they were appointed on 31st March, 2015 & 29th January, 2016 respectively.
- (a) The ratio of remuneration to the median remuneration is based on the remuneration paid during the year 1st January, 2015 to 31st March, 2016. As the financial period of the Company is for a period of 15 months, the percentage increase in remuneration in the Annual Report 2015-16 is un-comparable. However, in order to make it comparable, in percentage terms, the percentage increase in remuneration has been determined on the basis of 12 months period.
- (b) Except for Sitting Fees, Directors are not paid any remuneration.

| | |
|--|----------|
| (c) Median remuneration of all the employees of the Company for the Financial Year 2015-16 (Amount in ₹) | 2,32,062 |
| Percentage increase in the median remuneration of employees in the Financial Year 2015-16 | 69.85 |
| Number of permanent employees on the rolls of the Company as on 31st March, 2016 | 333 |

- (2) **Average percentile increase made in the salaries of employees other than the Managerial personnel and its comparison with the percentile increase in the Managerial Remuneration and justification thereof:**

Average percentile increase in the salaries of employees other than Managerial Personnel is 40.57% while percentile increase in the Managerial Remuneration is 78.53%.

- (3) **The remuneration is as per the remuneration policy of the Company.**

For and on Behalf of the Board of Directors of
TREND ELECTRONICS LIMITED

VIVEK D. DHARM SUBHASH S. NABAR
DIRECTOR DIRECTOR
DIN: 00214361 DIN: 01341057

Place: Mumbai
Date: 13th August, 2016

ANNEXURE - 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL PERIOD ENDED ON 31st MARCH, 2016

[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
TREND ELECTRONICS LIMITED
CIN: L99999MH1989PLC052233
20 K. M. Stone, Aurangabad-Beed Road,
Village: Bhalgaon,
Aurangabad - 431210

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Trend Electronics Limited**, (hereinafter referred to as the "Company"). 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 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 period from 1st January, 2015 to 31st March, 2016, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on 31st March, 2016, 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. 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;
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('Securities and Exchange Board of India 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; and 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, 2009; (Not applicable to the Company during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period).

Other laws, as informed and certified by the management of the Company, which are specifically applicable to the Company for the financial period ended on 31st March, 2016, based on its industry / sectors are:

1. The AIR (Prevention and Control of Pollution) Act, 1981, as amended 1987 / Rules 1982.
2. The Water (Prevention and Control of Pollution) Act, 1974, as amended 1988 / Rules, 1975.
3. The Water (Prevention and Control of Pollution) Cess (Amendment) Act, 2003 / Rules 1978.
4. The Environment (Protection) Act, 1986, amended 1991 / Amendment Rules, 2003 / Environmental Impact Assessment Notification, 1994 as amended, 2004.

5. Noise Pollution (Regulation and Control) Rules, 2000.
6. The Hazardous Waste (Management & Handling) Rules, 1989, as amended in 2003.
7. Electricity Act 2003, r / w Electricity rules 2005 and the Intimation of Accidents (Form and Time of Service of Notice) Rules, 2004.
8. Factories Act, 1948 and Factories (Control of Industrial Major Accident Hazards) Rules, 2003.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings.
- ii. The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., as stated hereinabove, subject to the following observations:

- *The Company has not filed (i) Form SH-7 for increase in the Authorised Share Capital (ii) Form PAS-4 (iii) Form PAS-3 (iv) Form MGT-14 in respect of certain resolutions and has delayed filing of Form MGT-7 (Annual Return) for the financial year ended on 31st December, 2014 beyond stipulated time of sixty days from the date of the last convened Annual General Meeting held on 27th June, 2015 as set out in Section 92 (4) of the Act.*
- *Except for the appointment of Company Secretary (CS) and Chief Financial Officer, the Company has not appointed Managing Director or Chief Executive Officer or Manager or Whole Time Director under the provisions of Section 203 of the Act and rules made thereunder.*
- *During the period under review, there is one delayed publication of the notice of the Board Meeting in the newspapers as required under Regulation 29 read with Regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. .*
- *The Company has not filed Annual Return on Foreign Liabilities and Assets (FLA return) for the financial year ended on 31st December, 2014, as required under the provisions of the Foreign Exchange Management Act, 1999.*

Apart from the above observations, I would like to highlight the following:

1. *The Company has already appointed Chief Financial Officer (CFO) prior to commencement of the Act. Hence, the Company has clarified that it was not required to file e-form MR-1 and e-form DIR-12 for appointment of CFO. However, in my opinion, e-form DIR-12 should have been filed ratifying the appointment of the CFO under the provisions of Section 203 of the Act and the rules made thereunder.*
2. *The Company is required to comply with the provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014 regarding appointment of Internal Auditor within six months of the commencement of the Act. The Company has in place an in-house internal audit team led by in house internal auditor to carry out the audit of internal records maintained by the Company and the said constitution/appointment was prior to commencement of the Act. Hence, the Company has clarified that it was not required to file e-Form MGT-14 for appointment of Internal Auditor.*

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of 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.
- All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of audit, in my opinion, adequate systems and processes commensurate with the size and operations of the Company exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines. I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws are subjected to review by statutory financial audit and other designated professionals.

I further report that during the audit period, the Company has undertaken the following events / actions having a major bearing on the Company's affairs in pursuance to the above referred applicable laws, regulations, rules, guidelines etc.:

1. The shareholders have passed an Ordinary Resolution for increase in the Authorised Share Capital of the Company from ₹ 125,00,00,000/- to ₹ 225,00,00,000/- by creating additional 1,00,00,000 Redeemable Preference Shares of Face Value of ₹ 100/- each.
2. The Board of Directors have allotted 1,00,00,000 Non-Convertible, Non-Cumulative, Non-Participating, Redeemable Preference Shares of Face Value of ₹ 100/- each at their meeting held on 30th March, 2016, on private placement basis.
3. The Company had passed a resolution at its Board Meeting held on 31st December, 2015 for extending its financial year under review by 3 months so as to end on 31st March, 2016. Subsequently, the e-form GNL-2 was filed by the Company vide SRN C74388521 dated 31st December, 2015 with the Registrar of Companies for approval of the aforementioned business.
4. The Company had appointed M/s MCS Limited as its Registrar and Share Transfer Agent (RTA). The shareholders were informed by way of a newspaper advertisement dated 24th September, 2015 that M/s. MCS Share Transfer Agent Limited would commence the operations as the Company's RTA in place of M/s. MCS Limited w.e.f. 1st October, 2015.

Place: Mumbai
Date: 13th August, 2016

CS Kanchan Kakade
ACS 18404
CP 11999

ANNEXURE – A

To,
The Members,
TREND ELECTRONICS LIMITED,
CIN: L99999MH1989PLC052233
20 K. M. Stone, Aurangabad-Beed Road,
Village: Bhalgaon,
Aurangabad - 431210

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes 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 the secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
4. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion. I have not verified the correctness and appropriateness of the financial statements and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
7. 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.

Place: Mumbai
Date: 13th August, 2016

CS Kanchan Kakade
ACS 18404
CP 11999

ANNEXURE - 4

FORM NO. MGT-9

As on the financial period ended on 31st March, 2016

EXTRACT OF ANNUAL RETURN

[Pursuant to section 92(3) of Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN: L99999MH1989PLC052233
- ii. Registration Date: 16.06.1989
- iii. Name of the Company: TREND ELECTRONICS LIMITED
- iv. Category / Sub-Category of the Company:
Category: Company Limited by Shares
Sub-Category: Indian Non-Government Company
- v. Address of the Registered office and contact details:
20 K. M. Stone, Aurangabad – Beed Road, Village: Bhalgaon, Aurangabad - 431210, Maharashtra, India.
Contact Details: Tel: +91 - 240 – 2644507 / 9 / 10 / 12 / 16
E-mail id: secretarial_trend@videoconmail.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Name: MCS Share Transfer Agent Limited
Address: 002, Ground Floor, Kashiram Jamnadas Bldg,
5 P. D' Mello Road, Masjid (E), Mumbai- 400 009
Contact Details: Tel: +91- 22- 40206020 / 21 / 22 / 23 / 24
Email Id: mcssta.mumbai@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

| Sl. No. | Name and Description of main products / services | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|---|-----------------------------------|------------------------------------|
| 1 | Manufacture and Trading of Electrical and Electronic Appliances | 264, 465 and 478 | 100.00 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name and address of the Company | CIN GLN | Holding / Associate | Subsidiary | % of shares held | Applicable Section |
|-----------------|---------------------------------|---------|---------------------|------------|------------------|--------------------|
| ----- NIL ----- | | | | | | |

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTERS | | | | | | | | | |
| 1. Indian | | | | | | | | | |
| a) Individual / HUF | 150 | - | 150 | - | 150 | - | 150 | - | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 36,78,955 | - | 36,78,955 | 49.05 | 40,41,638 | - | 40,41,638 | 53.89 | 4.84 |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(1):- | 36,79,105 | - | 36,79,105 | 49.05 | 40,41,788 | - | 40,41,788 | 53.89 | 4.84 |
| 2. Foreign | | | | | | | | | |
| a) NRIs-Individuals | - | - | - | - | - | - | - | - | - |
| b) Other-Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(2):- | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter(A)= (A)(1)+(A)(2) | 36,79,105 | - | 36,79,105 | 49.05 | 40,41,788 | - | 40,41,788 | 53.89 | 4.84 |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|-----------------|------------------|-------------------|---|-----------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| B. PUBLIC SHAREHOLDING | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | 2,400 | 2,400 | 0.03 | - | 2,400 | 2,400 | 0.03 | - |
| b) Banks / FI | 75 | 1,500 | 1,575 | 0.02 | 75 | 1,500 | 1,575 | 0.02 | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | 3,69,106 | - | 3,69,106 | 4.92 | - | - | - | - | (4.92) |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others(Specify) | - | - | - | - | - | - | - | - | - |
| Sub-Total(B)(1):- | 3,69,181 | 3,900 | 3,73,081 | 4.97 | 75 | 3,900 | 3,975 | 0.05 | (4.92) |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 4,45,825 | 19,525 | 4,65,350 | 6.20 | 4,37,360 | 13,925 | 4,51,285 | 6.02 | (0.18) |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹1 lakh | 11,09,543 | 7,86,553 | 18,96,096 | 25.28 | - | - | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh | 874854 | 56100 | 930954 | 12.41 | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto ₹2 lakh | - | - | - | - | 13,60,762 | 8,01,725 | 21,62,487 | 28.83 | - |
| ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh | - | - | - | - | 6,59,858 | 30,500 | 6,90,358 | 9.21 | - |
| c) Others(specify) | | | | | | | | | |
| 1) NRI | 38,864 | 1,16,550 | 1,55,414 | 2.07 | 36,557 | 1,13,550 | 1,50,107 | 2.00 | (0.07) |
| 2) Trust / Co-operative Society / Foundation | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(2):- | 24,69,086 | 9,78,728 | 34,47,814 | 45.98 | 24,94,537 | 9,59,700 | 34,54,237 | 46.06 | 0.08 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 28,38,267 | 9,82,628 | 38,20,895 | 50.95 | 24,94,612 | 9,63,600 | 34,58,212 | 46.11 | (4.84) |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total(A+B+C) | 65,17,372 | 9,82,628 | 75,00,000 | 100.00 | 65,36,400 | 9,63,600 | 75,00,000 | 100.00 | 0.00 |

ii. Shareholding of Promoters:

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in shareholding during the year |
|---------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | Venugopal Nandlal Dhoot | 110 | 0.00 | - | 110 | 0.00 | - | - |
| 2 | Pradipkumar Nandlal Dhoot | 10 | 0.00 | - | 10 | 0.00 | - | - |
| 3 | Rajkumar Nandlal Dhoot | 10 | 0.00 | - | 10 | 0.00 | - | - |
| 4 | Kesharbai Nandlal Dhoot | 10 | 0.00 | - | 10 | 0.00 | - | - |
| 5 | Ramabai Venugopal Dhoot | 10 | 0.00 | - | 10 | 0.00 | - | - |
| 6 | Videocon Industries Limited | 14,08,800 | 18.78 | - | 14,08,800 | 18.78 | - | - |
| 7 | Shree Dhoot Trading And Agencies Limited | 1,97,325 | 2.63 | - | 3,81,075 | 5.08 | - | 2.45 |
| 8 | Waluj Components Private Limited | 7,10,730 | 9.48 | - | 7,10,730 | 9.48 | - | - |

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in shareholding during the year |
|---------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 9 | Dome-Bell Electronics India Private Limited | 12,50,100 | 16.67 | - | 12,50,100 | 16.67 | - | - |
| 10 | Evans Fraser And Co. (India) Limited | 1,12,000 | 1.49 | - | 2,90,933 | 3.88 | - | 2.39 |
| | Total | 3,67,98,105 | 49.05 | - | 40,41,788 | 53.89 | - | 4.84 |

iii. Change in Promoter's Shareholding:

| Sr. No. | Name of the Shareholder | Shareholding at the beginning and at the end of the year | | Date-wise Increase / Decrease in Promoters Shareholding during the year | | Reason | Cumulative shareholding during the year | |
|---------|--|--|----------------------------------|---|-----------------------|-----------------|---|----------------------------------|
| | | No. of shares | % of total Shares of the Company | Date | Increase / (Decrease) | | No. of shares | % of total Shares of the Company |
| 1 | Shree Dhoot Trading And Agencies Limited | 1,97,325 | 2.63 | 21 / 12 / 2015 | 1,83,750 | Market Purchase | 3,81,075 | 5.08 |
| | | 3,81,075 | 5.08 | | | | | |
| 2 | Evans Fraser And Co. (India) Limited | 1,12,000 | 1.49 | 21 / 12 / 2015 | 1,78,933 | Market Purchase | 2,90,933 | 3.88 |
| | | 2,90,933 | 3.88 | | | | | |

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No | Name of the Shareholder | Shareholding at the beginning and at the end of the year | | Date-wise Increase / Decrease in Shareholding during the year | | Reason | Cumulative shareholding during the year | |
|--------|---|--|----------------------------------|---|-----------------------|-----------------|---|----------------------------------|
| | | No. of shares | % of total Shares of the Company | Date | Increase / (Decrease) | | No. of shares | % of total Shares of the Company |
| 1 | Joy Holdings Pvt. Ltd. | 3,68,500 | 4.91 | - | - | - | 3,68,500 | 4.91 |
| | | 3,68,500 | 4.91 | | | | | |
| 2 | Sunil Ghanshyamdas Khandelwal | 1,76,963 | 2.36 | 30.06.2015 | 2,000 | Market Purchase | 1,78,963 | 2.39 |
| | | 1,78,963 | 2.39 | | | | | |
| 3 | Kalpana S Khandelwal J/W Sunil G Khandelwal | 1,17,017 | 1.56 | - | - | - | 1,17,017 | 1.56 |
| | | 1,17,017 | 1.56 | | | | | |
| 4 | Pushpa Devi Pagaria | 63,427 | 0.85 | 31.03.2015 | 5,117 | Market Purchase | 68,544 | 0.91 |
| | | 77,753 | 1.04 | 24.04.2015 | 9209 | Market Purchase | 77,753 | 1.04 |
| 5 | Anil Zawar | 75,102 | 1.00 | - | - | - | 75,102 | 1.00 |
| | | 75,102 | 1.00 | | | | | |
| 6 | Ramakant Ramniwas Kasat | 71,000 | 0.95 | - | - | - | 71,000 | 0.95 |
| | | 71,000 | 0.95 | | | | | |
| 7 | Sanjay Suresh Khedkar | 35,766 | 0.48 | 30.06.2015 | 1,000 | Market Purchase | 36,766 | 0.49 |
| | | 36,766 | 0.49 | 31.07.2015 | 3,302 | Market Purchase | 40,068 | 0.53 |
| | | 40,068 | 0.53 | 28.08.2015 | (8,950) | Market Sale | 31,118 | 0.41 |
| | | 31,118 | 0.41 | 30.09.2015 | 1,795 | Market Purchase | 32,913 | 0.44 |
| | | 32,913 | 0.44 | 18.12.2015 | 736 | Market Purchase | 33,649 | 0.45 |
| | | 33,649 | 0.45 | 29.01.2016 | 1,016 | Market Purchase | 34,665 | 0.46 |
| | | 34,665 | 0.46 | 26.02.2016 | 1,018 | Market Purchase | 35,683 | 0.48 |
| | | 35,683 | 0.48 | 31.03.2016 | 2,533 | Market Purchase | 38,216 | 0.51 |
| 8 | Sanjeev Vinodchandra Parekh J/W Daksha Sanjeev Parekh | 23,776 | 0.32 | 30.10.2015 | 9,984 | Market Purchase | 33,760 | 0.45 |
| | | 33,760 | 0.45 | | | | | |
| 9 | Amees M Shah | 30,500 | 0.41 | - | - | - | 30,500 | 0.41 |
| | | 30,500 | 0.41 | | | | | |
| 10 | Shailesh Purushottamdas Devi | 24,432 | 0.33 | - | - | - | - | - |
| | | 24,432 | 0.33 | | | | | |

v. Shareholding of Directors and Key Managerial Personnel:

| Sr. No | Name of the Shareholder | Shareholding at the beginning and at the end of the year | | Date-wise Increase / Decrease in Promoters Shareholding during the year | | Reason | Cumulative shareholding during the year | |
|---|-----------------------------------|--|----------------------------------|---|---------------------|--------|---|----------------------------------|
| | For Each of the Directors and KMP | No. of shares | % of total Shares of the Company | Date | Increase / Decrease | | No. of shares | % of total Shares of the Company |
| None of the Directors and Key Managerial Personnel holds any shares in the Company. | | | | | | | | |

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

(₹ in Million)

| | Secured Loans excluding deposits | Unsecured Loans | Deposit | Total Indebtedness |
|--|----------------------------------|-------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i. Principal Amount | 5,296.87 | 2,359.92 | - | 7,656.79 |
| ii. Interest due but not paid | - | - | - | - |
| iii. Interest accrued but not due | 11.07 | 14.49 | - | 25.56 |
| Total (i+ii+iii) | 5,307.94 | 2,374.41 | - | 7,682.35 |
| Change in indebtedness during the financial year | | | | |
| • Addition | 2,000.00 | - | - | 2,000.00 |
| • Reduction | 56.57 | 1,516.90 | - | 1,573.47 |
| Net Change | 1,943.43 | (1,516.90) | - | 426.53 |
| Indebtedness at the end of the financial year | | | | |
| i. Principal Amount | 7,240.30 | 843.02 | - | 8,083.32 |
| ii. Interest due but not paid | 20.75 | - | - | 20.75 |
| iii. Interest accrued but not due | 21.34 | 22.00 | - | 43.34 |
| Total (i+ii+iii) | 7,282.39 | 865.02 | - | 8,147.41 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

| Sl. No. | Particulars of Remuneration | Name of MD / WTD / Manager | | | Total Amount |
|---------|---|----------------------------|---|---|--------------|
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - | - |
| | (b) Value of perquisites u / s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary u / s 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission -as % of profit -others, specify... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | - | - | - | - |
| | Ceiling as per the Act | - | - | - | - |

B. Remuneration to other directors:

(Amount in ₹)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|---|-------------------|------------------|---|---|--------------|
| 1. | Independent Directors | Vivek D. Dharm | Subhash S. Nabar | Bhopinder J. Chopra (up to 29.01.2016) | Chandrakant S. Jyoti (w.e.f. 29.01.2016) | |
| | -Fee for attending board / committee meetings | 57,000 | 48,000 | 40,500 | 11,000 | 1,56,500 |
| | - Commission | NIL | NIL | NIL | NIL | NIL |
| | -Others, please specify | NIL | NIL | NIL | NIL | NIL |
| | Total(1) | 57,000 | 48,000 | 40,500 | 11,000 | 1,56,500 |
| 2. | Other Non-Executive Directors | Smita V. Dharm | | | | |
| | -Fee for attending board / committee meetings | | | 2,500 | | 2,500 |
| | - Commission | | | NIL | | NIL |
| | -Others, please specify | | | NIL | | NIL |
| | Total(2) | | | 2,500 | | 2,500 |
| | Total(B)=(1+2) | | | | | 1,59,000 |
| | Total Managerial Remuneration | | | ---- | | ---- |
| | Overall Ceiling as per the Act | | | ---- | | ---- |

C. Remuneration to key managerial personnel other than MD / MANAGER / WTD:

| Sl.No. | Particulars of Remuneration | Key Managerial Personnel | | |
|--------|--|---|---|-------|
| | | Company Secretary Mr. Kaustubha A. Sahasrabudhe Amount (₹ in Lacs) | CFO Mr. Milind M. Deshpande Amount (₹ in Lacs) | Total |
| 1. | Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u / s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary u / s 17(3) Income-tax Act, 1961 | 12.10 | 12.50 | 24.60 |
| 2. | Stock Option | - | - | |
| 3. | Sweat Equity | - | - | |
| 4. | Commission -as % of profit -others, specify... | - | - | |
| 5. | Others, please specify | - | - | |
| | Total | 12.10 | 12.50 | 24.60 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

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

For and on Behalf of the Board of Directors of
TREND ELECTRONICS LIMITED

VIVEK D. DHARM SUBHASH S. NABAR
DIRECTOR DIRECTOR
DIN: 00214361 DIN: 01341057

Place: Mumbai
Date: 13th August, 2016

CORPORATE GOVERNANCE REPORT

A Report as per Clause 49 of the Listing Agreement and Regulation 34(3) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter refer to as "SEBI Regulations") and on the compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

Your Company is in full compliance with the requirements and disclosures as stated therein. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

The Directors present the Company's Report on Corporate Governance for the financial period ended March 31, 2016.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance may be defined as a set of systems, processes and principles which ensure that a Company is governed in the best interest of all the stakeholders. It is about promoting corporate fairness, transparency and accountability. In other words, good Corporate Governance is simply good business. The Company has always been committed to the system by which the business is conducted on the principle of good Corporate Governance. The culture of good Corporate Governance is followed at all stages in conducting the business. The principles of Corporate Governance viz. integrity, equity, fairness, accountability and commitment to values are promoted continuously. The corporate structure, business and financial reporting practices have been aligned to the principles of Corporate Governance. Continuous endeavour is made to improve these practices on an ongoing basis. Your Company has documented internal governance policies and put in place a formalized system of Corporate Governance which sets out the structure, processes and practices of governance within the Company and serves as a guide for day to day business and strategic decision making in the Company.

The Company's philosophy on the Corporate Governance is based on the following principles:

- Ensure integrity and ethics in all the dealings;
- Simple and transparent corporate structure driven solely by business needs;
- Maintain transparency with a high degree of disclosure and adequate control system;
- Compliance with all the laws and regulations as applicable to the Company; and

- Promote interest of all the stakeholders including customers, shareholders, employees, lenders, vendors, government and the community at large.

There have been continuous efforts made to improve and increase the Corporate Governance measures in the recent years, which include among others improved board reporting, building a strong ethics culture with increased focus on implementation of the code of conduct, commitment to corporate sustainability, legal compliances systems, more focused internal audit, etc.

BOARD OF DIRECTORS

As on March 31, 2016, the strength of the Board was four Directors, comprising of one Non-Executive Director and three Independent Directors. The Company has duly complied with the requirements as regards the composition of the Board as stipulated under SEBI Regulations and under the Companies Act, 2013, as well.

Composition and Category of Board as on March 31, 2016

The Board consists of eminent persons with considerable professional experience and expertise in business and industry. The composition of the Board of Directors as on March 31, 2016, is tabulated below:

| Category | Directors |
|---------------------------------|--|
| Non-Executive - Non Independent | Mrs. Smita V. Dharm |
| Independent | Mr. Subhash S. Nabar Mr. Vivek D. Dharm Mr. Chandrakant Sidram Jyoti |

During the period under review, Mr. Bhopinder Jagdish Mittar Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. Subsequently, Mr. Chandrakant Sidram Jyoti was appointed on the Board as an Independent Director to fill the Casual Vacancy.

Board Meetings and Attendance:

During the period from January 1, 2015 to March 31, 2016, the Board of Directors of the Company met 10 (Ten) times on February 28, 2015, March 31, 2015, May 14, 2015, August 14, 2015, September 24, 2015, November 14, 2015, December 31, 2015, January 29, 2016, February 12, 2016 and March 30, 2016. The maximum gap between any two board meetings was not more than 120 days.

Details of number of Board meetings attended by the Directors, attendance at the last Annual General Meeting, number of other directorships / committee positions held by them during the financial period ended on March 31, 2016, are as hereunder:

| Directors | No. of Board Meetings Attended | Attendance At the last AGM (held on June 27th, 2015) | As on March 31, 2016 | | | |
|--|--------------------------------|--|---------------------------------|------------------------------|--|-----------|
| | | | No. of Other Directorships held | No. of Company Chairmanships | Number of Committee Memberships in Other Companies | |
| | | | | | As Chairman | As Member |
| Mr. Vivek D. Dharm | 10 | Yes | 6 | 0 | 2 | 4 |
| Mr. Subhash S. Nabar | 10 | No | 2 | 0 | 1 | 1 |
| Mrs. Smita Dharm | 01 | No | 0 | 0 | 0 | 0 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 07 | Yes | - | - | - | - |
| Mr. Chandrakant Sidram Jyoti (w.e.f. January 29, 2016) | 02 | N.A. | 1 | 0 | 1 | 0 |

Notes:

1. Except for Mr. Vivek D. Dharm and Mrs. Smita V. Dharm, who are married to each other, none of the other directors have any inter-se relations among themselves or with any employee of the Company.
2. Number of Directorships held by Directors excludes Alternate Directorships, Directorships in Foreign Companies, Companies incorporated under Section 8 of Companies Act, 2013, Limited Liability Partnerships and Private Limited Companies.
3. Membership / Chairmanship of only the Audit Committee and Stakeholder's Relationship Committee of Public Limited Companies have been considered as per SEBI Regulations.

Brief profile of Directors seeking re-appointment / confirmation:

The brief profile of directors seeking re-appointment / confirmation is appended to the Notice convening the Twenty- Sixth Annual General Meeting.

Number of Shares and Convertible Instruments held by Non-Executive Directors:

None of the Non-Executive Directors hold any shares or convertible instruments in the Company.

Independent Directors Meeting:

One meeting of the Independent Directors was held on February 12, 2016, which was attended by all the Independent Directors.

Board / Committee Proceedings:

The Board meets at appropriate intervals and discusses the businesses to be transacted and for decision making. The Board has constituted six committees i.e. Audit Committee, Stakeholder's Relationship Committee, Finance and General Affairs Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. The Committees also meet at regular interval for various strategic discussions and decisions.

- a) With a view to organize all corporate affairs and set up systems and procedures for advance planning for matters requiring discussions, decisions by the Board, the Company has well defined guidelines and procedures for meetings of the Board of Directors and Committees thereof.
- b) The Company Secretary of the Company circulates the agenda of the meeting along with all the supporting documents to all the directors entitled to receive the same to enable meaningful and quality discussions at the time of the meeting. The notices and agenda along with supporting documents are circulated well in advance.
- c) The information generally placed before the Board members *inter-alia* includes:
 - Annual operating plans and budgets and any updates;
 - Capital budgets and any updates;
 - Quarterly / Annual results of the Company and its operating divisions or business segments;
 - Minutes of the meetings of Audit Committee and other Committees of the Board;
 - Notice of Disclosure of Interest;
 - The information on recruitment and remuneration of senior offices just below the board level, including, appointment or removal of Chief Financial Officer and the Company Secretary;
 - Material important litigations, show cause, demand, prosecution notices and penalty notices, if any and status updates;
 - Sale of material nature of investments, subsidiaries and assets, which are not in the normal course of business;
 - Establishment, operations and set up of Joint Venture, Subsidiary or Collaboration etc.;
 - Investment / Divestment of Joint Ventures, Subsidiaries;
 - Acquisitions / Amalgamation / Re-organisation of business segments etc.;
 - Compliance Reports;
 - Minutes of the Board Meetings, Annual General Meetings of Subsidiary Companies and significant transactions, if any;
 - Related Party Transactions;
 - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
 - Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
 - Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
 - Significant labour problems and their proposed solutions. Also any significant development in Human Resource and Industrial Relations;
 - Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
 - Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc;
 - Any issue, which involves possible public or product liability claims of substantial nature including any judgment or order, which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company; and
 - Any other materially relevant information.
- d) Minutes of the proceedings of each Board / Committee / General Body Meetings are recorded. Draft minutes are circulated amongst all the members for their feedback / comments. The proceedings of the Board Meetings, General Meetings and Committee Meetings are duly recorded in Minutes book on timely basis.

- e) The guidelines for the Board / Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the actions taken on decisions of the Board and the Committees.
- f) The Board periodically reviews the compliance reports to ensure adherence to all the applicable provisions of the law, rules and guidelines.
- g) The Board has laid down a Code of Conduct for all directors and senior management of the Company, which has been posted on the website of the Company i.e. www.trendelectronics.in. All directors and senior management personnel have affirmed compliance with the code for the period ended 31st March, 2016. A declaration to this effect signed by the Head operations and Company Secretary is annexed to this report.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted the following six committees:

| |
|--|
| 1. Audit Committee |
| 2. Stakeholder's Relationship Committee |
| 3. Finance and General Affairs Committee |
| 4. Nomination and Remuneration Committee |
| 5. Risk Management Committee |
| 6. Corporate Social Responsibility Committee |

AUDIT COMMITTEE

The functioning and terms of reference of the Audit Committee including the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013 and SEBI Regulations and Listing Agreement. During the financial period ended on March 31, 2016, the Audit Committee of the Board of Directors comprised of three Independent Directors. All the Independent Directors are financially literate and are having vast experience in the fields of finance, accounts and industry.

The composition as on March 31, 2016, was as under:

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Vivek D. Dharm | Chairman | Independent |
| Mr. Subhash S. Nabar | Member | Independent |
| Mr. Chandrakant S. Jyoti | Member | Independent |

The Chairman of the Audit Committee is an Independent Director.

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a member of the Audit Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member of the Audit Committee w.e.f. January 29, 2016.

Meetings and Attendance:

During the period under review, 7 (Seven) meetings of the Committee were held on February 28, 2015, May 14, 2015, August 14, 2015, November 14, 2015, December 31, 2015, February 12, 2016 and March 30, 2016.

The details of the meetings of Audit Committee attended by the members are as under:-

| Name | Meetings Attended |
|---|-------------------|
| Mr. Vivek D. Dharm | 7 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 5 |
| Mr. Subhash S. Nabar | 7 |
| Mr. Chandrakant S. Jyoti | 2 |

The Statutory Auditors, the Cost Auditors and the Head of Internal Audit attended and participated in the meetings on invitation. The Company Secretary of the Company acts as a Secretary to the Committee.

Terms of reference and Scope of the Audit Committee:

The following are the terms of reference and scope of the Audit Committee:

- a) Overall assessment of the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of the audit fee and also approval for payment for any other services rendered by the Auditors.
- c) Reviewing with management the annual financial statements before submission to the Board for approval, focusing primarily on:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices, and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgment by management.
 - Modified opinion(s) in the draft audit report.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Qualification in the draft audit report, if any.
 - Compliance with Listing Agreement and other legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- d) Reviewing with the management the quarterly financial results before submission to the Board for approval.
- e) Reviewing with the management, the statement of utilization / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- f) Reviewing with the management, the performance of statutory auditors, cost auditors and internal auditors, adequacy of internal control systems.
- g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- h) Reviewing the adequacy of internal audit function, 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.
- i) Discussion with internal auditors regarding any significant findings and follow up there on.
- j) Reviewing the findings, if any, of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- k) Discussion with statutory auditors before the commencement of audit, on nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- l) Approval or any subsequent modification of transactions of the Company with related parties.
- m) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.
- n) Scrutiny of inter-corporate loans and investments.
- p) Valuation of undertakings or assets of the Company, wherever it is necessary.
- q) Evaluation of internal financial controls and risk management systems.
- q) Financial Statements and Investments made by Subsidiaries.
- r) To review the functioning of Whistle Blower Mechanism.
- s) Approval of appointment of CFO (i.e. whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.

- t) Carrying out any other function which is mentioned in the terms of reference of the Audit Committee.

The Committee also reviews:

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions, if any.
- Management Letters / Letters of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:-
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

The Audit Committee is also vested with the following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Whistle Blower Policy & Vigil Mechanism

The Companies Act, 2013 and SEBI Regulations require all the listed companies to institutionalize the vigil mechanism and Whistle Blower Policy. Accordingly, the Board has adopted Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website www.trendelectronics.in.

STAKEHOLDERS' RELATIONSHIP COMMITTEE
 (Formerly: Shareholders' / Investors' Grievance Committee)

The composition of the Stakeholder's Relationship Committee of the Board of Directors as on March 31, 2016, was as under:

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Vivek D. Dharm | Chairman | Independent |
| Mr. Subhash S. Nabar | Member | Independent |
| Mr. Chandrakant S. Jyoti | Member | Independent |

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a member of the Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member of the Committee w.e.f. January 29, 2016.

Meetings and Attendance:

During the period under review, 5 (Five) meetings of the Stakeholders' Relationship Committee were held on February 28, 2015, May 14, 2015, August 14, 2015, November 14, 2015 and February 12, 2016.

The details of the attendance by the members are as under:

| Name | Meetings Attended |
|---|-------------------|
| Mr. Vivek D. Dharm | 5 |
| Mr. Subhash S. Nabar | 5 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 4 |
| Mr. Chandrakant S. Jyoti | 1 |

Compliance Officer:

Mr. Kaustubha A. Sahasrabudhe, Company Secretary is the Compliance Officer of the Company.

Terms of reference and scope of the Committee:

The Board has delegated the power of Share Transfer to the Registrar and Share Transfer Agent, who processes the transfers. The Committee monitors redressal of Shareholders' and Investors' complaints and also administers the following activities:

- Transfer / Transmission / Transposition of shares;
- Issue of Duplicate Share Certificates;
- Change of Status of holding;
- Change of Name;
- Issue and Allotment of Shares;
- Sub-division of Shares;
- Consolidation of Folios;
- Dematerialization / Rematerialization of shares;
- Review of shares dematerialized;
- Monitoring compliance of the code of conduct prescribed by Securities and Exchange Board of India for prevention of insider trading; and
- Redressal of investor grievances.

Particulars of investors' grievances received and redressed during the financial period ended on March 31, 2016, form part of this report.

Share Transfer Details for financial period January 1, 2015 to March 31, 2016:**1. The number of Shares transferred during the period under review:**

| Sr. No. | Particulars | No. |
|---------|------------------------------------|-------|
| a) | Number of Transfers | 35 |
| b) | Average No. of Transfers per Month | 2.33 |
| c) | Number of Shares Transferred | 2,251 |

2. Demat / Remat of Shares for period January 1, 2015 to March 31, 2016:

| Sr. No. | Particulars | No. |
|---------|---|--------|
| a) | Number of Demat Requests approved | 138 |
| b) | Number of Sub-committee Meetings held | 51 |
| c) | Number of Shares Dematerialized | 19,028 |
| d) | Percentage of Shares Dematerialized | 0.25 |
| e) | Number of Rematerialization Requests approved | NIL |
| f) | Number of Shares Rematerialized | NIL |

3. Details of complaints received and redressed for period January 1, 2015 to March 31, 2016:

| Sr. No | Particulars | Pending as on December 31, 2014 | Received | Redressed | Pending as on March 31, 2016 |
|--------|--|---------------------------------|-----------|-----------|------------------------------|
| 1. | Non-Receipt of Refund Order | - | - | - | - |
| 2. | Non-Receipt of Dividend / Interest / Redemption Warrants | - | 11 | 11 | - |
| 3. | Non-Receipt of Share Certificates | - | 50 | 50 | - |
| 4. | Others | - | 2 | 2 | - |
| | TOTAL | - | 63 | 63 | - |

NOMINATION AND REMUNERATION COMMITTEE
(Formerly: Remuneration Committee)

The Nomination and Remuneration Committee of the Board of Directors comprised of three Independent Directors.

The composition as on March 31, 2016, was as under:

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Chandrakant S. Jyoti | Chairman | Independent |
| Mr. Subhash S. Nabar | Member | Independent |
| Mr. Vivek D. Dharm | Member | Independent |

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a Chairman of the Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member and appointed as Chairman of the Committee w.e.f. January 29, 2016.

Company Secretary of the Company acts as the de-facto Secretary to the Committee.

Meetings and Attendance:

During the period under review, the Committee met 5 (five) times on the following dates: February 27, 2015, May 14, 2015, August 14, 2015, November 14, 2015 and February 12, 2016.

| Name | Meetings Attended |
|---|-------------------|
| Mr. Vivek D. Dharm | 5 |
| Mr. Subhash S. Nabar | 5 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 4 |
| Mr. Chandrakant S. Jyoti | 1 |

Terms and reference of the scope of the Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Fixing & reviewing the remuneration of the Chief Executives and other senior officers of the Company;
- Recommending the remuneration including the perquisite package of key management personnel;
- Determining the remuneration policy of the Company;
- Recommending to the Board retirement benefits;
- Reviewing the performance of employees and their compensation;
- Attending to any other responsibility as may be entrusted by the Board; and
- Devising the policy on diversity of the Board of Directors.

Further, the Committee shall formulate a policy which shall ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel 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.

Remuneration Policy

The Company has laid down the policy for determining the remuneration of the Directors / Senior Management / Key Management Personnel and have also specified the criteria for evaluation of the performance of the Board of Directors of the Company. The same is available on the Company's website viz. www.trendelectronics.in.

Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations, etc.

Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's weblink viz. <http://www.trendelectronics.in/image/trend/Trend%20Familiarisation%20Program%20for%20Independent%20Directors.pdf>

Directors' Remuneration:

The non-executive and independent directors are paid sitting fees only for participating in the Board and various Committee meetings.

Details of payment towards sitting fees to Directors during the financial period ended on March 31, 2016 are as under:

| Name | Sitting fees paid (₹) |
|--|-----------------------|
| Mr. Vivek D. Dharm | 57,000 |
| Mr. Subhash S. Nabar | 48,000 |
| Mr. Chandrakant S. Jyoti (w.e.f. January 29, 2016) | 11,000 |
| Mrs. Smita Dharm | 2,500 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 40,500 |
| TOTAL | 1,59,000 |

Stock Options:

The Company has not issued any stock options during the financial period ended on March 31, 2016.

FINANCE AND GENERAL AFFAIRS COMMITTEE

The composition of the Finance and General Affairs Committee of the Board of Directors as on March 31, 2016, was as under:

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Vivek D. Dharm | Chairman | Independent |
| Mr. Subhash S. Nabar | Member | Independent |
| Mr. Chandrakant S. Jyoti | Member | Independent |

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a member of the Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member of the Committee w.e.f. January 29, 2016.

The Company Secretary of the Company is the de-facto Secretary of the Committee.

Meetings and attendance:

During the period under review, 14 (Fourteen) meetings of the Finance and General Affairs Committee were held on January 6, 2015, February 6, 2015, February 16, 2015, April 7, 2015, May 11, 2015, May 26, 2015, June 29, 2015, August 6, 2015, August 26, 2015, September 19, 2015, October 13, 2015, November 2, 2015, December 30, 2015 and February 22, 2016.

The details of the attendance by the members are as under:-

| Name | Meetings Attended |
|---|-------------------|
| Mr. Vivek D. Dharm | 14 |
| Mr. Subhash S. Nabar | 5 |
| Mr. Bhopinder J. Chopra (upto January 29, 2016) | 10 |
| Mr. Chandrakant S. Jyoti | 1 |

Terms of reference and scope of the Committee:

The Committee is entrusted with various powers from time to time, which shall aid in prompt execution of various projects, activities and transactions whether routine or non-routine in nature.

RISK MANAGEMENT COMMITTEE

The composition of the Committee as on March 31, 2016 is as under:-

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Vivek D. Dharm | Chairman | Independent |
| Mr. Subhash S. Nabar | Member | Independent |
| Mr. Chandrakant S. Jyoti | Member | Independent |

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a member of the Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member of the Committee w.e.f. January 29, 2016.

Meeting and Attendance

During the period under review, no meeting was held of the Risk Management Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**Composition of the Committee:**

The Composition of the Committee as on March 31, 2016 was as under:

| Name | Designation | Category |
|--------------------------|-------------|-------------|
| Mr. Vivek D. Dharm | Chairman | Independent |
| Mr. Chandrakant S. Jyoti | Chairman | Independent |
| Mr. Subhash S. Nabar | Chairman | Independent |

During the period under review, Mr. Bhopinder J. Chopra resigned from the Board of Directors of the Company w.e.f. January 29, 2016. As such he ceased to be a member of the Committee. Consequently, Mr. Chandrakant S. Jyoti was appointed as a Director to fill the casual vacancy caused by resignation of Mr. Bhopinder J. Chopra. Mr. Chandrakant S. Jyoti was co-opted as member of the Committee w.e.f. January 29, 2016.

Meeting and Attendance

No meeting of the Committee was held during the period under the review.

Terms of Reference of the Committee:

- Formulate and recommend to the Board the CSR Policy and its review from time to time.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.

GENERAL BODY MEETINGS

Date, time and location where the last three Annual General Meetings (AGMs) were held are as under:

| AGM | AGM Date | Location | Time | No. of Special Resolution Passed |
|------|------------|--|-----------|----------------------------------|
| 23rd | 27.06.2013 | 20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) | 1.00 p.m. | NIL |
| 24th | 30.06.2014 | 20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) | 2.00 p.m. | NIL |
| 25th | 27.06.2015 | 20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) | 3.30 p.m. | 1 |

POSTAL BALLOT INCLUDING ELECTRONIC VOTING

No special resolution was passed through Postal Ballot during the financial period under review.

None of the businesses are proposed to be transacted at the ensuing Annual General Meeting which requires passing of a special resolution through postal ballot.

DISCLOSURES

| | |
|---|--|
| a) Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. | There are no transactions, which may have potential conflicts with the interests of Company at large. Transactions with related parties are disclosed in Note No. 31 of the "Notes forming part of Financial Statement" in the Annual Report. |
| b) Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years. | NIL |
| c) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee. | The Company has implemented Whistle Blower Policy and no personnel have been denied access to the Audit Committee. |
| d) Details of Compliance with mandatory requirements and adoption of the non mandatory requirements of this clause. | <p>The Company has complied with mandatory requirements and adopted the following non-mandatory requirements:</p> <ol style="list-style-type: none"> 1. Constitution of Standing Committee under nomenclature 'Finance and General Affairs Committee.' 2. Constitution of Corporate Social Responsibility Committee. |

MEANS OF COMMUNICATION

The Company regularly intimates its Un-Audited as well as Audited Financial Results, including quarterly results, to the Stock Exchanges. The Financial Results are published in Financial Express or Free Press Journal and Loksatta, the leading English and Marathi newspapers having wide circulation. The results of the Company are available on the website of the Company, i.e. www.trendelectronics.in

The official news releases and the presentations, if any, made to investors and financial analysts at investors' meets, from time to time, are also displayed on the Company's website. The results are not sent individually to the shareholders.

The Shareholding Pattern of the Company and Corporate Governance Report are electronically submitted, unless there are any technical difficulties and displayed

through Corporate Filing and Dissemination System viz. www.corpfiling.co.in. and on listing.bseindia.com

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts' Reports / Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at www.trendelectronics.in

Management Discussion and Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION**A. Annual General Meeting:**

| | |
|--------|---|
| Date: | 26th September, 2016 |
| Day: | Monday |
| Time: | 12.30 p.m. |
| Venue: | 20 K.M. Stone, Aurangabad- Beed Road, Village: Bhalgaon, Aurangabad- 431210 (Maharashtra) |

B. Financial Calendar for the year ended 31st March, 2017:

| Particulars | Date |
|---|--|
| Accounting Year | April 1, 2016 - March 31, 2017 |
| Unaudited financial results | Announcement within 45 days from the end of each quarter or such time limit as may be prescribed by Securities and Exchange Board of India and Stock Exchange from time to time. |
| First Quarter Results | On or before August 14, 2016 |
| Second Quarter Results | On or before November 14, 2016 |
| Third Quarter Results | On or before February 14, 2017 |
| Fourth Quarter & Audited Financial Results | On or before May 30, 2017 |
| Annual General Meeting for year ending March 31st, 2017 | On or before September 30, 2017 |

C. Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 14th September, 2016 to Monday, 26th September, 2016 (both days inclusive).

D. Dividend Payment Date:

In view of the loss incurred, the Board of Directors of Company do not recommend any dividend for the period under review.

E. Listing:

The Equity shares of your Company are listed on:

| Sr. No. | Name and address of the Stock Exchange | Stock Code |
|---------|--|------------|
| 1. | BSE Limited (Formerly: Bombay Stock Exchange Limited) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Web: www.bseindia.com | 517228 |

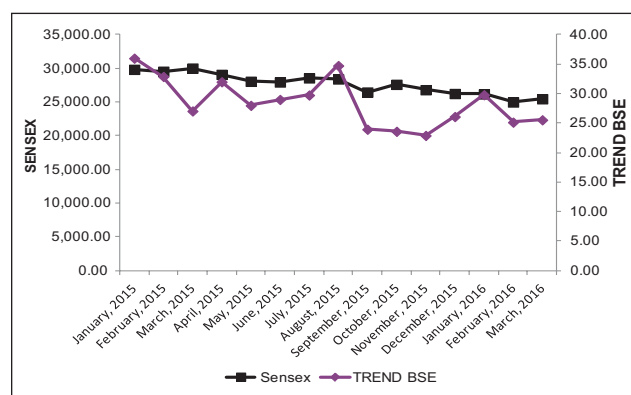
The Company has paid listing fees for the year 2015-16 to BSE Limited and the Custodial Fees for the year 2015-16 to National Securities Depository Limited and Central Depository Services (India) Limited.

F. Market Price Data:

Monthly High and Low prices at BSE Limited during the period ended on March 31, 2016, are as under:

| Month | BSE | |
|-----------------|------------|-----------|
| | High Price | Low Price |
| January, 2015 | 36.00 | 20.70 |
| February, 2015 | 32.90 | 23.05 |
| March, 2015 | 27.05 | 19.05 |
| April, 2015 | 32.00 | 24.00 |
| May, 2015 | 28.00 | 21.75 |
| June, 2015 | 29.00 | 20.90 |
| July, 2015 | 29.75 | 21.05 |
| August, 2015 | 34.75 | 21.00 |
| September, 2015 | 23.95 | 18.20 |
| October, 2015 | 23.60 | 18.20 |
| November, 2015 | 22.90 | 18.35 |
| December, 2015 | 26.10 | 18.00 |
| January, 2016 | 29.80 | 23.15 |
| February, 2016 | 25.15 | 17.90 |
| March, 2016 | 25.55 | 18.75 |

TREND HIGH VS SENSEX HIGH

**G. Registrar and Share Transfer Agent:**

MCS Share Transfer Agent Limited
002, Ground Floor, Kashiram Jamnadas Building
5, P D'mello Road Masjid (East),
Mumbai- 400 009
Tel: 022- 40206020 / 21 / 22 / 23 / 24
Fax: 022- 40206021
E-mail: mcssta.mumbai@gmail.com

H. Share Transfer System:

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is / are duly transferred and dispatched within a period of 15 days from the date of receipt.

I. Distribution of Shareholding:

a) Shareholding pattern as on March 31, 2016, is as under:

| Category Code | Category of Shareholder | Number of Shareholders | Total Number of Shares | As a percentage of (A+B+C) |
|---------------|---|------------------------|------------------------|----------------------------|
| (A) | Shareholding of Promoter and Promoter Group | | | |
| (1) | Indian | 10 | 40,41,788 | 53.89 |
| (2) | Foreign | - | - | - |
| | Sub – Total (A) | 10 | 40,41,788 | 53.89 |
| (B) | Public Shareholding | | | |
| (1) | Institutions | 9 | 3,975 | 0.05 |
| (2) | Non- Institutions | | | |
| | Bodies Corporate | 137 | 451,285 | 6.02 |
| | Individuals | 16,504 | 2,852,845 | 38.04 |
| (3) | Others | 801 | 150,107 | 2.00 |
| | Sub – Total (B) | 17,451 | 3,458,212 | 46.11 |
| | TOTAL (A) + (B) | 17,461 | 7,500,000 | 100.00 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | | | |
| (1) | Promoter and Promoter Group | - | - | - |
| (2) | Public | - | - | - |
| | Sub-Total (C) | - | - | - |
| | GRAND TOTAL (A)+(B)+(C) | 17,461 | 7,500,000 | 100.00 |

b) Distribution of Shareholding as on March 31, 2016 is given below:

| Share Holding of Nominal Value | Number of Shareholders | % to the Total Shareholders | No. of Shares | Amount (in ₹) | % to the Total Value of Share Capital |
|--------------------------------|------------------------|-----------------------------|------------------|--------------------|---------------------------------------|
| Up to 5,000 | 17,003 | 97.377 | 13,58,495 | 1,35,84,950 | 18.113 |
| 5001 to 10000 | 202 | 1.157 | 1,62,681 | 16,26,810 | 2.169 |
| 10001 to 20000 | 123 | 0.704 | 1,83,908 | 18,39,080 | 2.452 |
| 20001 to 30000 | 45 | 0.258 | 1,12,790 | 11,27,900 | 1.504 |
| 30001 to 40000 | 15 | 0.086 | 53,840 | 5,38,400 | 0.718 |
| 40001 to 50000 | 8 | 0.046 | 38,618 | 3,86,180 | 0.515 |
| 50001 to 100000 | 26 | 0.149 | 1,77,098 | 17,70,980 | 2.361 |
| 100001 and above | 39 | 0.223 | 54,12,570 | 5,41,25,700 | 72.168 |
| TOTAL | 17,461 | 100.000 | 75,00,000 | 7,50,00,000 | 100.000 |

J. Dematerialization of Shares and liquidity:

The Securities and Exchange Board of India (SEBI), through a notification has made it mandatory that any delivery in the Company's shares against stock exchange trades shall be in demat form. As on March 31, 2016; 6,536,400 equity shares (representing 87.15% of the total number of shares) have been dematerialized. The entire promoter holding is in dematerialized form.

K. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on equity:

The Company has not issued any instruments which warrant conversion. As on March 31, 2016, there is no outstanding instrument which warrants conversion.

L. Warrants:

There were no warrants issued during the period under review.

M. Disclosure of Commodity Price Risks and Commodity Hedging Activities:

The Risk Management Committee identifies the risk elements and manages the risk pertaining to hedging activities and periodically discusses and mitigates the identified risks from time to time.

N. Plant location:

20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, District: Aurangabad - 431 210 (Maharashtra)

O. Address for Correspondence:

20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, District: Aurangabad - 431 210 (Maharashtra) Tel : +91- 240- 2644509 / 10 / 12 Fax: +91- 240- 2644506 E-mail id: secretarial_trend@videoconmail.com

P. The correspondence address for shareholders in respect of their queries is:

MCS Share Transfer Agent Limited
002, Ground Floor, Kashiram Jamnadas Building
5, P D'mello Road Masjid (East), Mumbai- 400 009
Tel: 022- 40206020 / 21 / 22 / 23 / 24
Fax: 022- 40206021
E-mail: mcssta.mumbai@gmail.com

MISCELLANEOUS

Bank Details:

Shareholders holding shares in physical form are requested to notify / send the following information to the Registrar and

Share Transfer Agent of the Company:

- Any change in their address/ mandate/ bank details etc; and
- Particulars of the bank account in which they wish their dividend (if any), to be credited (in case the same has not been furnished earlier); and should include the following particulars namely, Bank Name, Branch Name, Account Type, Account Number and MICR Code (9 digits).

Permanent Account Number:

The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent.

Nomination Facility:

Shareholders holding shares in physical form and desirous of submitting / changing nomination in respect of their shareholding in the Company may submit Form 2B (in duplicate) pursuant to the provisions of the Act, to the Company's Registrar and Share Transfer Agent.

Compliance Certificate of the Auditors:

A certificate from the Statutory Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the SEBI Regulations is attached to this report.

CERTIFICATES AND CONFIRMATION

CERTIFICATION

To,
The Board of Directors
TREND ELECTRONICS LIMITED

We, the Head Operations and Chief Financial Officer of the Company, certify to the Board that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial period ended on 31st March, 2016 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial period are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company, disclosing to the Auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, and take steps or propose to take steps to rectify these deficiencies.
- d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i. Significant changes in Internal Control over financial reporting during the financial period;
 - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For TREND ELECTRONICS LIMITED

HEAD OPERATIONS

CHIEF FINANCIAL OFFICER

Place: Mumbai

Date: 13th August, 2016

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
TREND ELECTRONICS LIMITED

We have examined the compliance of conditions of Corporate Governance by Trend Electronics Limited, for the financial period ended on 31st March, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to the review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For KHANDLWAL JAIN & CO.
Chartered Accountants
(Firm Registration No. 105049W)

For KADAM & CO.
Chartered Accountants
(Firm Registration No. 104524W)

BHUPENDRA KARKHANIS
Partner
Membership No. 108336

U. S. KADAM
Partner
Membership No. 31055

Place: Mumbai

Date: 13th August, 2016

DECLARATION

The Board has laid down a code of conduct for all the Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management have affirmed compliance with the code of conduct.

For TREND ELECTRONICS LIMITED

HEAD OPERATIONS

COMPANY SECRETARY

Place: Mumbai

Date: 13th August, 2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is prepared in adherence to the spirit enunciated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Management presents herein the Industry Structure and Development, Opportunities and Threats in the Consumer Electronics Industry, Segment / Product wise performance, Risks and Concerns, Internal Control Systems and their adequacy and the Company's Outlook for the future.

INDUSTRY OVERVIEW

Your Company is engaged in manufacturing and trading of Electrical and Electronic Appliances and primarily focusing on manufacturing of Set Top Boxes. The Consumer Electronics (CE) sector in Q1 2016 witnessed a year-over-year decline of 6.3% and a quarter-over-quarter decline of 17.1%. The first quarter of the year is generally weak for CE companies, owing to the conclusion of holiday sales in the preceding quarter.

Your Company has managed to increase the revenue from operations by 26.95%. The market is poised for unprecedented growth over the forecast period owing to the rapid adoption of smart TVs and increasing penetration of High Definition (HD) channels among consumers. Modern Set Top Box (STB) devices have increased the storage space to enable increased personal video recording and caching of data broadcasts. Technological proliferation and increasing demand for high-quality picture and sound are expected to drive the market over the forecast period.

Digitization is expected to eventually lead to a higher volume of 3D content creation for urban consumers and regional content for the rural consumers. It is also expected to spur demand for 3D and HD TV sets. With the digitization of cable, consumers are now installing set-top boxes and accessing high-quality picture and sound. The TV screens are getting better and bigger, thereby making SD quality unacceptable for a high-quality viewing experience.

These devices enable users to access HD quality video content on their HD-ready TV sets. With the emergence of innovative products such as OLED TVs, 4K UHD TVs, and 3D smart interactive TVs, the global market is expected to present significant opportunities for market growth over the forecast years. Increasing demand for smart TVs and technologically-advanced TV sets among the global population is eventually increasing the need to access innovative features.

Your Company primarily focuses on manufacturing and trading of Set Top Boxes. Set-top-boxes (STBs) are electronic devices that allow users to receive unencrypted subscribed channels through an addressable system for viewing encrypted channels.

OPPORTUNITIES AND THREATS

Opportunities

1. The Global Set Top Box market is becoming more versatile and dynamic as it provides several benefits to customers, such as pause and store facilities and easy deployment options. Improving picture quality, the advent of HD TVs and multiple TV sets in a house are some of the major factors leading to an increase in the demand for STBs and driving market growth at a CAGR of 2.14% for the 2014-2018 period.
2. As a part of "Make in India" Campaign, India has emerged as a large broadcasting and Distribution sector comprising of 800 TV Channels, 6000 multi-system operators with 7 DTH operators. With this initiative India has embarked on the path to become a global manufacturing hub.
3. The opportunities in the DTH sector across the networks in the country with industrial growth has enhanced at a larger extent in respect of the public-private partnerships, role of contractors and consultants, Equipment suppliers and Financing.
4. The market for STBs is expected to surpass USD 18 billion by the year 2019 due to its easy deployment options and the introduction of features like pause and play facility.
5. According to the market research analysis, Asia Pacific ('APAC') region to account for more than 56% of the total market share by 2019. Market growth in this region is primarily driven by countries like China and India, where the rapid digitization of analog TVs is resulting in its rapid adoption during the forecast period.
6. Indian consumer durable industry is set to witness phenomenal growth in the near future, with rising technological innovations.

The key growth drivers for the Indian consumer durables industry:

1. The domestic consumer electronics and durables sector has witnessed a substantial growth over the last few years. This sector plays an important part in the economy of the country. The consumer durables market has been growing big, primarily driven by imports.
2. With the given macroeconomic factors and government impetus with "Make In India", India is well positioned to increase its manufacturing base in the consumer durables. Even the manufacturers on their part are willing to invest in India and increase their manufacturing base in the country to serve domestic markets and also to export in order to gain scale and make Indian operations viable.
3. The growing consumer electronics market in India presents an attractive opportunity to manufacturers. Most of the global corporations are looking at India as regional hub for manufacturing and sales to cater to not only Indian market, but SAARC and Middle East & African markets as well.
4. Growth drivers for electronics segment are as under:
 - Significant local demand
 - Rising manufacturing costs in alternate markets
 - 65% of the current demand for electronic products is met by imports
 - Consumer electronics industry is expected approximately to be US\$29 billion market by 2020.

Threats:

The success of the Company will depend on its ability to develop and market products which met changing consumer demands and ability of the Company to respond to technological developments and changes in manufacturing processes. Some of the threats / challenges are as under:

- Raw materials are not available through indigenous source and have to be imported. This is a big handicap and adds to cost of manufacturing final products.
- Stiff competition in the market.
- Require huge amounts for building the Strong Distribution chain.
- Technology obsolescence.
- Continuous increase in Raw material Cost and Commodity prices.
- Increase in competition from foreign Competitors.
- Changing consumer preferences.
- Market volatility.

OUTLOOK AND STRATEGY

Technological proliferation and increasing demand for high-quality picture and sound is anticipated to boost global set top box market growth. Increasing demand for IPTV models in developed regions has further bolstered industry growth. Additionally, abridged prices of smart TVs and growing availability of HD channels across all platforms are expected to push demand for advanced STB devices.

STBs can be categorized into cable, satellite, Internet Protocol TV (IPTV), Digital Terrestrial Television (DTT) and Over The Top (OTT) devices. Digital format transmissions provide better sound and picture quality, as well as an enhanced viewing experience in HD. Additionally, they provide interactive services such as Video On Demand (VoD), and the freedom to pay only for selected channels.

Recent administrative regulations pertaining to digitization in countries such as India are further expected to impel industry growth as these protocols can provide monetary relief to viewers, and in some cases, funding for broadcasters to enable a digital switch over to take place by a given deadline.

However, procurement costs and associated costs of pay channels are expected to pose as challenges for the industry. The inequality in demand and supply of devices across the world is expected to negatively affect the global market.

RISKS AND CONCERNS

Your Company is exposed to risks such as high interest rates, stiff competition, and possible entry of multinational companies into manufacturing of Set Top Boxes in India. However, these risks and concerns are addressed on a continuous basis.

The risks that may affect Company's business include:

- Increase in input costs
- Cross border Competition
- Technology obsolesce
- Increase in Interest rates
- Non availability of adequate funds
- Frequent power fluctuations
- Foreign currency fluctuations
- Lack of expertise

The management is aware of the risks and as laid down the procedure to inform the Board members about risk assessments and minimization procedures.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has proper and adequate systems of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transaction are authorized, recorded and reported correctly.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Company's Internal Audit function objectively and independently tests the design, adequacy and operating effectiveness of the internal control system to provide a credible assurance to the Board and the Audit Committee regarding the adequacy and effectiveness of the internal control system. The function also reviews and reports on adherence to operating guidelines and statutory requirements, recommends improvements for monitoring and strengthening economy and efficiency of operations and ensuring reliability of financial and operational information.

Your Company adheres to the following internal control system:

- Properly conducting Board and General Meetings;
- Recording of data discussed during the meeting in proper manner;
- Well prescribed internal reporting hierarchy; and
- Timely preparation of records, reports, minutes and other financial and statutory documents.

Internal audit is conducted by an independent audit firm throughout the year to monitor and report on the effectiveness of the internal controls in the organization. The plan and the internal audit reports are shared with the Statutory Auditors. Reports of the internal auditors are also continuously reviewed by the management and corrective actions are initiated to strengthen the controls and enhance the effectiveness of the existing systems.

SEGMENT-WISE PERFORMANCE

The Company is primarily engaged in manufacturing of electrical and electronics appliances and there is no other reportable segment as defined in Accounting Standard 17 on "Segment Reporting."

FINANCIAL PERFORMANCE

Income:

Sales

During the 15 months period under review, the Company recorded a turnover of ₹ 19,600.10 Million as against ₹ 15,323.98 Million for the year ended on December 31, 2014.

Other Income

Other Income for the period was ₹ 44.86 Million as against ₹ 57.50 Million for previous year ended on December 31, 2014. Other income comprises of profit on sale of fixed assets, interest income, insurance claims received.

Expenditure:

Cost of Goods Consumed / Sold

During the period, the Cost of Goods Consumed / Sold stood at ₹ 17,150.16 Million as against ₹ 13,841.67 Million for the previous year ended on December 31, 2014.

Employee Benefits Expenses

During the period under review, the Salary and Wages were ₹ 267.81 Million as against ₹ 185.42 Million for the previous year ended on December 31, 2014.

Other Expenses

During the period under review, the Other Expenses were ₹ 344.09 Million as against ₹ 308.24 Million for the previous year ended on December 31, 2014.

Finance Costs

Interest and Finance Costs were to the tune of ₹ 1,108.18 Million as against ₹ 720.46 Million for the previous year ended on December 31, 2014.

Depreciation & Amortization

During the period under review, Depreciation & Amortization amounted to ₹ 306.57 Million as against ₹ 218.09 Million for the previous year ended on December 31, 2014.

Loss Before Tax

The Loss before Tax for the current period amounted to ₹ 382.39 Million as against a loss of ₹ 447.59 Million for the previous year ended on December 31, 2014.

Net Loss

Net Loss of the Company for the current year amounted to ₹ 229.76 Million as against a loss of ₹ 347.79 Million for the previous year ended on December 31, 2014.

Earnings Per Share

Earnings Per Share for the current period amounted to ₹ (30.64) as against ₹ (46.37) for the previous year ended on December 31, 2014.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS INCLUDING NUMBER OF PEOPLE EMPLOYED

Human resources are the people who make up the workforce of an organization, business sector, or economy. Human capital is the most valuable resources to any organization. The success of any business is contingent to the performance of its Human Resource that eventually are responsible for the delivery of results. The Company is committed to maintain a cordial and healthy atmosphere with the employees at all levels. It considers the quality of its human resources to be the most important asset; and places significant focus on training and development of its employees. The Company ensures that it attracts right competency, develop them continuously and keep its employees motivated throughout.

The Company has developed a HRD plan with built-in-parameters to achieve excellence. In line with this objective, the performance evaluation processes are being redefined to provide dynamic interventions in assessing and developing the individual targets and synchronizing these targets to the Company's objective and mission.

The Company will continue to strengthen employer-employee relationship by providing a conducive working environment and offering a competitive compensation package. Imparting adequate HR training programmes and specialized trainings to the employees of the Company is an ongoing exercise. The Company is also planning to implement various employee benefit plans to support the family of employee is also a concern of the Company along with the growth of the Company.

The total staff strength of the Company for the period ended 31st March, 2016, was 333.

CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, production, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results might differ substantially or materially from those expressed or implied due to the influence of external and internal factors beyond the control of the Company. Further, the discussion herein reflects the perceptions on major issues as on date and the opinions expressed herein are subject to change without notice. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

INDEPENDENT AUDITORS' REPORT

To,
The Members of,
TREND ELECTRONICS LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **TREND ELECTRONICS LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the 15 months period ended on that date, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the period ended on that date.

5. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- B. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 32 to the financial statements.
 - ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the period ended 31st March, 2016.

For KHANDELWAL JAIN & CO.
Chartered Accountants
(Firm Registration No. 105049W)

BHUPENDRA Y. KARKHANIS
Partner
Membership No.: 108336

Place: Mumbai
Date: 30th May, 2016

For KADAM & CO.
Chartered Accountants
(Firm Registration No. 104524W)

U. S. KADAM
Partner
Membership No.: 31055

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 5A of Independent Auditors' Report of even date to the Members of TREND ELECTRONICS LIMITED ("the Company") on the Financial Statements as of and for the 15 months period ended 31st March, 2016)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per the information and explanations given to us, the physical verification of fixed assets, has been carried out by the management at reasonable intervals in terms of the phased programme of verification adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and the nature of its business.
- (ii) (a) As per the information and explanations given to us, the inventories have been physically verified during the period by the management at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. As per the information and explanations given to us, the discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public. Therefore, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Value added tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company examined by us and information and explanations given to us, the particulars of dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Value added tax, Cess which have not been deposited on account of any disputes, are given below:

| Name of Statute | Nature of the Dues | Amount (₹ in Million) | Forum where dispute is pending |
|---|---------------------------|--------------------------------------|---|
| 1. Customs Act, 1962 | Custom Duty | 0.75 | Commissioner |
| 2. Central Excise Act, 1944 | Excise Duty and Penalties | 2.73 4.03 6.95 0.48 1.03 | High Court CESTAT Commissioner Dy. Commissioner Asst. Commissioner |
| 3. Central Sales Tax Act, 1956 and Sales Tax Acts of various States | Sales Tax | 0.02 32.72 0.28 0.58 | Appellate Tribunal Joint Commissioner Add. Commissioner Asst. Commissioner |
| 4. Income Tax Act, 1961 | Income Tax | 7.43 | Commissioner (Appeal) |

- (c) In our opinion and according to the information and explanations given to us, the amounts required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) There are accumulated losses of ₹1,122.68 Million as on 31st March, 2016 which are not more than fifty percent of its net worth. The Company has incurred cash losses during the financial period and the immediately preceding financial year.
- (ix) Based on our audit procedures and the information and explanations given to us, it is observed that, the Company has defaulted in repayment of dues to financial institutions or banks or debenture holders which are summarized below:

| Particulars | Principal Amount (₹ in Million) | Interest Amount (₹ in Million) | Delay in Days – Range |
|---|------------------------------------|-----------------------------------|-----------------------|
| Amount paid before the period end | 22.88 | 172.90 | 1 to 31 Days |
| Amount outstanding as at 31st March, 2016 and subsequently paid | 12.50 | 20.75 | 1 to 30 Days |

- (x) According to the information and explanations given to us, the terms and conditions of guarantees / securities given by the Company for loans taken by others from banks or financial institutions are *prima facie* not prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, the term loans raised during the period were applied, on an overall basis, for the purposes for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period.

For KHANDELWAL JAIN & CO.

Chartered Accountants
(Firm Registration No. 105049W)

BHUPENDRA Y. KARKHANIS

Partner
Membership No.: 108336

Place: Mumbai
Date: 30th May, 2016

For KADAM & CO.

Chartered Accountants
(Firm Registration No. 104524W)

U. S. KADAM

Partner
Membership No.: 31055

BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ in Million)

| Particulars | Note No. | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
|---|----------|--------------------------|--------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1) Shareholders' Funds | | | |
| a) Share Capital | 2 | 2,075.00 | 1,075.00 |
| b) Reserves and Surplus | 3 | (475.83) | (246.07) |
| | | 1,599.17 | 828.93 |
| 2) Non-Current Liabilities | | | |
| a) Long Term Borrowings | 4 | 3,957.45 | 2,630.22 |
| b) Long Term Provisions | 5 | 18.36 | 9.22 |
| | | 3,975.81 | 2,639.44 |
| 3) Current Liabilities | | | |
| a) Short Term Borrowings | 6 | 3,088.35 | 4,465.48 |
| b) Trade Payables | 7 | 2,162.18 | 1,987.69 |
| c) Other Current Liabilities | 8 | 2,717.23 | 626.49 |
| d) Short Term Provisions | 9 | 32.74 | 39.71 |
| | | 8,000.50 | 7,119.37 |
| TOTAL | | 13,575.48 | 10,587.74 |
| II. ASSETS | | | |
| 1) Non-Current Assets | | | |
| a) Fixed Assets | | | |
| i) Tangible Assets | 10 | 2,085.94 | 2,394.63 |
| ii) Intangible Assets | 10 | 0.32 | 0.49 |
| b) Non-Current Investments | 11 | 456.02 | 456.46 |
| c) Deferred Tax Assets (Net) | 12 | 250.38 | 97.75 |
| d) Long Term Loans and Advances | 13 | 41.38 | 37.07 |
| | | 2,834.04 | 2,986.40 |
| 2) Current Assets | | | |
| a) Inventories | 14 | 3,994.70 | 3,910.43 |
| b) Trade Receivables | 15 | 2,949.17 | 2,819.82 |
| c) Cash and Bank Balances | 16 | 388.28 | 368.22 |
| d) Short Term Loans and Advances | 17 | 3,388.42 | 492.51 |
| e) Other Current Assets | 18 | 20.87 | 10.36 |
| | | 10,741.44 | 7,601.34 |
| TOTAL | | 13,575.48 | 10,587.74 |
| Significant Accounting Policies | 1 | | |
| Notes forming part of the Financial Statements | 2 to 39 | | |

As per our report of even date

For and on behalf of the Board

For KHANDELWAL JAIN & CO.
Chartered Accountants

For KADAM & CO.
Chartered Accountants

MILIND M. DESHPANDE
Chief Financial Officer

V. D. DHARM
Director
DIN: 00214361

BHUPENDRA Y. KARKHANIS
Partner
Membership No. 108336

U. S. KADAM
Partner
Membership No. 31055

KAUSTUBHA A. SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai

Date: 30th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 1ST JANUARY, 2015 TO 31ST MARCH, 2016

(₹ in Million)

| Particulars | Note No. | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|--|----------|---------------------------------------|----------------------------------|
| I. INCOME | | | |
| Revenue from Operations | 19 | 19,600.10 | 15,323.98 |
| Less: Excise Duty | | 850.54 | 555.19 |
| Net Revenue from Operations | | 18,749.56 | 14,768.79 |
| Other Income | 20 | 44.86 | 57.50 |
| Total Income | | 18,794.42 | 14,826.29 |
| II. EXPENSES | | | |
| Cost of Materials Consumed | 21 | 8,111.24 | 6,410.96 |
| Purchase of Stock-in-Trade | 22 | 8,989.24 | 7,337.56 |
| Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade | 23 | 49.68 | 93.15 |
| Employee Benefits Expense | 24 | 267.81 | 185.42 |
| Finance Costs | 25 | 1,108.18 | 720.46 |
| Depreciation and Amortisation Expense | 10 | 306.57 | 218.09 |
| Other Expenses | 26 | 344.09 | 308.24 |
| Total Expenses | | 19,176.81 | 15,273.88 |
| III. PROFIT / (LOSS) BEFORE TAX | | (382.39) | (447.59) |
| IV. TAX EXPENSES | | | |
| Current Tax | | - | - |
| Deferred Tax | | (152.63) | (99.80) |
| V. PROFIT / (LOSS) FOR THE PERIOD / YEAR | | (229.76) | (347.79) |
| VI. EARNINGS PER EQUITY SHARE OF FACE VALUE ₹10/- EACH | | | |
| Basic and Diluted | 27 | (30.64) | (46.37) |
| Significant Accounting Policies | 1 | | |
| Notes forming part of the Financial Statements | 2 to 39 | | |

As per our report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants

For KADAM & CO.
Chartered Accountants

MILIND M. DESHPANDE
Chief Financial Officer

For and on behalf of the Board

V. D. DHARM
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KAUSTUBHA A. SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai

Date: 30th May, 2016

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2016

(₹ in Million)

| Particulars | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|--|---------------------------------------|----------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before Tax | (382.39) | (447.59) |
| Adjustments for: | | |
| Depreciation and Amortisation | 306.57 | 218.09 |
| Finance Costs | 1,108.18 | 720.46 |
| Provision for Warranty and Maintenance Expenses | (4.86) | 2.38 |
| Provision for Gratuity | 6.90 | 2.85 |
| Provision for Leave Encashment | 0.13 | 1.47 |
| Diminution in value of Investments | 0.35 | - |
| Interest Received | (40.87) | (33.89) |
| Profit on Sale of Fixed Assets | (3.96) | (0.06) |
| Operating Profit before Working Capital Changes | 990.05 | 463.71 |
| Adjustments for: | | |
| Inventories | (84.27) | (13.31) |
| Trade Receivables | (129.35) | (32.53) |
| Loans and Advances | (2,896.19) | 137.77 |
| Other Current Assets | (10.51) | 16.85 |
| Trade Payables | 174.49 | 146.13 |
| Other Current Liabilities | 1,614.53 | (1.93) |
| Cash generated from / (used in) Operations | (341.25) | 716.69 |
| Less: Taxes Paid / (Refund)-net | 4.03 | (2.52) |
| Net Cash (used in) / from Operating Activities | (A) (345.28) | 719.21 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale of Fixed Assets | 14.97 | 0.10 |
| Purchase of Fixed Assets | (8.72) | (42.23) |
| Interest Received | 40.87 | 33.89 |
| (Increase) / Decrease in Fixed Deposits and Other Bank Balances | 16.64 | (25.63) |
| (Increase) / Decrease in Investments (Net) | 0.09 | (200.00) |
| Net Cash from / (used in) Investing Activities | (B) 63.85 | (233.87) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase in Preference Share Capital | 1,000.00 | - |
| Increase / (Decrease) in Long Term Borrowings | 1,803.66 | (1,177.40) |
| Increase / (Decrease) in Short Term Borrowings | (1,377.13) | 1,416.21 |
| Finance Costs | (1,108.18) | (720.46) |
| Payment of Dividend | (0.22) | (0.19) |
| Net Cash from / (used in) Financing Activities | (C) 318.13 | (481.84) |
| Net Change in Cash and Cash Equivalents | (A+B+C) 36.70 | 3.50 |
| Cash and Cash Equivalents at the beginning of the year | 6.79 | 3.29 |
| Cash and Cash Equivalents at the end of the year | 43.49 | 6.79 |
| Other Bank Balances | 344.79 | 361.43 |
| Cash and Bank Balances at the end of the year (Note No. 16) | 388.28 | 368.22 |

As per our report of even date

For and on behalf of the Board

For KHANDELWAL JAIN & CO.
Chartered Accountants

For KADAM & CO.
Chartered Accountants

MILIND M. DESHPANDE
Chief Financial Officer

V. D. DHARM
Director
DIN: 00214361

BHUPENDRA Y. KARKHANIS
Partner
Membership No. 108336

U. S. KADAM
Partner
Membership No. 31055

KAUSTUBHA A. SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai
Date: 30th May, 2016

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Accounting

- a) The financial statements are prepared under the historical cost convention using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) including the mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014 and the Provisions of the Act.

- b) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provisions for doubtful debts, employee retirement benefits plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

B) Fixed Assets / Capital Work-in-Progress

- a) Fixed Assets are stated at cost, less accumulated depreciation / amortisation and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, financing cost and other incidental expenses related to the acquisition and installation of the respective assets but does not include tax / duty credits availed.
- b) Capital Work-in-Progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

C) Depreciation

Depreciation on fixed assets is provided to the extent of depreciable amount on the straight line method, based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013, except on plant and machinery of Hermatic Division on which depreciation is provided on written down value method based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013.

Assets costing of ₹ 5,000 or less are fully depreciated in the year of purchase.

Intangible Assets are amortised over a period of five years.

D) Impairment of Assets

The Fixed Assets or a group of assets (cash generating units) are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognised by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

E) Investments

Non Current Investments are stated at cost. The decline in the value of the investment, other than temporary, is provided for. Cost is inclusive of brokerage, fees and duties but excludes Securities Transaction Tax.

F) Inventories

Inventories are valued at cost or net realisable value whichever is lower. Cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

G) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an qualifying assets are capitalised as part of the cost of that assets. Other borrowing costs are recognised as an expense in the period in which they are incurred.

H) Excise and Customs Duty

Excise Duty in respect of finished goods lying in the factory premises and Customs Duty on goods lying in customs bonded warehouse are provided for and included in the valuation of inventory.

I) CENVAT / Value Added Tax

CENVAT / Value Added Tax benefit is accounted for by reducing the purchase cost of the materials / fixed assets / services.

J) Revenue Recognition

- a) Revenue is recognised on transfer of significant risk and reward in respect of ownership.
- b) Sales / Turnover for the year includes sales value of goods, excise duty, duty drawback and other recoveries such as insurance, transportation and packing charges but excludes sales tax, value added tax and recovery of finance and discounting charges.
- c) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.
- d) Dividend on investments is recognised when the right to receive is established.

K) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions. Foreign Currency Monetary Assets and Liabilities are translated at the year end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of Monetary Items at the end of the year is recognised, as the case may be, as income or expense for the year.

L) Employee Benefits

- a) Short Term Employees Benefits

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

- b) Post Employment Benefits

- i) Provident Fund - Defined Contribution Plan

The Company contributes monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organisation, India for this purpose and is charged to Statement of Profit and Loss on accrual basis.

- ii) Gratuity - Defined Benefit Plan

The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service. Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains / losses are recognized immediately in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

iii) Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains / losses are recognized immediately in the Statement of Profit and Loss.

M) Taxation

Income tax comprises of current tax and deferred tax. Provision for current income tax is made on the assessable income / benefits at the rate applicable to the relevant assessment year. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax asset / liability are reviewed at each Balance Sheet date and recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.

Minimum Alternate Tax (MAT) paid on the book profits, which give rise to future economic benefits in the form of tax credit against future income-tax liability, is recognised as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period specified for utilisation of such credit.

N) Research and Development

Revenue Expenditure pertaining to Research and Development is charged to revenue under the respective heads of account in the year in which it is incurred. Capital expenditure, if any, on Research and Development is shown as an addition to Fixed Assets, under the respective heads.

O) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources in respect of which reliable estimates can be made.

Contingent Liabilities are not recognised but are disclosed in the Notes to Financial Statements. Disputed demands in respect of Central Excise, Custom duty, Income tax, Sales tax and Other are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Contingent assets are not recognised in the financial statements.

P) Warranty

Provision for the estimated liability in respect of warranty on sale of consumer electronics and home appliances products is made in the year in which the revenues are recognised, based on technical evaluation and past experience.

Q) Prior period items

Prior period items are included in the respective heads of accounts and material items are disclosed by way of Notes to Financial Statements.

R) Other Accounting Policies

These are consistent with the generally accepted accounting principles.

(₹ in Million)

2. SHARE CAPITAL

Authorised:

25,000,000 (As at 31st December, 2014 - 25,000,000) Equity Shares of ₹ 10/- each

20,000,000 (As at 31st December, 2014 - 10,000,000) Redeemable Preference Shares of ₹ 100/- each

| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
|--------------|--------------------------|--------------------------|
| | 250.00 | 250.00 |
| | 2,000.00 | 1,000.00 |
| Total | 2,250.00 | 1,250.00 |

Issued, Subscribed and Paid-up:

7,500,000 (As at 31st December, 2014 - 7,500,000) Equity Shares of ₹ 10/- each fully paid-up

20,000,000 (As at 31st December, 2014 - 10,000,000) 8% Non-Cumulative Redeemable Preference

Shares of ₹ 100/- each fully paid-up.

| As at 31st March, 2016 | | As at 31st December, 2014 | |
|---|--------------|---------------------------|--------------|
| No. of Shares | ₹ in Million | No. of Shares | ₹ in Million |
| 7,500,000 | 75.00 | 7,500,000 | 75.00 |
| - | - | - | - |
| 7,500,000 | 75.00 | 7,500,000 | 75.00 |
| 8% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each | | | |
| 10,000,000 | 1,000.00 | 10,000,000 | 1,000.00 |
| 10,000,000 | 1,000.00 | - | - |
| 20,000,000 | 2,000.00 | 10,000,000 | 1,000.00 |

2.1 Reconciliation of the number of Shares:

Equity Shares of ₹ 10/- each

Outstanding at the beginning of the period / year

Add: Issued during the period / year

Outstanding at the end of the period / year

8% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each

Outstanding at the beginning of the period / year

Add: Issued during the period / year

Outstanding at the end of the period / year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

2.2 Rights, preference and restrictions:

- The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The Preference shares do not have voting rights. They have preference over equity shareholder as to dividend and in case of liquidation.

2.3 Terms of redemption of Preference Shares:

- The Preference Shares of ₹ 1,000.00 Million are redeemable at par in 4 equal yearly installments on 4th December, 2017, 4th December, 2018, 4th December, 2019 and 4th December, 2020.
- The Preference Shares of ₹ 1,000.00 Million are redeemable at par in 4 equal yearly installments on 30th March, 2021, 30th March, 2022, 30th March, 2023 and 30th March, 2024.

2.4 Details of Shareholders holding more than 5% Shares:

Name of Shareholders

a) Equity Shares

| | As at 31st March, 2016 | | As at 31st December, 2014 | |
|---|------------------------|--------------|---------------------------|--------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding |
| Dome-Bell Electronics India Private Limited | 1,250,100 | 16.67 | 1,250,100 | 16.67 |
| Shree Dhoot Trading and Agencies Limited | 381,075 | 5.08 | 197,325 | 2.63 |
| Videocon Industries Limited | 1,408,800 | 18.78 | 1,408,800 | 18.78 |
| Waluj Components Private Limited | 710,730 | 9.48 | 710,730 | 9.48 |

b) Preference Shares

| | | | | |
|---|------------|-------|------------|--------|
| Dome-Bell Electronics India Private Limited | 3,500,000 | 17.50 | - | - |
| Shree Dhoot Trading and Agencies Limited | 3,500,000 | 17.50 | - | - |
| Videocon Industries Limited | 10,000,000 | 50.00 | 10,000,000 | 100.00 |
| Waluj Components Private Limited | 3,000,000 | 15.00 | - | - |

(₹ in Million)

3. RESERVES AND SURPLUS

a) Capital Subsidy

As per last Balance Sheet

| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
|-----|--------------------------|--------------------------|
| | 3.00 | 3.00 |
| (a) | 3.00 | 3.00 |

b) Capital Redemption Reserve

As per last Balance Sheet

| | | |
|-----|--------|--------|
| | 500.00 | 500.00 |
| (b) | 500.00 | 500.00 |

c) General Reserve

As per last Balance Sheet

| | | |
|-----|--------|--------|
| | 143.85 | 143.85 |
| (c) | 143.85 | 143.85 |

d) Surplus / (Deficit) in the Statement of Profit and Loss

As per last Balance Sheet

Add: Profit / (Loss) for the period / year

| | | |
|----------------|------------|----------|
| | (892.92) | (545.13) |
| | (229.76) | (347.79) |
| (d) | (1,122.68) | (892.92) |
| Total (a to d) | (475.83) | (246.07) |

(₹ in Million)

4. LONG-TERM BORROWINGS

a) Secured

Rupee Term Loans from Banks

Vehicle Loan from Banks

| | As at 31st March, 2016 | | As at 31st December, 2014 | |
|-----|------------------------|---------|---------------------------|---------|
| | Non-Current | Current | Non-Current | Current |
| | 3,633.70 | 518.25 | 2,157.52 | 22.30 |
| | - | - | - | 1.57 |
| (a) | 3,633.70 | 518.25 | 2,157.52 | 23.87 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

(₹ in Million)

| | As at 31st March, 2016 | | As at 31st December, 2014 | |
|----------------------------------|------------------------|-----------------|---------------------------|---------------|
| | Non-Current | Current | Non-Current | Current |
| b) Unsecured | | | | |
| Foreign Currency Loans from Bank | - | 375.48 | - | 389.20 |
| Sales Tax Deferral | 323.75 | 143.79 | 472.70 | 148.02 |
| (b) | 323.75 | 519.27 | 472.70 | 537.22 |
| Total (a+b) | 3,957.45 | 1,037.52 | 2,630.22 | 561.09 |

4.1 Secured Loans

Rupee Term Loans from Banks:

- a) The Company alongwith 12 other affiliates / entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') executed facility agreement with consortium of existing domestic rupee term lenders, in the obligor / co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities covered are Videocon Industries Limited (VIL), Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Videocon International Electronics Limited.

Loans amounting to ₹ 2,151.95 Million (As at 31st December, 2014 ₹ 2,179.82 Million) are secured by first *pari-passu* charge on all present and future tangible / intangible assets (excluding the Identified Properties) of each of the Borrower, first *pari-passu* charge on the Trust and Retention Accounts of the Borrowers, second *pari-passu* charge on Identified Assets of Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries through pledge of entire shareholding of VHHL in these overseas subsidiaries, second charge on pledge of 100% shares of Videocon Oil Ventures Limited and VHHL, second *pari-passu* charge on VHHL's share of cash flows from Identified Assets and second *pari-passu* charge over current assets of each of the Borrowers. The Rupee Term Loans are also secured by first ranking pledge over specified numbers of equity shares of Videocon Industries Limited, Trend Electronics Limited and Value Industries Limited held by the promoters, the personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first *pari-passu* charge on 'Videocon' brand (Also refer Note No. 33).

- b) Loans amounting to ₹ 2,000.00 Million (As at 31st December, 2014 ₹ Nil) is secured by subservient charge on current assets of the Company, mortgage of properties owned by other entities and pledge of equity shares of Videocon Industries Limited and Videocon d2h Limited held by other entities. The loans are further secured by corporate guarantee of Videocon Industries Limited, Value Industries Limited, KBS Realtors Limited and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

- 4.2** The Company has availed interest free Sales Tax Deferral under package incentive scheme of 1993. The sales tax collected during the deferral period is payable in five annual installments, after completion of ten years from the year in which the tax was collected.

(₹ in Million)

4.3 Maturity Profile:

Financial Year 2017-18
Financial Year 2018-19
Financial Year 2019-20
Financial Year 2020-21
Financial Year 2021-22
Financial Year 2022-23

| Secured Loans | Unsecured Loans |
|----------------------------|--------------------|
| Rupee Term Loan from Banks | Sales Tax Deferral |
| 1,243.25 | 134.16 |
| 698.00 | 98.48 |
| 557.50 | 55.78 |
| 557.50 | 16.38 |
| 497.50 | 18.95 |
| 79.95 | - |

- 4.4** The Company has made certain defaults in repayment of long term loans and interest. The details of continuing defaults as at 31st March, 2016 are as follows:

| Particulars | ₹ in Million | Period of Delays |
|--------------------------------|--------------|------------------|
| Principal amount of Term Loans | 12.50 | 1 Day |
| Interest on Term Loans | 20.75 | 1 to 30 Days |

(₹ in Million)

5. LONG-TERM PROVISIONS

Provision for Gratuity (Refer Note No. 30B)
Provision for Leave Encashment (Refer Note No. 30B)

| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
|--------------|-----------------------|-----------------------|
| | 13.97 | 5.06 |
| | 4.39 | 4.16 |
| Total | 18.36 | 9.22 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

| (₹ in Million) | | |
|--|--------------------------|--------------------------|
| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| 6. SHORT-TERM BORROWINGS | | |
| Secured | | |
| Working Capital Loans from Banks | 3,088.35 | 3,115.48 |
| (a) | 3,088.35 | 3,115.48 |
| Unsecured | | |
| Loans repayable on demand: From Others | - | 1,350.00 |
| (b) | - | 1,350.00 |
| Total (a+b) | 3,088.35 | 4,465.48 |

6.1 Working Capital Loans from Banks are secured against hypothecation of the Company's stock of raw materials, packing materials, stock-in-process, finished goods, stores and spares, book debts and all other current assets of the Company. The loans are further secured by corporate guarantee of Videocon Industries Limited and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Rajkumar N. Dhoot and Mr. Pradipkumar N. Dhoot.

| (₹ in Million) | | |
|--|--------------------------|--------------------------|
| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| 7. TRADE PAYABLES | | |
| Micro, Small and Medium Enterprises | 45.97 | 43.31 |
| Others | 2,116.21 | 1,944.38 |
| Total | 2,162.18 | 1,987.69 |
| 7.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 : | | |
| a) Principle amount remaining unpaid as at the end of the year | 45.97 | 43.31 |
| b) Interest due thereon as at the end of the year | 0.08 | 0.03 |
| c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the period / year | 1.03 | - |
| d) Interest due and payable for the period of delay in making payment | 0.08 | 0.03 |
| e) Interest accrued and remaining unpaid at the end of the period / year | 0.08 | 0.03 |
| f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |

Note: This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such vendors / parties have been identified on the basis of information available with the Company.

| (₹ in Million) | | |
|---|--------------------------|--------------------------|
| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| 8. OTHER CURRENT LIABILITIES | | |
| Current maturities of Long Term Borrowings (Refer Note No. 4) | 1,037.52 | 561.09 |
| Interest accrued but not due on Borrowings | 43.34 | 25.56 |
| Interest accrued and due on Borrowings | 20.75 | - |
| Unclaimed Dividend | 1.05 | 1.27 |
| Other Payables | 1,614.57 | 38.57 |
| Total | 2,717.23 | 626.49 |
| 9. SHORT-TERM PROVISIONS | | |
| Provision for Warranty and Maintenance Expenses (Refer Note No. 29) | 30.27 | 35.13 |
| Provision for Gratuity (Refer Note No. 30B) | 1.83 | 3.84 |
| Provision for Leave Encashment (Refer Note No. 30B) | 0.64 | 0.74 |
| Total | 32.74 | 39.71 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

10. FIXED ASSETS

(₹ in Million)

| Particulars | Gross Block | | | Depreciation / Amortisation / Impairment | | | | Net Block | | |
|-------------------------------------|-----------------------|-------------|--------------------------|--|-----------------------|----------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st Dec., 2014 | Additions | Deductions / Adjustments | As at 31st Mar., 2016 | As at 31st Dec., 2014 | For the period | Deductions / Adjustments | As at 31st Mar., 2016 | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| i) Tangible Assets | | | | | | | | | | |
| Freehold Land | 3.24 | - | - | 3.24 | - | - | - | - | 3.24 | 3.24 |
| Building | 243.57 | - | - | 243.57 | 129.09 | 4.57 | - | 133.66 | 109.91 | 114.48 |
| Plant and Machinery | 4,590.44 | 7.65 | 42.43 | 4,555.66 | 2,327.78 | 297.23 | 31.42 | 2,593.59 | 1,962.07 | 2,262.66 |
| Electrical Installation | 11.06 | - | - | 11.06 | 6.54 | 0.77 | - | 7.31 | 3.75 | 4.52 |
| Computers | 7.27 | 0.16 | - | 7.43 | 6.48 | 0.58 | - | 7.06 | 0.37 | 0.79 |
| Furniture and Fixtures | 6.47 | 0.11 | - | 6.58 | 6.21 | 0.17 | - | 6.38 | 0.20 | 0.26 |
| Office Equipments | 4.62 | 0.13 | - | 4.75 | 3.19 | 0.85 | - | 4.04 | 0.71 | 1.43 |
| Vehicles | 11.97 | 0.67 | - | 12.64 | 4.72 | 2.23 | - | 6.95 | 5.69 | 7.25 |
| Total (i) | 4,878.64 | 8.72 | 42.43 | 4,844.93 | 2,484.01 | 306.40 | 31.42 | 2,758.99 | 2,085.94 | 2,394.63 |
| ii) Intangible Assets | | | | | | | | | | |
| Computer Software | 9.61 | - | - | 9.61 | 9.12 | 0.17 | - | 9.29 | 0.32 | 0.49 |
| Total (ii) | 9.61 | - | - | 9.61 | 9.12 | 0.17 | - | 9.29 | 0.32 | 0.49 |
| Total (i+ii) | 4,888.25 | 8.72 | 42.43 | 4,854.54 | 2,493.13 | 306.57 | 31.42 | 2,768.28 | 2,086.26 | 2,395.12 |
| Previous year as at 31st Dec., 2014 | 4,846.22 | 42.23 | 0.20 | 4,888.25 | 2,275.20 | 218.09 | 0.16 | 2,493.13 | 2,395.12 | |

11. NON-CURRENT INVESTMENTS

QUOTED

In Equity Shares (Fully Paid-up) - Trade

Videocon Industries Limited **

In Equity Shares (Fully Paid-up) - Others

IOL Netcom Limited

UNQUOTED

In Equity Shares (Fully Paid-up) - Others

Applicomp (India) Limited

Digital Display Devices S.p.A.

H1 Hospitality Private Limited

Holzmann Videocon Engineers Limited

Jupiter Corporation Inc.

Mars Overseas Limited

PT Videocon Indonesia

Plugin Sales Limited

Powerking Corporation Limited

Quadrant Corporation Inc.

Sapphire Overseas Inc.

Taurus Overseas Inc.

Trend Limited

Tusker Overseas Inc.

VCIL Netherlands B.V.

Venus Corporation Limited

Cristal (Cayman) Limited

Videocon (Mauritius) Infrastructure Ventures Limited

| Face Value | As at 31st March, 2016 | | As at 31st December, 2014 | |
|------------|------------------------|--------------|---------------------------|--------------|
| | No. of Shares | ₹ in Million | No. of Shares | ₹ in Million |
| ₹ 10 | 3,106,478 | 202.08 | 3,106,478 | 202.08 |
| | | 202.08 | | 202.08 |
| ₹ 10 | 98,000 | 0.13 | 98,000 | 0.47 |
| | | 0.13 | | 0.47 |
| ₹ 10 | 20,000,000 | 200.00 | 20,000,000 | 200.00 |
| € 1 | 36,000 | 1.96 | 36,000 | 1.96 |
| ₹ 10 | 1,900 | 0.02 | 1,900 | 0.02 |
| ₹ 10 | 340,600 | - | 340,600 | - |
| US\$ 1 | 190 | 0.01 | 190 | 0.01 |
| US\$ 1 | 190,000 | 7.65 | 190,000 | 7.65 |
| US\$ 50 | 475 | 0.94 | 475 | 0.94 |
| ₹ 100 | 1,900 | 0.19 | 1,900 | 0.19 |
| US\$ 1 | 2,717 | 0.13 | 2,717 | 0.13 |
| US\$ 1 | 190 | 0.01 | 190 | 0.01 |
| US\$ 1 | 1,900 | 0.08 | 1,900 | 0.08 |
| US\$ 1 | 190 | 0.01 | 190 | 0.01 |
| US\$ 1 | 76,000 | 3.49 | 76,000 | 3.49 |
| US\$ 1 | 190 | 0.01 | 190 | 0.01 |
| € 100 | 34 | 0.13 | 34 | 0.13 |
| US\$ 1 | 2,983 | 0.14 | 2,983 | 0.14 |
| US\$ 1 | 579,500 | 28.65 | 579,500 | 28.65 |
| US\$ 1 | 100,700 | 4.92 | 100,700 | 4.92 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

| | Face Value | As at 31st March, 2016 | | As at 31st December, 2014 | |
|--|------------|------------------------|---------------|---------------------------|---------------|
| | | No. of Shares | ₹ in Million | No. of Shares | ₹ in Million |
| United Petro Gas Limited | ₹ 10 | - | - | 9,500 | 0.10 |
| Vibgyor Sez Infrastructures (Pune) Private Limited | ₹ 10 | 510,000 | 5.10 | 510,000 | 5.10 |
| Nagar Urban Co-Operative Bank Limited | ₹ 50 | 20 | 0.001 | 20 | 0.001 |
| | | | <u>253.43</u> | | <u>253.53</u> |
| In Preference Shares (Fully Paid-up) | | | | | |
| Plugin Sales Limited | ₹ 100 | 3,800 | 0.38 | 3,800 | 0.38 |
| | | | <u>0.38</u> | | <u>0.38</u> |
| Total Non-Current Investments | | | <u>456.02</u> | | <u>456.46</u> |
| Aggregate amount of Quoted Investments | | | 202.21 | | 202.55 |
| Aggregate Market value of Quoted Investments | | | 331.46 | | 499.06 |
| Aggregate amount of Unquoted Investments | | | 253.81 | | 253.91 |

** Out of total Investments 3,075,642 Equity Shares of Videocon Industries Limited are pledged as security for availment of certain loans.

| | | (₹ in Million) | |
|---|-------|-----------------------|-----------------------|
| | | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| 12. DEFERRED TAX ASSETS - NET | | | |
| a) Deferred Tax Assets | | | |
| i) Expenses charged in the financial statements but allowable as deduction in future years under the Income Tax Act, 1961 | | 34.98 | 4.97 |
| ii) Related to unabsorbed depreciation and losses | | 514.83 | 423.34 |
| | (a) | <u>549.81</u> | <u>428.31</u> |
| b) Deferred Tax Liability | | | |
| Related to Depreciation on Fixed Assets and Amortisation | | 299.43 | 330.56 |
| | (b) | <u>299.43</u> | <u>330.56</u> |
| Net Deferred Tax Assets | (a-b) | <u>250.38</u> | <u>97.75</u> |
| 13. LONG TERM LOANS AND ADVANCES | | | |
| (Unsecured, considered good) | | | |
| Security Deposits | | 0.43 | 0.42 |
| MAT Credit Entitlement | | 8.63 | 8.63 |
| Advance Income Tax (Net of Provision) | | 13.50 | 9.47 |
| Other Long Term Advances | | 18.82 | 18.55 |
| | Total | <u>41.38</u> | <u>37.07</u> |
| 14. INVENTORIES | | | |
| (As taken, valued and certified by the Management) | | | |
| Raw Materials including Consumables, Stores and Spares | | 3,242.42 | 3,057.41 |
| Raw Materials in Transit and in Bonded Warehouse | | 28.94 | 80.00 |
| Work-in-Process | | 368.31 | 309.51 |
| Finished Goods and Stock in Trade | | 355.03 | 463.51 |
| | Total | <u>3,994.70</u> | <u>3,910.43</u> |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

(₹ in Million)

15. TRADE RECEIVABLES

(Unsecured, considered good)

Outstanding for a period exceeding six months

Others

| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
|--------------|--------------------------|--------------------------|
| | - | - |
| | 2,949.17 | 2,819.82 |
| Total | 2,949.17 | 2,819.82 |

16. CASH AND BANK BALANCES**a) Cash and Cash Equivalents**

Cash on hand

Balances with Banks in Current Accounts

| | | |
|------------|--------------|-------------|
| | 0.37 | 0.32 |
| | 43.12 | 6.47 |
| (a) | 43.49 | 6.79 |

b) Other Bank Balances

In Dividend Warrant Accounts

In Fixed Deposits (held as margin money for credit facilities and other commitments)

- Maturity 12 months or less

- Maturity more than 12 months

| | | |
|--------------------|---------------|---------------|
| | 1.05 | 1.27 |
| | 254.76 | 207.98 |
| | 88.98 | 152.18 |
| (b) | 344.79 | 361.43 |
| Total (a+b) | 388.28 | 368.22 |

17. SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Balance with Central Excise / Customs Department

Other Short Term Loans and Advances

| | | |
|--------------|-----------------|---------------|
| | 0.35 | 157.72 |
| | 3,388.07 | 334.79 |
| Total | 3,388.42 | 492.51 |

18. OTHER CURRENT ASSETS

Interest Accrued

| | | |
|--------------|--------------|--------------|
| | 20.87 | 10.36 |
| Total | 20.87 | 10.36 |

(₹ in Million)

19. REVENUE FROM OPERATIONS

Sale of Products - Electrical and Electronic items

Other Operating Revenue

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|--------------|--|-------------------------------------|
| | 19,596.34 | 15,320.02 |
| | 3.76 | 3.96 |
| Total | 19,600.10 | 15,323.98 |

20. OTHER INCOME

Profit on Sale of Fixed Assets

Interest Income

Exchange Rate Fluctuation

Insurance Claim Received

Other Non Operating Income

| | | |
|--------------|--------------|--------------|
| | 3.96 | 0.06 |
| | 40.87 | 33.89 |
| | - | 22.37 |
| | 0.03 | 0.35 |
| | - | 0.83 |
| Total | 44.86 | 57.50 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

| | 15 Months ended on 31st Mar., 2016 | | Year ended on 31st Dec., 2014 | |
|---|------------------------------------|---|--------------------------------------|-----------------|
| | Percentage | ₹ in Million | Percentage | ₹ in Million |
| 21. COST OF MATERIALS CONSUMED | | | | |
| Imported | 48.24 | 3,912.52 | 50.21 | 3,219.19 |
| Indigenous | 51.76 | 4,198.72 | 49.79 | 3,191.77 |
| Total | 100.00 | 8,111.24 | 100.00 | 6,410.96 |
| (₹ in Million) | | | | |
| | | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 | |
| 21.1 Particulars of Materials Consumed | | | | |
| Printed Circuit Board | | 2,041.20 | 1,718.85 | |
| Active and Passive Components | | 3,952.34 | 2,868.28 | |
| Plastic and Press Parts | | 1,418.37 | 1,299.74 | |
| Other Raw Materials and Components | | 699.33 | 524.09 | |
| Total | | 8,111.24 | 6,410.96 | |
| 22. PURCHASES OF STOCK-IN-TRADE | | | | |
| Electrical and Electronic items | | 8,989.24 | 7,337.56 | |
| Total | | 8,989.24 | 7,337.56 | |
| 23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE | | | | |
| Closing Inventories | | | | |
| Finished Goods and Stock-in-Trade | | 355.03 | 463.51 | |
| Work-in-Process | | 368.31 | 309.51 | |
| (a) | | 723.34 | 773.02 | |
| Opening Inventories | | | | |
| Finished Goods and Stock-in-Trade | | 463.51 | 496.95 | |
| Work-in-Process | | 309.51 | 369.22 | |
| (b) | | 773.02 | 866.17 | |
| (b-a) | | 49.68 | 93.15 | |
| 24. EMPLOYEE BENEFITS EXPENSE | | | | |
| Salary, Wages and Other Benefits | | 237.08 | 170.97 | |
| Contribution to Provident Fund and Other Funds | | 18.76 | 5.86 | |
| Staff Welfare Expenses | | 11.97 | 8.59 | |
| Total | | 267.81 | 185.42 | |
| 25. FINANCE COSTS | | | | |
| Interest Expenses | | 1,012.43 | 700.70 | |
| Other Borrowing Costs | | 95.75 | 19.76 | |
| Total | | 1,108.18 | 720.46 | |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

(₹ in Million)

26. OTHER EXPENSES

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|---|--|-------------------------------------|
| Power, Fuel and Water | 25.43 | 23.50 |
| Repairs to Building | 1.65 | 0.57 |
| Repairs to Plant and Machinery | 11.88 | 8.79 |
| Other Repairs and Maintenance | 2.34 | 1.88 |
| Insurance | 3.39 | 3.62 |
| Rent, Rates and Taxes | 8.12 | 14.19 |
| Carriage and Cartage | 39.25 | 49.06 |
| Bank Charges | 75.90 | 82.82 |
| Payment to Auditors (Refer Note No. 28.2) | 1.41 | 1.11 |
| Directors' Sitting Fees | 0.16 | 0.08 |
| Warranty and Maintenance | 37.33 | 33.76 |
| Diminution in value of Investments | 0.35 | - |
| Exchange Rate Fluctuation | 60.09 | - |
| Miscellaneous Expenses | 76.79 | 88.86 |
| Total | 344.09 | 308.24 |

27. EARNINGS PER SHARE

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|---|--|-------------------------------------|
| i) Net Profit / (Loss) attributable to Equity Shareholders (₹ in Million) | (229.76) | (347.79) |
| ii) Weighted Average Number of Equity Shares | 7,500,000 | 7,500,000 |
| iii) Basic and Diluted Earnings per Share of ₹ 10/- each (₹) | (30.64) | (46.37) |

(₹ in Million)

28. ADDITIONAL NOTES TO FINANCIAL STATEMENTS**28.1 C.I.F. Value of Imports and Expenditure in Foreign Currency**

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|--|--|-------------------------------------|
| a) C.I.F. Value of Imports: | | |
| Raw Materials | 3,983.76 | 3,173.46 |
| Capital Goods | 0.68 | 4.02 |
| b) Expenditure incurred in Foreign Currency: | | |
| Interest | 38.59 | 39.22 |
| Bank Charges | 0.06 | 0.06 |
| Travelling | 0.15 | 0.31 |
| Others | 0.27 | 2.00 |

(₹ in Million)

28.2 Payment to Auditors

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|------------------------------|--|-------------------------------------|
| a) Statutory Audit Fees | 1.05 | 0.75 |
| b) Tax Audit Fees | 0.05 | 0.05 |
| c) Other Services | 0.28 | 0.28 |
| d) Reimbursement of Expenses | 0.03 | 0.03 |
| Total | 1.41 | 1.11 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

29. As required by Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets", the disclosure with respect to Provision for Warranty and Maintenance Expenses is as follows:

(₹ in Million)

| | 15 Months ended on 31st Mar., 2016 | Year ended on 31st Dec., 2014 |
|---|--|-------------------------------------|
| a) Amount at the beginning of the period / year | 35.13 | 32.75 |
| b) Additional provision made during the period / year | 30.27 | 35.13 |
| c) Amount used | 35.13 | 31.38 |
| d) Unused amount reversed during the period / year | - | 1.37 |
| e) Amount at the end of the period / year | 30.27 | 35.13 |

30. EMPLOYEE BENEFITS:

Disclosure pursuant to Accounting Standard (AS) 15 (Revised):

A) Defined Contribution Plans:

Contribution to Provident and Other Funds of ₹ 18.76 Million (Previous year ₹ 5.86 Million) is recognised as an expense and shown under the head "Employee Benefits Expense" (Note No. 24) in the Statement of Profit and Loss.

(₹ in Million)

B) Defined Benefit Plans:

| | Gratuity | | Leave Encashment | |
|---|-----------------|-----------------|------------------|-----------------|
| | 31st Mar., 2016 | 31st Dec., 2014 | 31st Mar., 2016 | 31st Dec., 2014 |
| I) The amounts recognised in the Balance Sheet as at the end of the period / year: | | | | |
| a) Present value of Defined Benefit Obligation | 29.63 | 19.59 | 5.03 | 4.90 |
| b) Fair value of Plan Assets | 13.83 | 10.69 | - | - |
| c) Funded Status - Surplus / (Deficit) | (15.80) | (8.90) | (5.03) | (4.90) |
| d) Net Assets / (Liability) | | | | |
| i) Non Current | (13.97) | (5.06) | (4.39) | (4.16) |
| ii) Current | (1.83) | (3.84) | (0.64) | (0.74) |
| II) The amounts recognised in the Statement of Profit and Loss for the period / year: | | | | |
| a) Current Service Cost | 1.68 | 2.59 | 1.01 | 0.93 |
| b) Interest Cost | 1.84 | 1.47 | 0.41 | 0.34 |
| c) Actuarial (Gains) / Losses | 6.94 | 1.20 | 0.79 | 0.46 |
| d) Actual return on Plan Assets | 1.25 | 0.82 | - | - |
| e) Total Expenses | 9.21 | 4.44 | 2.21 | 1.73 |
| III) The changes in Obligations during the period / year: | | | | |
| a) Present value of Defined Benefit Obligation at the beginning of the period / year | 19.59 | 14.78 | 4.90 | 3.43 |
| b) Current Service Cost | 1.68 | 2.59 | 1.01 | 0.93 |
| c) Interest Cost | 1.84 | 1.47 | 0.41 | 0.34 |
| d) Actuarial (Gains) / Losses | 6.94 | 1.20 | 0.79 | 0.46 |
| e) Benefit Payments | 0.42 | 0.45 | 2.08 | 0.26 |
| f) Present value of Defined Benefit Obligation at the end of the period / year | 29.63 | 19.59 | 5.03 | 4.90 |
| IV) The changes in Plan Assets during the period / year: | | | | |
| a) Plan Assets at the beginning of the period / year | 10.69 | 8.73 | - | - |
| b) Contribution by Employer | 2.31 | 1.59 | - | - |
| c) Actual Benefits paid | 0.42 | 0.45 | - | - |
| d) Plan Assets at the end of the period / year | 13.83 | 10.69 | - | - |
| e) Actual return on Plan Assets | 1.25 | 0.82 | - | - |

V) Actuarial Assumptions

- | | |
|---------------------------|---|
| a) Discount Rate | - 7.80% per annum |
| b) Mortality | - Indian Assured Lives Mortality (2006-08) Ultimate |
| c) Turnover Rate | - 5% at younger ages reducing to 1% at older ages |
| d) Future Salary Increase | - 5% per annum |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

31. RELATED PARTY DISCLOSURES:

As required under Accounting Standard (AS) 18 on "Related Party Disclosures", the disclosure of transaction with related parties as defined in the Accounting Standard are given below :

A) List of Related Parties where control exists and related parties with whom transactions have taken place and relationship:

Key Management Personnel: Mr. J. L. Bangad - Head Operations

B) Material Transactions with Related Parties during the period/ year are:

Remuneration paid to the Key Management Personnel - ₹ 6.90 Million (Previous year ₹ 4.69 Million)

| | | (₹ in Million) |
|---|--------------------------|--------------------------|
| | As at 31st Mar., 2016 | As at 31st Dec., 2014 |
| 32. CONTINGENT LIABILITIES NOT PROVIDED FOR: | | |
| i) Letters of Credit opened | 927.32 | 1,107.23 |
| ii) Letters of Guarantees | 4.96 | 4.96 |
| iii) Claims against the Company not acknowledged as debts | | |
| a) Custom Duty demands and penalties under dispute | 0.75 | 0.75 |
| b) Excise Duty and Service Tax demands and penalties under dispute | 15.22 | 15.46 |
| c) Sales Tax demands and penalties under dispute [Amount paid under protest ₹ 18.46 Million (Previous year ₹ 18.27 Million)] | 52.06 | 51.29 |
| iv) Income Tax matters in respect of which appeals are pending | 7.43 | 8.21 |

33. The Company alongwith 12 other affiliates / entities (collectively referred to as 'Obligors' or individually as 'Borrower') executed Facility Agreement with the consortium of existing domestic rupee term lenders, under the obligor / co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities are Videocon Industries Limited, Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Videocon International Electronics Limited. As the Company is a co-obligor, it is contingently liable in respect of the borrowings of other Obligors / Borrowers to the extent of outstanding balance of Rupee Term Loans as on 31st March, 2016 of ₹ 192,862.99 Million (Previous year ₹ 195,264.92 Million).

34. The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI'), has on 30th December, 2014, issued a Show Cause Notice ('SCN') in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. The DRI has alleged that the Company has resorted to over-valuation of CPTs, for High Sea Sales made by the Company, leading to evasion of anti-dumping duty. Vide SCN, the Company was called upon, amongst others, as to why the penalty should not be imposed on the Company and other concerns under Section 112(a) of the Customs Act, 1962.

The Company has denied the allegation made by DRI for alleged evasion of duty and / or imposition of penalty. The Company has been advised by its counsels that as the goods in question are not domestically produced or manufactured in India, the question of levy of anti-dumping duty is untenable and, accordingly, no penalty is leviable.

35. The Company is primarily engaged in manufacturing and trading of Electrical and Electronic Appliances and there is no other reportable segment as defined in Accounting Standard (AS) 17 on "Segment Reporting".

36. The outstanding balances of certain Trade Receivables, Trade Payables, Deposits, Advances and Other Current Assets / Liabilities are subject to confirmation and reconciliation, if any. However, in the opinion of the management, adjustment, if any, will not be material.

37. In the opinion of the Board, the value on realisation of Current Assets, Loans and Advances in the ordinary course of the business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

38. There are no amounts due and outstanding, to be credited to the Investor Education and Protection Fund.

39. The figures for the current period are for a period of 15 months whereas the figures of the previous year were for 12 months and hence are not comparable. Previous year figures have been reclassified, restated, recasted to conform to the classification of the current period.

As per our report of even date

For and on behalf of the Board

For KHANDELWAL JAIN & CO.
Chartered Accountants

For KADAM & CO.
Chartered Accountants

MILIND M. DESHPANDE
Chief Financial Officer

V. D. DHARM
Director
DIN: 00214361

BHUPENDRA Y. KARKHANIS
Partner
Membership No. 108336

U. S. KADAM
Partner
Membership No. 31055

KAUSTUBHA A. SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai
Date: 30th May, 2016

ATTENDANCE SLIP

TREND ELECTRONICS LIMITED

CIN: L99999MH1989PLC052233

Regd. Office: 20 K.M. Stone, Aurangabad – Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra)

Tel. No.: +91-240-2644507 / 9 / 10 / 12 **Fax. No.:** +91-240-2644506

E-mail id: secretarial_trend@videoconmail.com **Website:** www.trendelectronics.in

26th Annual General Meeting - 26th September, 2016

Regd. Folio No. / Client ID No.

| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
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DP ID No.

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No. of shares held

| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company.

I hereby record my presence at the 26th ANNUAL GENERAL MEETING of the Company held on Monday, 26th September, 2016 at 12.30 p.m. at the Registered Office of the Company at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra).

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

Please read errata for typesetting matter.

PROXY FORM

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

TREND ELECTRONICS LIMITED

CIN: L99999MH1989PLC052233

Regd. Office: 20 K.M. Stone, Aurangabad – Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra)

Tel. No.: +91-240-2644507 / 9 / 10 / 12 **Fax. No.:** +91-240-2644506

E-mail id: secretarial_trend@videoconmail.com **Website:** www.trendelectronics.in

26th Annual General Meeting- 26th September, 2016



Name of the Member(s)

Registered address

Email ID

Folio No. / Client ID No.

| | | | | | | | | | | | | | | | | |
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I / we, being the Member (s) of _____ shares of the above named Company, hereby appoint

Name: _____ Email: _____

Address: _____

Signature: _____

or failing him / her

Name: _____ Email: _____

Address: _____

Signature: _____

or failing him / her

Name: _____ Email: _____

Address: _____

Signature: _____

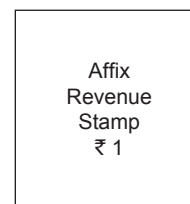


(contd.....)

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company, to be held on Monday, 26th day of September, 2016 at 12.30 p.m. at the Registered office at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number | Resolution | For | Against |
|---------------------------|---|-----|---------|
| Ordinary Business: | | | |
| 1. | Adoption of Audited Statement of Profit and Loss for the financial period ended 31st March, 2016, the Audited Balance Sheet as at that date and the Cash Flow Statement together with Reports of Board of Directors and Auditors thereon. | | |
| 2. | Appoint a Director in place of Mrs. Smita V. Dharm (DIN: 07144712), who retires by rotation, and being eligible offers herself for re-appointment. | | |
| 3. | Ratification of the Appointment of Auditors and fixation of their remuneration. | | |
| Special Business: | | | |
| 4. | Ratification and confirmation of payment of remuneration to Cost Auditor of the Company. | | |
| 5. | Take on record the appointment of Mr. Chandrakant Sidram Jyoti (DIN: 03375482), as an Independent Director appointed in Casual Vacancy. | | |

Signed this _____ day of _____ 2016.



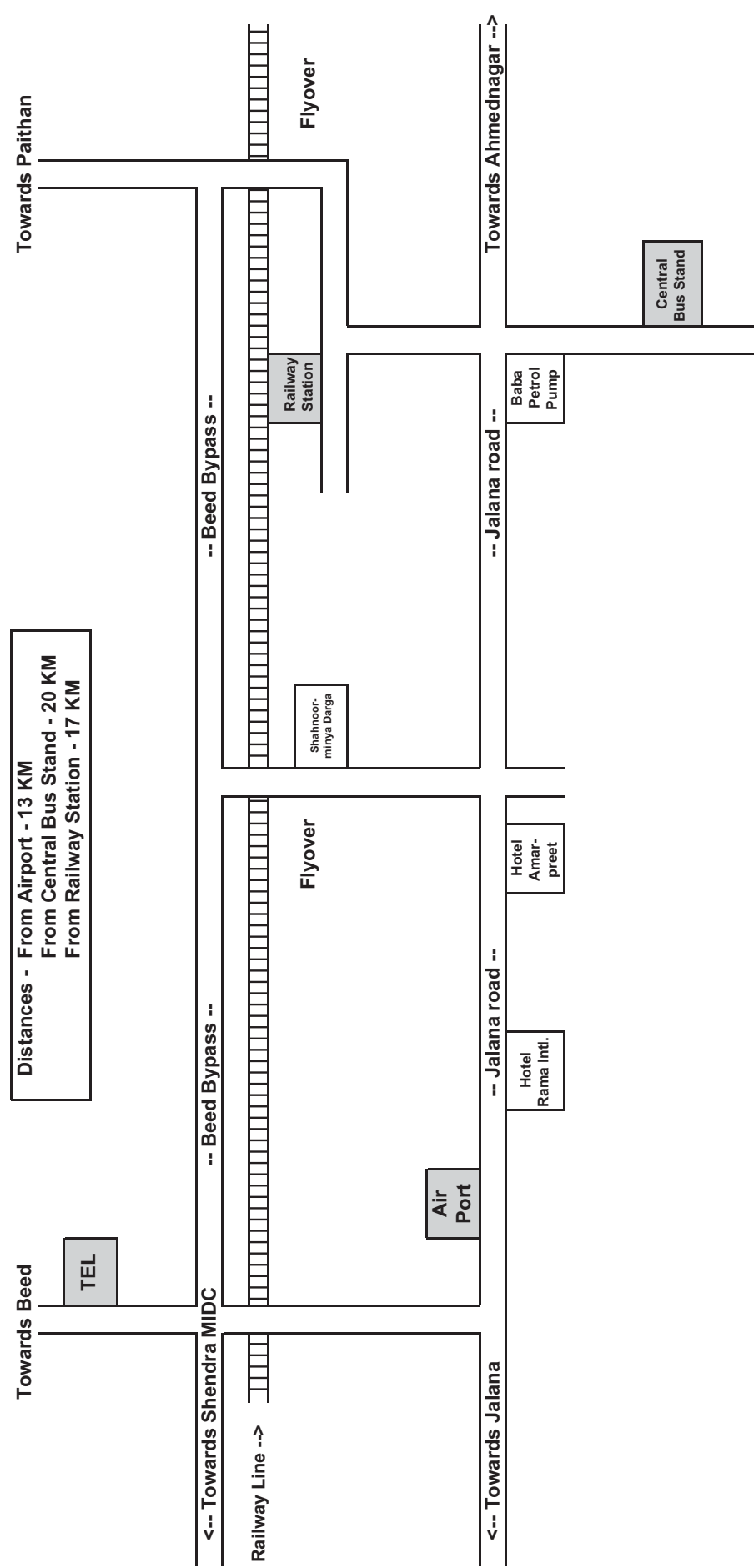
Signature of the Shareholder

Signature of the Proxy holder(s)

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the box above. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING



Courier / Registered Post

If undelivered, please return to:

MCS Share Transfer Agent Limited

Unit: Trend Electronics Limited

002, Ground Floor, Kashiram Jamnadas Building,
5, P D'mello Road, Masjid (East),
Mumbai- 400 009.