



TREND ELECTRONICS LIMITED

ANNUAL REPORT 2016-17

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

CONTENTS

PAGE NO.

Notice	1
Directors' Report	6
Corporate Governance Report	20
Management Discussion and Analysis Report	28
Independent Auditors' Report	31
Balance Sheet	34
Statement of Profit and Loss	35
Cash Flow Statement	36
Notes forming part of the Financial Statements	37

NOTICE

NOTICE is hereby given that the Twenty-Seventh Annual General Meeting of the members of **TREND ELECTRONICS LIMITED** (the "Company") will be held on Friday, 29th September, 2017 at the Registered Office of the Company at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra) at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2017 and 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 appoint M/s. S. Z. Deshmukh & Co., Chartered Accountants (Firm Registration No.102380W) as Auditors of the Company and to 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 all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of the Audit Committee and the Board of Directors, M/s. S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (Firm Registration No. 102380W), be and are hereby appointed as Auditors of the Company, in place of the retiring auditors M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 105049W) and M/s. Kadam & Co., Chartered Accountants, Ahmednagar (Firm Registration No. 104524W), to hold office from the conclusion of this Annual General Meeting ('AGM') i.e. the 27th AGM till the conclusion of the 32nd AGM, subject to ratification of appointment by the shareholders at every AGM held after this AGM, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

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 other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand) excluding service tax, other taxes, travelling and out-of-pocket expenses payable to Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-time Practice, Aurangabad, who is appointed by the Board of Directors as Cost Auditor of the Company to conduct cost audits

relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014 for the financial year commencing from 1st April, 2017.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

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

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

Place: Mumbai

Date: 1st September, 2017

Registered Office:

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

CIN: L99999MH1989PLC052233

E-mail Id: secretarial_trend@videoconmail.com

Website: www.trendelectronics.in

Tel. No.: +91-240-2644507/8/9/10/11/12

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 27th 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 Thursday, 17th August, 2017 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Wednesday, 16th August, 2017 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 on General Meeting issued by The Institute of Company Secretaries of India in respect of Director seeking re-appointment at the ensuing Annual General Meeting is annexed to the Notice.
5. Corporate Members intending to send their authorized representative(s) to attend and vote at the Meeting pursuant to Section 113 of the Companies Act, 2013 and Rules made thereunder 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, along with their copy of Annual Report to the Meeting.
8. The business set out in this Notice is 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 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 by 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 Tuesday, 26th September, 2017 at 9.00 a.m. to Thursday, 28th September, 2017 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 Thursday, 28th September, 2017. 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. Mr. Sagar R. Deo, (CP No. 11547) Company Secretary in Whole Time Practice or failing him Mr. Soumitra Mujumdar, (CP No. 12363) 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 three (3) days of conclusion of the Annual General Meeting, a 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 along with 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 of the meeting.
14. The Company has fixed Friday, 22nd September, 2017, 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. Friday, 22nd September, 2017, may obtain the Login ID and Password by sending an e-mail request to secretarial_trend@videconmail.com. Members may also call on +91-240-2644507/8/9/10/11/12 or send a request to the Company Secretary, by writing to him at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad - 431 210 (Maharashtra).
16. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Friday, 22nd September, 2017, 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. Pursuant to Section 91 of the Companies Act, 2013 and Rules made thereunder and Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

- 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2017 to Friday, 29th September, 2017 (both days inclusive) for the purpose of the Annual General Meeting.
18. The Company has transferred the unclaimed dividend for the financial year 2008-09 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 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 26th September, 2016 (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 MCS Share Transfer Agent Limited, Registrar and 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 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 (except Friday) between 12.00 noon to 3.00 p.m. upto the date of the Annual General 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 for the financial year 2016-17, circulated to the members of the company is also uploaded on the Company's website at 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 & Exchange Board of India & the Ministry of Corporate Affairs encourages 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 viz., 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 MCS Share Transfer Agent Limited, the Registrar and 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 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 instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, 26th September, 2017 at 9.00 a.m. and ends on Thursday, 28th September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date / entitlement date i.e. Friday, 22nd September, 2017, 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 / Members
- (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 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	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.
OR Date of Birth (DOB)	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 the Company, 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 changed 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 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(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 i.e., Friday, 22nd September, 2017 may obtain the Login ID and Password from Mr. Kaustubha A. Sahasrabudhe, Company Secretary of the Company, who is responsible to address the grievances connected with facility for voting by electronics means. In case you have any grievances connected with facility for voting by electronics means you may contact the Company Secretary by sending an email to secretarial_trend@videoconmail.com. Members may also call on +91-240-2644507/8/9/10/11/12 or send a request to the Company Secretary, by writing to him at Trend Electronics Limited at 20 K. M. Stone, Aurangabad Beed Road, Village Bhalgaon, Aurangabad - 431 210, Maharashtra.

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

**KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY**

Place: Mumbai

Date: 1st September, 2017

ACS 21165

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, 2017; and accorded approval for payment of remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding service tax and other taxes, travelling and other out-of-pocket expenses at actual.

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 on 1st April, 2017.

None of the Directors/Key Managerial Personnel of the Company, 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.

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

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

Place: Mumbai

Date: 1st September, 2017

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

PARTICULARS	PROFILE OF THE DIRECTORS
Name of the Director	Mrs. Smita V. Dharm
DIN	07144712
Date of Birth	27/11/1970
Age (in years)	46 Years
Educational Qualification	Commerce Graduate
Date of Appointment	31 st March, 2015
Category of the Director	Professional – Non Executive
Terms and Conditions of Appointment or Re-appointment along-with the details of remuneration sought to be paid	Mrs. Smita V. Dharm is a Professional Non-Executive Director, liable to retire by rotation and shall not draw any remuneration. She shall be eligible for 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. Mrs. Smita V. Dharm 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
No of Board Meetings attended during the year	1 (One)
Area of expertise/senior position held/work experience	She carries with her rich experience in the filed of marketing, management etc.
Names of other directorships in Public Limited Companies in which the Director holds directorship	Nil
Names of the other Committees in which Chairman*	Nil
Names of other Committees in which Member*	Nil
Number of Shares held	Nil
Relationships between Directors, Key Managerial Personnel and Mangers of the Company	Relative Mr. Vivek Dharm

*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-Seventh Annual Report together with the Audited Accounts and Auditors' Report for the financial year ended on 31st March, 2017.

FINANCIAL HIGHLIGHTS

The performance of the Company, for the financial year ended on 31st March, 2017, is summarized below:

(₹ in Million)

Particulars	Year Ended on 31 st March, 2017	15 months Ended on 31 st March, 2016
Net Sales	11,270.62	18,749.56
Other Income	167.11	44.86
Total Income	11,437.73	18,794.42
Profit /(Loss) Before Finance Costs, Depreciation and Tax	518.69	1,032.36
Finance Costs	826.12	1,108.18
Depreciation and Amortization	228.32	306.57
Profit /(Loss) Before Tax	(535.75)	(382.39)
Profit /(Loss) after Tax	(594.44)	(229.76)

The previous financial period comprised of 15 (fifteen) months commencing from 1st January, 2015 to 31st March, 2016 whereas the current financial year is for a period of 12 (twelve) months. Hence, the financial highlights are not comparable.

PERFORMANCE REVIEW

During the year under review, the Company has earned a total income of ₹ 11,437.73 Million as against ₹ 18,794.42 Million for the previous period of 15 months ended on 31st March, 2016. Total Expenditure amounted to ₹ 11,973.48 Million as against ₹ 19,176.81 Million for the previous period of 15 months ended on 31st March, 2016. The Company has incurred a net loss of ₹ 594.44 Million as against a net loss of ₹ 229.76 Million for the previous period of 15 months ended on 31st March, 2016.

The Company is engaged in the business of manufacturing and trading of satellite as well as cable Set Top Box, LED TVs and other consumer electronics items. Until the announcement of demonetization policy, by Government of India, there was good demand of Set Top Boxes on account of the Digitization policy, announced by Government of India, which targeted digitization in entire country by 31st December, 2016 under phase IV. However, demonetization have had a negative impact on the turnover and profitability of the Company due to lack of demand across all segments.

CHANGE IN NATURE OF BUSINESS

During the year 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 year ended on 31st March, 2017.

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 ₹ 4,00,762/- in respect of unpaid/unclaimed dividend for the Financial Year 2008-09 to the Investor Education And Protection Fund.

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, OCCURED AFTER THE BALANCE SHEET DATE

There are no material changes and commitments affecting the financial position of the Company occurred after the balance sheet date till the date of signing of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, guarantees given and investments made during the year as required under Section 186 of Companies Act, 2013, are provided in Note No. 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 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 Company's <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, 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 already 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 Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, as amended from time to time, the Boards' Report include a statement showing the names of top ten employees and employees who draw remuneration in excess of limits prescribed under the said Rules. The information as per Rule 5(1)& 5(2), forms part of this Directors' Report. However, as per first proviso to Section 136(1) of the Act, the Directors' Report and the Financial Statements are being sent to the Members of the Company excluding the statement of particulars under Rule 5(1) & 5(2). Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

CONSERVATION OF ENERGY

Energy conservation are the efforts taken by the Company to reduce the overall consumption of energy by using less of an energy service. The Company, as a prudent practice, achieves energy conservation by either using energy more efficiently or by reducing the amount of services used by it. The Company recognizes the fact that energy conservation makes it easier to replace non-renewable resources with renewable energy; and it is the most economical solution to energy shortages.

The Company continues to take all the efforts so as to reduce the overhead costs with a goal to enhance energy conservation prospects in future with optimum utilisation of the natural resources. The Company continues to focus 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 Company has already constituted a team of In-house experts who, under valuable guidance from the expert engineers, monitors and devices various means to conserve the energy as well as identify the methods for optimum utilization of energy without affecting productivity.

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

- Monitoring of energy consumption on daily basis;
- Energy efficiency audit;
- Being open to the employees and showing them how much energy can be saved by following simple procedures and practise;
- 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 such that the usage of electricity could be reduced;
- Use of energy saving Lighting Systems;
- Addition and installation of newer generation equipment's 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;
- Display of charts at the premises, plant, office, showing the means for conservation of energy;
- Autoshut/Unplugging appliances when not in use or unused;
- Inspect & maintain machinery so as to keep the energy / fuel consumption at an optimum level; and
- Dis-courage printing of documents & 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.

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

Research and development (R&D) activities involve incorporating innovative concepts / features that, a business conducts to improve existing products and procedures or to lead to the development of new products and procedures. The Company utilizes R&D to improve on product lines, growth through and through the development of new goods and services.

In order to keep pace with the changing technologies and to fetch the benefits of technological advancement, your company has set up an active R&D facility comprising of experts to help Company to stay at par with the adaption of latest technologies.

Primary function of the R&D department is to conduct researches for new products / new technologies and develop new solutions.

The following key tasks are carried out as a continuous process, viz.:

- Newer and improved products.
- Overall cost reduction.
- Adapting to the changing requirements of the customers.
- Meeting the changing social and environmental needs.
- 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 wasteful costs or increasing the productivity – which is easier to realize in 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 various new technologies in Set Top Boxes. The Company has introduced "Unlimited Recording" of the Video content from the Set Top Box, with "Time Shift" recording. Development and production of Digital Direct Broadcast (DDB) technology in India with a broader convergences.

Future Plan of action:

In near future, your Company shall focus on new technologies which could offer 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 plan to introduce an Android based Set Top Box, with connected features. This is based on the Android Version 6.01. The Set Top Box can be connected to Internet using a Wi-Fi or an Ethernet Port & will have dedicated applications to view NetFlix, Youtube, & HotStar. The Set Top Box also can connect to a Android Mobile phone for Mirroring / Casting the contents from the Mobile to a Large Screen LED TV.

During the year under review, the recurring expenses on R&D amounted to ₹ 2.57 Million representing 0.02% 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 able to meet the needs of the customers. The Company 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 year under review, Foreign Exchange Earnings amounted to ₹ 120.08 Million as against NIL for the previous year. Foreign Exchange Outgoes amounted to ₹ 3,421.10 Million as against ₹ 4,023.51 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 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 year 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 scope and composition of the Committee forms part of the Corporate Governance Report. 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 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

In understanding the safety climate or culture of a workplace, the perceptions and attitudes of the workforce are important factors in assessing safety needs. Safety solutions may fail if they do not take into account these prevailing attitudes and perceptions. Also, changes in attitudes and perceptions about safety are often likely outcomes of safety interventions. The aim of your Company is to develop a measure of perception and attitudes about safety as an indicator of safety culture for use with working populations. For environmental, health, and safety benefits are typically defined in terms of the value of having a cleaner environment or a safer workplace.

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

- Installation of Effluent Treatment Plant, where the waste water is treated & recycled for gardening purpose;
- Continuous training of operators by more qualified trainers or seniors;
- Conducting regular safety audit and mock drill;
- Providing protective clothing and equipment to employees;
- First-Aid boxes are located at several points in the factory;
- 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;
- Proper safeguards are put into place to eliminate the risk of violence as far as possible;

- Awareness Program on AIDS;
- Abhiyan under Swach Bharat; and
- Celebrating Yoga Day.

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

The company is successfully making use of high-end IBM Servers running Microsoft SQL Database Engine for Database Management of the Set Top Box Manufacturing for effectively monitoring 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 effectively implemented and using the 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. My SAP 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 regards.

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

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

During the year 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 (DIN: 071144712) was appointed as a Non-Executive, Non-Independent Director of the Company and is liable to retire by rotation.

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 re-appointment 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 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 YEAR

During the financial year under review, the Board met (Four) 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 year under review, forms part of Corporate Governance Report.

FORMAL ANNUAL EVALUATION

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 has already 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.

During the year under review, 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 (Bombay stock Exchange).

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 Year ended from 1st April, 2016 to 31st March, 2017, in conformity with the provisions of the Companies Act, 2013 and Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 24th Annual General Meeting held on 30th June, 2014 have appointed M/s. Kadam & Co., Chartered Accountants, (Firm Registration No. 104524W), Ahmednagar, and M/s. Khandelwal, Jain & Co., Chartered Accountants, (Firm Registration No. 105049W), Mumbai as Statutory Auditors of the Company to hold the office upto the conclusion of 27th Annual General Meeting of the Company (Subject to ratification by the Members at every subsequent Annual General Meeting).

As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement. The current tenure of M/s. Khandelwal Jain & Co., and M/s. Kadam & Co., will be completed at this Annual General Meeting ("AGM") and in view of the above, they are not eligible for re-appointment pursuant to the provisions of Section 139 of the Act.

The Board of directors on the recommendation of the Audit Committee proposed and recommended appointment of M/s. S. Z. Deshmukh & Co., Chartered Accountants, firm Registration No. 102380W), as the statutory auditors of the company to hold office for term of Five (5) years commencing from the conclusion of the ensuing i.e. 27th Annual General Meeting upto the conclusion 32nd Annual General Meeting of the company.

The Company has received certificate from S. Z. Deshmukh & Co, Chartered Accountants, (Firm Registration No. 102380W), that their appointment if made, shall be in compliance with the provisions of

Section 139 and 141 of the Companies Act, 2013. Accordingly the board proposes appointment of S. Z. Deshmukh & Co Chartered Accountants, (Firm Registration No. 102380W) as the auditors of the company.

AUDIT REPORT:

The Statutory Auditors of the Company have submitted Auditor's Report, for the financial year ended on 31st March, 2017. The Auditors' Report is unqualified. The observations read together with the relevant notes thereon, are self explanatory and therefore, do not call for any further clarification.

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 Companies (Cost Records and Audit) Amendment Rules, 2015 (including any amendment thereto or re-enactment thereof 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 Number 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, 2017 and ending on 31st March, 2018 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, 2017 and ending on 31st March, 2018.

In terms of notification dated 31st December, 2014, issued by the Ministry of Corporate Affairs, the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records & Audit) Rules, 2014, relating to the appointment of Cost Auditor and the requirement of filing Cost Audit Report for the financial year commencing on 1st January, 2015 and ending on 31st March, 2016, were not applicable to the Company. Accordingly, the Company was not required to file the Cost Audit Report for the financial year commencing on 1st January, 2015.

In compliance with the provisions, we hereby submit that the Company will file Cost Audit Report for the financial year ended on 31st March, 2017 on or before 27th September, 2017 (being due date).

3. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board had appointed Mr. Mangesh Kamble, Company Secretary in Whole-time Practice (CP No. 9621), to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year ended on 31st March, 2017. The report of the Secretarial Auditor is annexed to this report as Annexure-1. Secretarial Auditor has submitted Secretarial Audit Report with certain qualifications:

Management’s Explanation to the Auditors’ Qualification

- The Company couldn’t file Form MGT-14, DIR-12, SH-7 and PAS-3 due to some technical difficulties.
- The delay in filing of Form CRA-2 was on account of non-availability of Form on MCA.
- The delay in filing of Form IEPF-1 was on account of some technical difficulties which got subsequently resolved.
- The Company is in the process of identification of suitable candidate for appointment as CEO or MD or Manager or WTD.
- Non filing of Annual Return on Foreign Liabilities and Assets was accidental omission and shall be completed soon.

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 year ended on 31st March, 2017.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, 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- 2.

ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS

There were no material orders passed by Regulators/ Courts / Tribunals during the year 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 year and of the loss of the company for that year;
- (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; and
- (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.
- (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 appreciates 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**

Place: Mumbai	VIVEK D. DHARM	SUBHASH S. NABAR
Date: 1 st September, 2017	DIRECTOR	DIRECTOR
	DIN: 00214361	DIN: 01341057

ANNEXURE - 1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

[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 **TREND ELECTRONICS LIMITED**, (hereinafter referred to 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 year ended on 31st March 2017, 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 year ended on 31st March, 2017, according to the provisions of:

- i. The Companies Act, 2013 and/ or the Companies Act, 1956 (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 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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);
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period) and

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, 2017, 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 Form MGT-14 in respect of certain resolutions.*
- *The Company has not filed Form DIR-12 with the Registrar of Company as required under the provisions of Section 170 of the Companies Act, 2013 and Rules made there under, in respect of the appointment of an Independent Director at Annual General Meeting.*
- *The Company has delayed filing of Form CRA-2 (Notice of Appointment of Cost Auditor) for the financial 2016-2017 with Central Govt beyond 30 days of Board meeting in which appointment is made. However, the Company has clarified that the said e-forms we not available on MCA website.*
- *The Company has delayed filing of Form IEPF-1 for submission of Statement of amounts credited to Investor Education and Protection Fund beyond stipulated period.*
- *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.*
- *The Company has not filed Annual Return on Foreign Liabilities and Assets (FLA return) for the financial year ended on 31st March, 2016, as required under the provisions of the Foreign Exchange Management Act, 1999.*
- *During the financial period 2015-16 the Company had increased the authorized and paid share capital of the Company, but has not filed Form SH-7 and PAS-3 upto 31.03.2017*

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review except appointment Mr. Chandrakant Jyoti as an Independent Director at Annual General Meeting held on 26.09.2016.
- 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 subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, the Company has not undertaken any events/actions having a major bearing on the Company's affairs in pursuance to the applicable referred laws, regulations, rules, guidelines etc.:

This Report is issued based on the information that were made available at the time of verification of the records and clarifications furnished for queries raised by us and inspection of the documents, files, book, registers and other relevant papers made available for verification.

**For M. M. Kamble & Associates
Company Secretaries**

**Mangesh Kamble
Proprietor
Membership No.: 21114
C.P. No.: 9621**

**Date: 1st September, 2017
Place: Mumbai**

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.

For M. M. Kamble & Associates
Company Secretaries

Mangesh Kamble
Proprietor
Membership No.: 21114
C.P. No.: 9621

Date: 1st September, 2017
Place: Mumbai

ANNEXURE - 2

FORM NO. MGT-9

As on the financial year ended on 31/03/2017

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 – 2644507/8/9/10/11/12
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 : MCS Share Transfer Agent Limited
Address: 002, Ground Floor, Kashiram Jamnadas Bldg, 5 P. D' Mello Road, Masjid (E), Mumbai, 400009
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/Subsidiary/Associate	% 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.	40,41,638	-	40,41,638	53.89	40,41,638	-	40,41,638	53.89	-
e) Banks/FI	-	-	-	-					
f) Any Other...	-	-	-	-					
Sub-Total (A)(1):-	40,41,788	-	40,41,788	53.89	40,41,788	-	40,41,788	53.89	
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)	40,41,788	-	40,41,788	53.89	40,41,788	-	40,41,788	53.89	

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) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1):-	75	3,900	3,975	0.05	75	3,900	3,975	0.05	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4,37,360	13,925	4,51,285	6.02	4,30,284	13,925	4,44,209	5.93	(0.09)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	13,60,762	8,01,725	21,62,487	28.83	13,24,401	7,95,922	21,20,323	28.27	(0.56)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	6,59,858	30,500	6,90,358	9.21	7,12,173	30,500	7,42,673	9.90	0.69
c) Others (specify)									
1) NRI	36,557	1,13,550	1,50,107	2.00	34,282	1,12,750	1,47,032	1.96	(0.04)
2) Trust/Co-operative Society/ Foundation	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):-	24,94,537	9,59,700	34,54,237	46.06	25,01,140	9,53,097	34,54,237	46.06	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	24,94,612	9,63,600	34,58,212	46.11	25,01,215	9,56,997	34,58,212	46.11	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	65,36,400	9,63,600	75,00,000	100.00	65,43,003	9,56,997	75,00,000	100.00	-

ii. Shareholding of Promoters and Promoters Group

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	0.00	-
2	Pradipkumar Nandlal Dhoot	10	0.00	-	10	0.00	0.00	-
3	Rajkumar Nandlal Dhoot	10	0.00	-	10	0.00	0.00	-
4	Kesharbai Nandlal Dhoot	10	0.00	-	10	0.00	0.00	-
5	Ramabai Venugopal Dhoot	10	0.00	-	10	0.00	0.00	-
6	Videocon Industries Limited	14,08,800	18.78	-	14,08,800	18.78	0.00	-
7	Shree Dhoot Trading And Agencies Limited	3,81,075	5.08	-	1,16,075	1.55	0.00	(3.53)
8	Waluj Components Private Limited	7,10,730	9.48	-	7,10,730	9.48	0.00	-
9	Dome-Bell Electronics India Private Limited	12,50,100	16.67	-	12,50,100	16.67	0.00	-
10	Evans Fraser And Co. (India) Limited	2,90,933	3.88	-	2,90,933	3.88	0.00	-
11	Nippon Investment and Finance Company Pvt Ltd.	0	0	-	2,65,000	3.53	3.53	3.53
	Total	40,41,788	53.89	-	40,41,788	53.89	3.53	-

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	3,81,075	5.08	12/04/2016	(2,65,000)	Market Sale	1,16,075	1.54
		1,16,075	1.54					
2	Nippon Investment and Finance Company Private Limited	0	0	12/04/2016	2,65,000	Market Purchase	2,65,000	3.53
		2,65,000	3.53					

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	1,78,963	2.39	-	-	-	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	77,753	1.04	-	-	-	77,753	1.04
		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	38,216	0.51	27.05.2016	35	Market Purchase	38,251	0.51
		38,251	0.51	30.06.2016	220	Market Purchase	38,471	0.51
		38,471	0.51	29.07.2016	277	Market Purchase	38,748	0.51
8	Sanjeev Vinodchandra Parekh J/W Daksha Sanjeev Parekh	33,760	0.45	-	-	-	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	25.11.2016	(500)	Market Sale	23,932	0.31
		23,932	0.31					
11	Pranav Kumarpal Parekh Sanjeev Vinodchandra Parekh	13,954	0.00	31.03.2017	15,168	Market Purchase	29,122	0.39
		29,122	0.19					

NOTE : The changes in the holdings have been determined on a 'Monthly Closing Basis' as per the beneficiary position received from National Security Depository Limited and Central Depository Services (India) Limited.

List comprises of top ten shareholders as on 31st March, 2016 and 31st March, 2017, hence, there are Eleven shareholders.

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	
		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 Information awaited from Finance Team

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning 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
Change in indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	2,135.60	159.76	-	2,295.36
Net Change	(2,135.60)	(159.76)	-	(2,295.36)
Indebtedness at the end of the financial year				
i. Principal Amount	5,104.70	683.26	-	5,787.96
ii. Interest due but not paid	4.50	-	-	4.50
iii. Interest accrued but not due	2.33	26.21	-	28.54
Total (i+ii+iii)	5,111.53	709.47	-	5,821.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Million)

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:

(₹ in Million)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Vivek D. Dharm	Subhash S. Nabar	Chandrakant S. Jyoti	
	- Fee for attending board/committee meetings	0.028	0.015	0.0205	0.0635
	- Commission	NIL	NIL	NIL	NIL
	- Others, please specify	NIL	NIL	NIL	NIL
	Total(1)	0.028	0.015	0.0205	0.0635
2.	Other Non-Executive Directors	Smita V. Dharm			
	- Fee for attending board/committee meetings	0.0025			0.0025
	- Commission	NIL			NIL
	- Others, please specify	NIL			NIL
	Total(2)	0.0025			0.0025
	Total(B)=(1+2)				0.066
	Total Managerial Remuneration	----			----
	Overall Ceiling as per the Act	----			----

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

(₹ in Million)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary Mr. Kaustubha A. Sahasrabudhe	CFO Mr. Milind Deshpande	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	0.91 - -	0.88 - -	1.79 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	0.91	0.88	1.79

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
TREND ELECTRONICS LIMITED

VIVEK D. DHARM
DIRECTOR
DIN:00214361

SUBHASH S. NABAR
DIRECTOR
DIN:01341057

Place: Mumbai

Date: 1st September, 2017

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

A Corporate Governance Report as per Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred 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 Securities and Exchange Board of India (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.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance may be defined as a set of systems, processes and principles which ensures 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;

Directors	No. of Board Meetings Attended	Attendance At the last AGM (held on September 26 th , 2016)	As on March 31, 2017			
			No. of Other Directorships held	No. of Company Chairmanships	Number of Committee Memberships in Other Companies	
					As Chairman	As Member
Mr. Vivek D. Dharm	4	No	5	0	0	5
Mr. Subhash S. Nabar	2	Yes	2	0	1	1
Mrs. Smita V. Dharm	1	No	0	0	0	0
Mr. Chandrakant Sidram Jyoti	3	No	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 director have any inter-se relations among themselves and 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 Shareholders'/ Investors' Grievance Committee of Public Limited Companies have been considered as per SEBI Regulations.

Brief profile of Directors seeking re-appointment:

The brief profile of Directors seeking re-appointment is appended to the Notice convening the Twenty-Seventh Annual General Meeting.

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

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

Independent Directors Meeting

One separate meeting of the Independent Directors was held on February 14, 2017, which was attended by all the Independent Directors.

- 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, 2017, the strength of the Board was four Directors, comprising of one Non-Executive, Non-Independent 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 31.03.2017

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, 2017, is tabulated below:

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

Board Meetings and Attendance:

During the financial year from 1st April, 2016 to 31st March, 2017, the Board of Directors of the Company met 4 (Four) times on May 30, 2016, August 13, 2016, November 14, 2016, February 14, 2017. The 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 year ended on 31st March, 2017, are as hereunder:

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, Stakeholders Relationship Committee, Finance and General Affairs Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. The Committees also meets 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 year ended 31st March, 2017. A declaration to this effect signed by the Chief Executive Officer 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 Regulation 18 of SEBI Regulations. During the financial year ended on 31st March, 2017, 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.

During the year under review, Mr. Subhash S. Nabar was appointed as a Chairman of Audit Committee at the meeting of Audit Committee held on 13th August, 2016. Subsequently, Mr. Vivek D. Dharm was re-appointed as Chairman of the Audit Committee at the meeting of Audit committee held on 14th November, 2016 in place of Shri Subhash S. Nabar.

The composition as on March 31, 2017, 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.

Meetings and Attendance:

During the financial year under consideration, 4 (Four) meetings of the Committee were held on May 30, 2016, August 13, 2016, November 14, 2016, February 14, 2017 respectively.

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

Name	Meetings Attended
Mr. Vivek D. Dharm	4
Mr. Subhash S. Nabar	2
Mr. Chandrakant S. Jyoti	3

The 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 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.
- o) Valuation of undertakings or assets of the Company, wherever it is necessary.
- p) 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:

Section 177 of the Companies Act, 2013 and rules made there under and Regulation 22 of SEBI Regulations require all the listed companies to establish or formulate the vigil mechanism and Whistle Blower Policy. The vigil mechanism shall provide for adequate safeguards against victimization of Director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of Audit Committee in appropriate or exceptional cases.

The Board has formulated and adopted Whistle Blower Policy to promote reporting of:

1. any unethical or improper practice
2. violation of the Company's Code of Conduct
3. complaints regarding its accounting, auditing, internal controls or disclosure practices.

The effective implementation whistle blower policy framed by the Board of Directors of the Company provides proper platform to directors, employees, to report any unethical or improper practice (not necessarily violation of law). This mechanism enables the Company to evolve the process to encourage ethical corporate behaviour, while rewarding employees for their integrity. More details are available on website www.trendelectronics.in

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition of the Stakeholder's Relationship Committee of the Board of Directors as on March 31, 2017, was as under:

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

Meetings and Attendance:

During the financial year under consideration, 4 (Four) meetings of the Stakeholders' Relationship Committee were held on May 30, 2016, August 13, 2016, November 14, 2016 and March 22, 2017.

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

Name	Meetings Attended
Mr. Vivek D. Dharm	4
Mr. Subhash S. Nabar	3
Mr. Chandrakant S. Jyoti	2

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 SEBI for prevention of insider trading; and
- Redressal of investor grievances.

Particulars of investors' grievances received and redressed during the financial year ended on 31st March, 2017, form part of this report.

Share Transfer Details for financial year 1st April, 2016 to 31st March, 2017:

1. The number of Shares transferred during the year under review:

Sr. No.	Particulars	
a)	Number of Transfers	20
b)	Average No. of Transfers per Month	1.67
c)	Number of Shares Transferred	3,750

2. Demat/Remat of Shares for year 1.04.2016 to 31.03.2017

Sr. No.	Particulars	
a)	Number of Demat Requests approved	65
b)	Number of Sub-committee Meetings held	33
c)	Number of Shares Dematerialized	6,603
d)	Percentage of Shares Dematerialized	0.09
e)	Number of Rematerialization Requests approved	NIL
f)	Number of Shares Rematerialized	NIL

3. Details of complaints received and redressed for year 1.04.2016 to 31.03.2017

Sr. No.	Particulars	Pending as on 31.03.2016	Received	Redressed	Pending as on 31.03.2017
1.	Non-Receipt of Refund Order	-	-	-	-
2.	Non-Receipt of Dividend/Interest/Redemption Warrants	-	4	4	-
3.	Non-Receipt of Share Certificates	-	16	16	-
4.	Others	-	1	1	-
	TOTAL	-	21	21	-

4. Details of Duplicate/Consolidation/Split for year 1.04.2016 to 31.03.2017

Sr. No.	Particulars	No of Requests	No of Shares
1	Duplicate	Nil	Nil
2	Consolidation	Nil	Nil
3	Split /Sub-division	Nil	Nil

5. Information about Dividend outgo to NRI Shareholders for year 1.04.2016 to 31.03.2017 - NIL

NOMINATION AND REMUNERATION COMMITTEE

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

The composition as on March 31, 2017, was as under:

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

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

Meetings and Attendance:

During the financial year under consideration, 1 (One) meeting of the Nomination and Remuneration Committee was held on August 13, 2016.

Name	Meetings Attended
Mr. Vivek D. Dharm	1
Mr. Subhash S. Nabar	0
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; and
- Attending to any other responsibility as may be entrusted by the Board.
- 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 only sitting fees for participating in the Board and various Committee meetings.

ANNUAL REPORT 2016-17

Details of payment towards sitting fees to Directors during the financial year ended on 31st March, 2017 are as under:

(₹ in Million)

Name	Sitting fees paid
Mr. Vivek D. Dharm	0.0280
Mr. Subhash S. Nabar	0.0150
Mr. Chandrakant S. Jyoti	0.0205
Mrs. Smita V. Dharm	0.0025
Total	0.0660

Stock Options:

The Company has not issued any stock options during the financial year ended on 31st March, 2017.

FINANCE AND GENERAL AFFAIRS COMMITTEE

The composition of the Finance and General Affairs Committee of the Board of Directors as on March 31, 2017, 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 Company Secretary is the de-facto Secretary of the Committee.

Meetings and attendance:

During the financial year under consideration, 8 (Eight) meetings of the Finance and General Affairs Committee were held on April 4, 2016, April 25, 2016, May 20, 2016, June 15, 2016, June 18, 2016, August 24, 2016, November 10, 2016, and February 16, 2017.

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

Name	Meetings Attended
Mr. Vivek D. Dharm	8
Mr. Subhash S. Nabar	4
Mr. Chandrakant S. Jyoti	6

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, 2017 is as under:-

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

Meeting and Attendance

During the financial year under consideration, 1 (One) meeting of the Risk management Committee was held on May 30, 2016.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Composition of the Committee:

The Composition of the Committee as on March 31, 2017 was as under:

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

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	Special Resolution Passed
24 th	30.06.2014	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431210 (Maharashtra)	2.00 p.m.	NIL
25 th	27.06.2015	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431210 (Maharashtra)	3.30 p.m.	To create, issue, offer and allot Non-Convertible, Non-Cumulative, Non-Participating, Redeemable Preference Shares ("Preference Shares").
26 th	26.09.2016	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431210 (Maharashtra)	12.30p.m.	NIL

POSTAL BALLOT INCLUDING ELECTRONIC VOTING

No Special Resolution was passed through postal ballot during the financial year under review.

None of the Business are proposed to be transacted at the ensuing Annual General Meeting which requires passing of the 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 SEBI or any statutory authority, on any matter related to capital markets, during the last three years.	NIL
c) Vigil Mechanism, 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.	The Company has complied with all the mandatory requirements and adopted the following non-mandatory requirements: 1. Constitution of Standing Committee under nomenclature 'Finance and General Affairs Committee.' 2. Constitution of Corporate Social Responsibility Committee.
e) Web link where policy for determining 'Material Subsidiaries' is disclosed	The Company is not having any subsidiary.

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.corpfilings.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	: 29 th September, 2017
Day	: Friday
Time	: 12.00 noon
Venue	: 20 K.M. Stone, Aurangabad- Beed Road, Village: Bhalgaon, Aurangabad- 431210 (Maharashtra)

B. Financial Calendar for the year ended 31st March, 2018:

Particulars	Date
Accounting Period	April 1, 2017 - March 31, 2018
Unaudited financial results	Pursuant to the provisions of Section 133 of the Companies Act, 2013 read with Rule 4 of The Companies (Indian Accounting Standards) Rules, 2015 has mandated for all the Companies, Indian Accounting Standards in preparation of Financial Statements in phased manner. The Indian Accounting standards as prescribed in said Rules are applicable to the Company in the IInd phase i.e. from 01.04.2017. Vide Notification No. CIR/CFD/CMD/15/2015 dated 30.11.2015, Circular CIR/CFD/FAC/62/2016 dated 05.07.2016 the Security And Exchange Board of India has extended the timeline for submitting the financial results by one month. The Extension of timeline is applicable to the Company for first two quarters.
First Quarter Results	On or before September 14, 2017
Second Quarter Results	On or before December 14, 2017
Third Quarter Results	On or before February 14, 2018
Fourth Quarter & Audited Financial Results	On or before May 30, 2018
Annual General Meeting for year ending 31 st March, 2018	On or before September 30, 2018

C. Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2017 to Friday, 29th September, 2017 (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

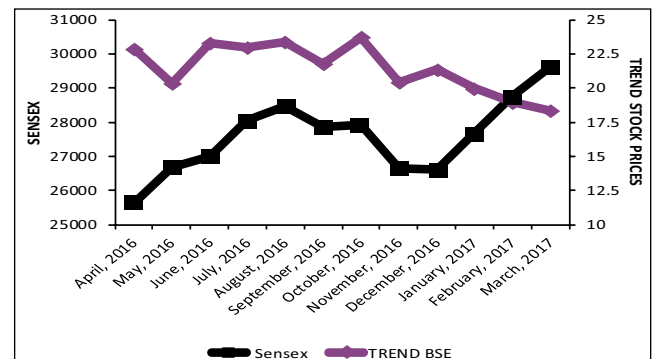
The equity shares of your Company are listed on BSE Limited. The Company has already paid Custodial Fees for the year 2017-18 to Central Depository Services (India) Limited. The Company is in process of making payment of Listing Fees for the year 2017-18.

F. Market Price Data:

Monthly High and Low prices at BSE Limited for the financial year ended on 31st March, 2017, are as under:

Month	BSE	
	High Price	Low Price
April, 2016	26.85	20.75
May, 2016	23.95	19.20
June, 2016	26.85	20.10
July, 2016	26.00	21.05
August, 2016	25.40	20.85
September, 2016	25.20	21.00
October, 2016	24.45	19.80
November, 2016	23.65	15.60
December, 2016	22.00	16.25
January, 2017	23.60	18.00
February, 2017	22.15	17.70
March, 2017	21.15	16.80

TREND VS SENSEX



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.

ANNUAL REPORT 2016-17

I. Distribution of Shareholding:

a) Shareholding pattern as on March 31, 2017, 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	11	40,41,788	53.89
(2)	Foreign	-	-	-
	Sub – Total (A)	11	40,41,788	53.89
(B)	Public Shareholding			
(1)	Institutions	9	3,975	0.06
(2)	Non- Institutions	-	-	-
	Bodies Corporate	132	4,44,209	5.92
	Individuals	16,281	28,62,996	38.17
(3)	Others	792	1,47,032	1.96
	Sub – Total (B)	17,214	34,58,212	46.11
	Total (A) + (B)		75,00,000	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)	17,225	75,00,000	100.00

b) Distribution of Shareholding as on March 31, 2017 is given below:

Share Holding of Nominal Value	Number of Shareholders	% to the Total Shareholders	No. of Shares	(₹ in Million)	% to the Total Value of Share Capital
Up to 5,000	16,770	97.36	13,32,485	13.32	17.77
5001 to 10000	199	1.15	1,59,598	1.60	2.13
10001 to 20000	122	0.71	1,79,963	1.80	2.40
20001 to 30000	46	0.27	1,14,161	1.14	1.52
30001 to 40000	13	0.07	46,738	0.47	0.62
40001 to 50000	9	0.05	43,368	0.43	0.58
50001 to 100000	25	0.15	1,77,818	1.78	2.37
100001 and above	41	0.24	54,45,869	54.46	72.61
Total	17,225	100.00	75,00,000	75.00	100.00

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, 2017, 6,54,3003 equity shares (representing 87.24% 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, 2017, there is no outstanding instrument which warrants conversion.

L. Plant location:

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

M. Address for Correspondence:

20 K.M. Stone, Aurangabad - Beed Road,
Village: Bhalgaon, District: Aurangabad - 431 210
(Maharashtra)
Tel : +91-240-2644507/8/9/10/11/12
Fax : +91-240-2644506
E-mail id: secretarial_trend@videoconmail.com

N. 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

CERTIFICATES AND CONFIRMATION

CFO CERTIFICATION

Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

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 year ended on 31st March, 2017 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 year 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 year;
 - 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: 1st September, 2017

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report.

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 year ended on 31st March, 2017, 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 **KHANDELWAL 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: 1st September, 2017

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: 1st September, 2017

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

The government having thrown open the DTH sector in the country, a handful of players have come up with plans to enter the market. Given the stiff level of competition this premium services will face from the existing multi-channel cable network, possible entrants need to clearly grasp a few of the winning rules of the game. The market is poised for unprecedented growth over the coming 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.

The Digitization policy, announced by Government of India targeted digitization in entire Country by 31st December 2016, under Phase-IV of digitization of cable TV content. As such, penetration of Digital addressable System (DAS) has already increased to a sizable extent. As per the reports, there is a requirement of around 75 Millions Set Top Boxes in 2017 & 2018 to complete digitization across India.

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. A few things are assured in the DTH industry even in the face of paradigm shifts. First, the value of transponders is likely to fall as compression allows more and more content to go through the same satellite, and as more satellite are launched. Obscure sports and the like will become more valuable; conversely, much of the content that is currently valuable will face downward pricing pressure. Niche content providers will emerge. The industry is likely to be characterized first by a period of fragmentation and then by an increasing concentration of global consortia as unprofitable participants fold.
2. Buying a DTH connection would involve a sizeable investment initially which is likely to be compensated by lower monthly costs for receiving channels and access to services that are not offered by cable operators. To receive pay channels, customers also have the option of buying a set-top box. This will offer you digital content and access to a large number of channels. It is, however, only a close second to DTH. The latter is also not a location specific facility and you can take the dish along if you shift residence.
3. As a part of **"Make in India"** Campaign, announced by Government of India, 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 the Company has opportunity to enhance its activity across a globe.

4. 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.
5. 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.
6. 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.
7. 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. Electronic Manufacturing Clusters Scheme provides 50% of the cost for development of infrastructure and common facilities in Greenfield clusters (undeveloped or underdeveloped area from electronic manufacturing point of view) and 75% of the cost for Brownfield clusters (area where a significant number of existing EMC exists). Land can be made readily available in several of the new Electronic Manufacturing Clusters being supported by the Government of India. Currently around 30 Electronic Manufacturing clusters are notified and Government of India is targeting for 200 Electronic Manufacturing clusters by 2020.
2. Major Indian and global consumer durables companies have announced investments of around US\$1.4 billion over the coming years in India.
3. 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.
4. 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.
5. The burgeoning 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.
6. Growth drivers for Set Top Boxes:
 - Significant local demand
 - Rising manufacturing costs in alternate markets
 - Significant demand for electronic products is met by imports

Threats:

The success of the Company will depend on its ability to develop and market products which meet 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:

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

OUTLOOK AND STRATEGY

The global Set Top Box (STB) market size is expected to reach USD 25.45 billion by 2022 according to an analysis. Technology 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. In addition to this, the Company is also concerned about shortage of funds. However, these risks and concerns are addressed on a continuous basis.

The risks that may affect Company's business include:

- Increase in input costs
- Shortfall of Funds
- Cross border Competition
- Technology obsolesce
- 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. The Company has put in place a Risk assessment and mitigation policy for process across all its business operations, which is periodically reviewed by the management.

Significant findings of the internal audit are brought to the notice of the Audit Committee and corrective measures are recommended for implementation. 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:

Revenue from Operations

During the year under review, the Company recorded a gross Revenue of ₹ 11,844.93 Million as against ₹ 19,600.10 Million for the 15 months period ended on 31st March, 2016.

Other Income

Other Income for the year was ₹ 167.11 Million as against ₹ 44.86 Million for the 15 months period ended on 31st March, 2016. Other income comprises of profit on sale of fixed assets, interest income, Exchange Rate Fluctuation and other non operating income.

Expenditure:**Cost of Goods Consumed/Sold**

During the year, the Cost of Goods Consumed/sold stood at ₹ 10,459.38 Million as against ₹ 17,150.16 Million for the 15 months period ended on 31st March, 2016.

Employee Benefits Expenses

During the year under review, the Salary and Wages were ₹ 203.58 Million as against ₹ 267.81 Million for the 15 months period ended on 31st March, 2016.

Other Expenses

During the year under review, the Other Expenses were ₹ 256.08 Million as against ₹ 344.09 Million for the 15 months period ended on 31st March, 2016.

Finance Cost

During the year under review, finance costs were to the tune of ₹ 826.12 Million as against ₹ 1,108.18 Million for the 15 months period ended on 31st March, 2016.

Depreciation and Amortization

During the year under review, Depreciation and Amortization amounted to ₹ 228.32 Million as against ₹ 306.57 Million for the 15 months period ended on 31st March, 2016.

Loss Before Tax

The Loss before Tax for the current year amounted to ₹ 535.75 Million as against a loss of ₹ 382.39 Million for the 15 months period ended on 31st March, 2016.

Net Loss

Net Loss for the current year amounted to ₹ 594.44 Million as against a Net Loss of ₹ 229.76 Million for the 15 months period ended on 31st March, 2016.

Earnings Per Share

Earnings Per Share for the current year amounted to ₹ (79.26) as against ₹ (30.64) for the 15 months period ended on 31st March, 2016.

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, 2017, was 339.

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**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, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. 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.

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 under the provisions of the Act and the Rules made thereunder.

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 mis-statements.

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 mis-statement 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. 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.

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, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, 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 prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditors' 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 and 34 to the financial statements.
 - (ii) The Company has not entered into any long-term contracts including derivatives contracts for which provision is required to be made for the 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.
 - (iv) The Company has provided requisite disclosures in the financial statements as to its holdings and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation provided to us, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management – Refer Note No. 39.

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

BHUPENDRA Y. KARKHANIS
Partner
Membership No.:108336

Place : Mumbai
Date: 30th May, 2017

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

U. S. KADAM
Partner
Membership No. :31055

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

(i) In respect of fixed assets:

- (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, physical verification of fixed assets has been carried out 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 nature of its business.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

- (b) As per information and explanation given to us, no material discrepancies were noticed.

(iii) As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 186 of the Act, in respect of loans, investments, guarantees and security.

The Company has not entered into any transaction that attracts provisions of Section 185 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the provisions of clause (v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion, the Company has, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013. We have however, not made a detailed examination of the cost 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, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on 31st March, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (₹ Million)	Forum where dispute is pending
1. Customs Act, 1962	Custom Duty	0.75	Commissioner
2. Central Excise Act, 1944	Excise Duty and Penalties	0.28 4.03 6.95 0.48 1.03	High Court CESTAT Commissioner Deputy Commissioner Asst. Commissioner

3. Sales Tax Act of various States	Sales Tax	0.02 0.28	Appellate Tribunal Add. Commissioner
4. Income Tax Act, 1961	Income Tax	7.43	Income Tax Appellate Tribunal

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has defaulted in repayment of loans to financial institutions and banks as summarised below:

Particulars	Principal Amount (₹ in Million)	Interest Amount (₹ in Million)	Delay in Days-Range
Amount paid before the year end	43.25	81.59	1 to 90 Days
Amount outstanding as at 31 st March, 2017	12.50	4.50	1 to 60 Days

The Company has not borrowed from government and has not issued any debentures.

(ix) According to the information and explanations given to us, the term loans raised during the year were applied on an overall basis, for the purpose for which the loans were obtained.

The Company has not raised the money during the year by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company has not paid or provided the managerial remuneration to any of its Director.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

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

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

BHUPENDRA Y. KARKHANIS
Partner
Membership No.:108336

U. S. KADAM
Partner
Membership No. :31055

Place : Mumbai
Date: 30th May, 2017

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of **TREND ELECTRONICS LIMITED** (the “Company”) as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL JAIN & CO.

Chartered Accountants

(Firm Registration No. 105049W)

BHUPENDRA Y. KARKHANIS

Partner

Membership No.:108336

For KADAM & CO.

Chartered Accountants

(Firm Registration No: 104524W)

U. S. KADAM

Partner

Membership No. :31055

Place : Mumbai

Date: 30th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in Million)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	2	2,075.00	2,075.00
b) Reserves and Surplus	3	<u>(1,070.27)</u>	<u>(475.83)</u>
		1,004.73	1,599.17
2) Non-Current Liabilities			
a) Long Term Borrowings	4	2,193.31	3,957.45
b) Long Term Provisions	5	<u>20.96</u>	<u>18.36</u>
		2,214.27	3,975.81
3) Current Liabilities			
a) Short Term Borrowings	6	3,008.50	3,088.35
b) Trade Payables	7		
- Micro, Small and Medium Enterprises		29.95	45.97
- Others		<u>2,047.70</u>	<u>2,116.21</u>
c) Other Current Liabilities	8	3,205.57	2,717.23
d) Short Term Provisions	9	<u>28.73</u>	<u>32.74</u>
		8,320.45	8,000.50
TOTAL		<u><u>11,539.45</u></u>	<u><u>13,575.48</u></u>
II. ASSETS			
1) Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	1,864.22	2,085.94
ii) Intangible Assets	10	3.50	0.32
b) Non-Current Investments	11	456.02	456.02
c) Deferred Tax Assets (Net)	12	191.69	250.38
d) Long Term Loans and Advances	13	<u>19.93</u>	<u>41.38</u>
		2,535.36	2,834.04
2) Current Assets			
a) Inventories	14	3,861.27	3,994.70
b) Trade Receivables	15	2,834.91	2,949.17
c) Cash and Bank Balances	16	352.95	388.28
d) Short Term Loans and Advances	17	1,945.47	3,388.42
e) Other Current Assets	18	<u>9.49</u>	<u>20.87</u>
		9,004.09	10,741.44
TOTAL		<u><u>11,539.45</u></u>	<u><u>13,575.48</u></u>
Significant Accounting Policies	1		
Notes forming part of the Financial Statements	2 to 40		

As per our report of even date

For and on behalf of the Board

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

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

MILIND 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 SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai

Date : 30th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Million)

Particulars	Note No.	Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
I. Income			
Revenue from Operations	19	11,844.93	19,600.10
Less: Excise Duty		<u>574.31</u>	<u>850.54</u>
Net Revenue from Operations		11,270.62	18,749.56
Other Income	20	<u>167.11</u>	<u>44.86</u>
Total Income		<u><u>11,437.73</u></u>	<u><u>18,794.42</u></u>
II. Expenses			
Cost of Materials Consumed	21	4,919.05	8,111.24
Purchase of Stock-in-Trade	22	5,222.47	8,989.24
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	23	317.86	49.68
Employee Benefits Expense	24	203.58	267.81
Finance Costs	25	826.12	1,108.18
Depreciation and Amortisation Expense	10	228.32	306.57
Other Expenses	26	<u>256.08</u>	<u>344.09</u>
Total Expenses		<u><u>11,973.48</u></u>	<u><u>19,176.81</u></u>
III. Profit/(Loss) Before Tax		(535.75)	(382.39)
IV. Tax Expenses			
Current Tax		-	-
Deferred Tax		<u>58.69</u>	<u>(152.63)</u>
V. Profit/(Loss) for the Year/Period		<u><u>(594.44)</u></u>	<u><u>(229.76)</u></u>
VI. Earnings per Equity Share of face value ₹ 10/- each			
Basic and Diluted	27	(79.26)	(30.64)
Significant Accounting Policies	1		
Notes forming part of the Financial Statements	2 to 40		

As per our report of even date

For and on behalf of the Board

For KHANDELWAL JAIN & CO.
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S. S. NABAR
Director
DIN: 01341057

Place: Mumbai
Date : 30th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Million)

Particulars	Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	(535.75)	(382.39)
Adjustments for:		
Depreciation and Amortisation	228.32	306.57
Finance Costs	826.12	1,108.18
Provision for Warranty and Maintenance Expenses	(4.35)	(4.86)
Provision for Gratuity	2.41	6.90
Provision for Leave Encashment	0.53	0.13
Diminution in value of Investments	-	0.35
Interest Received	(31.85)	(40.87)
Profit on Sale of Fixed Assets	(12.60)	(3.96)
Operating Profit before Working Capital Changes	472.83	990.05
Adjustments for:		
Inventories	133.43	(84.27)
Trade Receivables	114.26	(129.35)
Loans and Advances	1,461.58	(2,896.19)
Other Current Assets	11.38	(10.51)
Trade Payables	(84.53)	174.49
Other Current Liabilities	939.93	1,614.53
Cash generated from/(used in) Operations	3,048.88	(341.25)
Less: Taxes Paid/(Refund)-net	(2.82)	4.03
Net Cash (used in)/ from Operating Activities	(A) 3,051.70	(345.28)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	12.66	14.97
Purchase of Fixed Assets	(9.84)	(8.72)
Interest Received	31.85	40.87
(Increase)/Decrease in Fixed Deposits and Other Bank Balances	0.46	16.64
(Increase)/Decrease in Investments (Net)	-	0.09
Net Cash from/ (used in) Investing Activities	(B) 35.13	63.85
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Preference Share Capital	-	1,000.00
Increase/(Decrease) in Long Term Borrowings	(2,215.51)	1,803.66
Increase/(Decrease) in Short Term Borrowings	(79.85)	(1,377.13)
Finance Costs	(826.12)	(1,108.18)
Payment of Dividend	(0.22)	(0.22)
Net Cash from/ (used in) Financing Activities	(C) (3,121.70)	318.13
Net Change in Cash and Cash Equivalents	(A+B+C) (34.87)	36.70
Cash and Cash Equivalents at the beginning of the year/period	43.49	6.79
Cash and Cash Equivalents at the end of the year/period	8.62	43.49
Other Bank Balances	344.33	344.79
Cash and Bank Balances at the end of the year/period (Note No. 16)	352.95	388.28

As per our report of even date

For and on behalf of the Board

For KHANDELWAL JAIN & CO.
Chartered Accountants
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Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai
Date : 30th May, 2017

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 Hermetic 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)	
		As at 31st March, 2017	As at 31st March, 2016
2. SHARE CAPITAL			
Authorised:			
25,000,000 (As at 31st March, 2016 - 25,000,000) Equity Shares of ₹ 10/- each		250.00	250.00
20,000,000 (As at 31st March, 2016 - 20,000,000) Redeemable Preference Shares of ₹ 100/- each		2,000.00	2,000.00
	Total	2,250.00	2,250.00
Issued, Subscribed and Paid-up:			
7,500,000 (As at 31st March, 2016 - 7,500,000) Equity Shares of ₹ 10/- each fully paid-up		75.00	75.00
20,000,000 (As at 31st March, 2016 - 20,000,000) 8% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up.		2,000.00	2,000.00
	Total	2,075.00	2,075.00

2.1 Reconciliation of the number of Shares:	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Equity Shares of ₹ 10/- each				
Outstanding at the beginning of the year/period	7,500,000	75.00	7,500,000	75.00
Add: Issued during the year/period	-	-	-	-
Outstanding at the end of the year/period	7,500,000	75.00	7,500,000	75.00
8% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each				
Outstanding at the beginning of the year/period	20,000,000	2,000.00	10,000,000	1,000.00
Add: Issued during the year/period	-	-	10,000,000	1,000.00
Outstanding at the end of the year/period	20,000,000	2,000.00	20,000,000	2,000.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

2.2 Rights, preference and restrictions:

- a) 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.
- b) 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.
- c) 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:

- a) 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.
- b) 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**

Dome-Bell Electronics India Private Limited	1,250,100	16.67
Shree Dhoot Trading and Agencies Limited	116,075	1.55
Videocon Industries Limited	1,408,800	18.78
Waluj Components Private Limited	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
Waluj Components Private Limited	3,000,000	15.00

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Equity Shares				
Dome-Bell Electronics India Private Limited	1,250,100	16.67	1,250,100	16.67
Shree Dhoot Trading and Agencies Limited	116,075	1.55	381,075	5.08
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	3,500,000	17.50
Shree Dhoot Trading and Agencies Limited	3,500,000	17.50	3,500,000	17.50
Videocon Industries Limited	10,000,000	50.00	10,000,000	50.00
Waluj Components Private Limited	3,000,000	15.00	3,000,000	15.00

(₹ in Million)

3. RESERVES AND SURPLUS**a) Capital Subsidy**

As per last Balance Sheet

	As at 31st March, 2017	As at 31st March, 2016
	3.00	3.00
(a)	3.00	3.00

b) Capital Redemption Reserve

As per last Balance Sheet

	As at 31st March, 2017	As at 31st March, 2016
	500.00	500.00
(b)	500.00	500.00

c) General Reserve

As per last Balance Sheet

	As at 31st March, 2017	As at 31st March, 2016
	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 year/period

	As at 31st March, 2017	As at 31st March, 2016
	(1,122.68)	(892.92)
(d)	(594.44)	(229.76)
	(1,717.12)	(1,122.68)
Total (a to d)	(1,070.27)	(475.83)

(₹ in Million)

4. LONG-TERM BORROWINGS**a) Secured**

Rupee Term Loans from Banks

	As at 31st March, 2017	As at 31st March, 2016		
	Non-Current	Current	Non-Current	Current
	1,990.45	105.75	3,633.70	518.25
(a)	1,990.45	105.75	3,633.70	518.25

b) Unsecured

Foreign Currency Loans from Bank

Sales Tax Deferral

	As at 31st March, 2017	As at 31st March, 2016		
	Non-Current	Current	Non-Current	Current
	-	346.24	-	375.48
	202.86	134.16	323.75	143.79
(b)	202.86	480.40	323.75	519.27
Total (a+b)	2,193.31	586.15	3,957.45	1,037.52

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

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 (RTL 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 Electroworld Digital Solutions Limited (formerly Videocon International Electronics Limited).

Further, Videocon Telecommunications Limited (VTL), subsidiary of Videocon Industries Limited had availed financial assistance from consortium of Banks/ Financial Institutions (VTL Lenders). It has been agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL facility agreement (including the receivables from VTL) on a reciprocal first *pari-passu* charge basis. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.

Loans amounting to ₹ 2,096.20 Million (As at 31st March, 2016 ₹ 2,151.95 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 ₹ Nil (As at 31st March, 2016 ₹ 2,000.00 Million) 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)

Secured Loans	Unsecured Loans
Rupee Term Loan from Banks	Sales Tax Deferral
298.00	103.42
557.50	60.73
557.50	21.32
497.50	12.44
79.95	4.95

4.3 Maturity Profile:

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

- 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, 2017 are as follows:

Particulars	₹ in Million	Period of Delays
Principal amount of Term Loans	12.50	1 to 60 Days
Interest on Term Loans	4.50	1 to 60 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 March, 2017	As at 31st March, 2016
	16.15	13.97
	4.81	4.39
Total	20.96	18.36

6. SHORT-TERM BORROWINGS

Secured

Working Capital Loans from Banks

	3,008.50	3,088.35
Total	3,008.50	3,088.35

- 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

		(₹ in Million)	
		As at 31st March, 2017	As at 31st March, 2016
7. TRADE PAYABLES			
Micro, Small and Medium Enterprises		29.95	45.97
Others		2,047.70	2,116.21
	Total	2,077.65	2,162.18
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/period		29.95	45.97
b) Interest due thereon as at the end of the year/period		0.08	0.08
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 year/period		3.85	1.03
d) Interest due and payable for the period of delay in making payment		0.08	0.08
e) Interest accrued and remaining unpaid at the end of the year/period		0.08	0.08
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 March, 2017	As at 31st March, 2016
8. OTHER CURRENT LIABILITIES			
Current maturities of Long Term Borrowings (Refer Note No. 4)		586.15	1,037.52
Interest accrued but not due on Borrowings		28.54	43.34
Interest accrued and due on Borrowings		4.50	20.75
Unclaimed Dividend		0.83	1.05
Other Payables		2,585.55	1,614.57
	Total	3,205.57	2,717.23
9. SHORT-TERM PROVISIONS			
Provision for Warranty and Maintenance Expenses (Refer Note No. 29)		25.92	30.27
Provision for Gratuity (Refer Note No. 30B)		2.06	1.83
Provision for Leave Encashment (Refer Note No. 30B)		0.75	0.64
	Total	28.73	32.74

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

10. FIXED ASSETS

(₹ in Million)

Particulars	Gross Block			Depreciation/Amortisation/Impairment				Net Block		
	As at 31st March, 2016	Additions	Deductions/ Adjustments	As at 31st March, 2017	As at 31st March, 2016	For the Year	Deductions/ Adjustments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i) Tangible Assets										
Freehold Land	3.24	-	0.06	3.18	-	-	-	-	3.18	3.24
Building	243.57	-	-	243.57	133.66	3.65	-	137.31	106.26	109.91
Plant and Machinery	4,555.66	4.99	-	4,560.65	2,593.59	222.09	-	2,815.68	1,744.97	1,962.07
Electrical Installation	11.06	0.02	-	11.08	7.31	0.55	-	7.86	3.22	3.75
Computers	7.43	1.35	-	8.78	7.06	0.17	-	7.23	1.55	0.37
Furniture and Fixtures	6.58	-	-	6.58	6.38	0.02	-	6.40	0.18	0.20
Office Equipments	4.75	0.08	-	4.83	4.04	0.21	-	4.25	0.58	0.71
Vehicles	12.64	-	-	12.64	6.95	1.41	-	8.36	4.28	5.69
Total (i)	4,844.93	6.44	0.06	4,851.31	2,758.99	228.10	-	2,987.09	1,864.22	2,085.94
ii) Intangible Assets										
Computer Software	9.61	3.40	-	13.01	9.29	0.22	-	9.51	3.50	0.32
Total (ii)	9.61	3.40	-	13.01	9.29	0.22	-	9.51	3.50	0.32
Total (i+ii)	4,854.54	9.84	0.06	4,864.32	2,768.28	228.32	-	2,996.60	1,867.72	2,086.26
Previous period as at 31st Mar., 2016	4,888.25	8.72	42.43	4,854.54	2,493.13	306.57	31.42	2,768.28	2,086.26	

11. NON-CURRENT INVESTMENTS

QUOTED**In Equity Shares (Fully Paid-up) - Trade**

Videocon Industries Limited **

Face Value	As at 31st March, 2017		As at 31st March, 2016	
	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

In Equity Shares (Fully Paid-up) - Others

IOL Netcom Limited

₹ 10	98,000	0.13	98,000	0.13
		0.13		0.13

UNQUOTED**In Equity Shares (Fully Paid-up) - Others**

Applicomp (India) Limited

₹ 10	20,000,000	200.00	20,000,000	200.00
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Digital Display Devices S.p.A.

€ 1	36,000	1.96	36,000	1.96
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H1 Housing and Infrastructures Private Limited
(formerly H1 Hospitality Private Limited)

₹ 10	1,900	0.02	1,900	0.02
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Holzmann Videocon Engineers Limited

₹ 10	340,600	-	340,600	-
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Jupitor Corporation Inc.

US\$ 1	190	0.01	190	0.01
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Mars Overseas Limited

US\$ 1	190,000	7.65	190,000	7.65
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PT Videocon Indonesia

US\$ 50	475	0.94	475	0.94
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Plugin Sales Limited

₹ 100	1,900	0.19	1,900	0.19
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Powerking Corporation Limited

US\$ 1	2,717	0.13	2,717	0.13
--------	-------	------	-------	------

Quadrant Corporation Inc.

US\$ 1	190	0.01	190	0.01
--------	-----	------	-----	------

Sapphire Overseas Inc.

US\$ 1	1,900	0.08	1,900	0.08
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Taurus Overseas Inc.

US\$ 1	190	0.01	190	0.01
--------	-----	------	-----	------

Trend Limited

US\$ 1	76,000	3.49	76,000	3.49
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Tusker Overseas Inc.

US\$ 1	190	0.01	190	0.01
--------	-----	------	-----	------

VCIL Netherlands B.V.

€ 100	34	0.13	34	0.13
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Venus Corporation Limited

US\$ 1	2,983	0.14	2,983	0.14
--------	-------	------	-------	------

Cristal (Cayman) Limited

US\$ 1	579,500	28.65	579,500	28.65
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Videocon (Mauritius) Infrastructure Ventures Limited

US\$ 1	100,700	4.92	100,700	4.92
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Vibgyor SEZ Infrastructures (Pune) Private Limited

₹ 10	510,000	5.10	510,000	5.10
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Nagar Urban Co-Operative Bank Limited

₹ 50	20	0.001	20	0.001
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		253.43		253.43
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

Face Value	As at 31st March, 2017		As at 31st March, 2016		
	No. of Shares	₹ in Million	No. of Shares	₹ in Million	
In Preference Shares (Fully Paid-up)					
Plugin Sales Limited	₹ 100	3,800	0.38	3,800	0.38
			0.38		0.38
Total Non-Current Investments		456.02		456.02	
Aggregate amount of Quoted Investments		202.21		202.21	
Aggregate Market value of Quoted Investments		320.43		331.46	
Aggregate amount of Unquoted Investments		253.81		253.81	

** 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 March, 2017	As at 31st March, 2016
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		47.29	34.98
ii) Related to unabsorbed depreciation and losses		427.63	514.83
	(a)	474.92	549.81
b) Deferred Tax Liability			
Related to Depreciation on Fixed Assets and Amortisation		283.23	299.43
	(b)	283.23	299.43
Net Deferred Tax Assets	(a-b)	191.69	250.38
13. LONG TERM LOANS AND ADVANCES			
(Unsecured, considered good)			
Security Deposits		0.16	0.43
MAT Credit Entitlement		8.63	8.63
Advance Income Tax (Net of Provision)		10.68	13.50
Other Long Term Advances		0.46	18.82
	Total	19.93	41.38
14. INVENTORIES			
(As taken, valued and certified by the Management)			
Raw Materials including Consumables, Stores and Spares		3,428.50	3,242.42
Raw Materials in Transit and in Bonded Warehouse		27.29	28.94
Work-in-Process		326.34	368.31
Finished Goods and Stock in Trade		79.14	355.03
	Total	3,861.27	3,994.70
15. TRADE RECEIVABLES			
(Unsecured, considered good)			
Outstanding for a period exceeding six months		-	-
Others		2,834.91	2,949.17
	Total	2,834.91	2,949.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

		(₹ in Million)	
		As at 31st March, 2017	As at 31st March, 2016
16. CASH AND BANK BALANCES			
a) Cash and Cash Equivalents			
Cash on hand		0.14	0.37
Balances with Banks in Current Accounts		8.48	43.12
	(a)	<u>8.62</u>	<u>43.49</u>
b) Other Bank Balances			
In Dividend Warrant Accounts		0.83	1.05
In Fixed Deposits (held as margin money for credit facilities and other commitments)			
- Maturity 12 months or less		142.93	254.76
- Maturity more than 12 months		200.57	88.98
	(b)	<u>344.33</u>	<u>344.79</u>
Total (a+b)		<u>352.95</u>	<u>388.28</u>
17. SHORT TERM LOANS AND ADVANCES			
(Unsecured, considered good)			
Balance with Central Excise/Customs Department		0.15	0.35
Other Short Term Loans and Advances		1,945.32	3,388.07
	Total	<u>1,945.47</u>	<u>3,388.42</u>
18. OTHER CURRENT ASSETS			
Interest Accrued		9.49	20.87
	Total	<u>9.49</u>	<u>20.87</u>
		(₹ in Million)	
		Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
19. REVENUE FROM OPERATIONS			
Sale of Products - Electrical and Electronic items		11,823.59	19,596.34
Income from Services		20.03	-
Other Operating Revenue		1.31	3.76
	Total	<u>11,844.93</u>	<u>19,600.10</u>
20. OTHER INCOME			
Profit on Sale of Fixed Assets		12.60	3.96
Interest Income		31.85	40.87
Exchange Rate Fluctuation		122.11	-
Insurance Claim Received		-	0.03
Other Non Operating Income		0.55	-
	Total	<u>167.11</u>	<u>44.86</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

	Year ended on 31st March, 2017		15 Months ended on 31st March, 2016	
	Percentage	₹ in Million	Percentage	₹ in Million
21. COST OF MATERIALS CONSUMED				
Imported	50.05	2,462.23	48.24	3,912.52
Indigenous	49.95	2,456.82	51.76	4,198.72
Total	100.00	4,919.05	100.00	8,111.24
				(₹ in Million)
			Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
21.1 Particulars of Materials Consumed				
Printed Circuit Board			1,205.61	2,041.20
Active and Passive Components			2,411.48	3,952.34
Plastic and Press Parts			832.31	1,418.37
Other Raw Materials and Components			469.65	699.33
Total			4,919.05	8,111.24
22. PURCHASES OF STOCK-IN-TRADE				
Electrical and Electronic items			5,222.47	8,989.24
Total			5,222.47	8,989.24
23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE				
Closing Inventories				
Finished Goods and Stock-in-Trade			79.14	355.03
Work-in-Process			326.34	368.31
(a)			405.48	723.34
Opening Inventories				
Finished Goods and Stock-in-Trade			355.03	463.51
Work-in-Process			368.31	309.51
(b)			723.34	773.02
(b-a)			317.86	49.68
24. EMPLOYEE BENEFITS EXPENSE				
Salary, Wages and Other Benefits			178.91	237.08
Contribution to Provident Fund and Other Funds			17.12	18.76
Staff Welfare Expenses			7.55	11.97
Total			203.58	267.81
25. FINANCE COSTS				
Interest Expenses			806.39	1,012.43
Other Borrowing Costs			19.73	95.75
Total			826.12	1,108.18

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

		(₹ in Million)	
		Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
26. OTHER EXPENSES			
Power, Fuel and Water		17.83	25.43
Repairs to Building		1.11	1.65
Repairs to Plant and Machinery		2.31	11.88
Other Repairs and Maintenance		1.80	2.34
Insurance		3.74	3.39
Rent, Rates and Taxes		47.00	8.12
Carriage and Cartage		34.12	39.25
Bank Charges		74.45	75.90
Payment to Auditors (Refer Note No. 28.2)		1.32	1.41
Directors' Sitting Fees		0.07	0.16
Warranty and Maintenance		29.85	37.33
Diminution in value of Investments		-	0.35
Exchange Rate Fluctuation		-	60.09
Office and General Expenses		42.48	76.79
Total		256.08	344.09
		Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
27. EARNINGS PER SHARE			
i) Net Profit/(Loss) attributable to Equity Shareholders (₹ in Million)		(594.44)	(229.76)
ii) Weighted Average Number of Equity Shares		7,500,000	7,500,000
iii) Basic and Diluted Earnings per Share of ₹ 10/- each (₹)		(79.26)	(30.64)
			(₹ in Million)
		Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
28. ADDITIONAL NOTES TO FINANCIAL STATEMENTS			
28.1 C.I.F. Value of Imports and Expenditure in Foreign Currency			
a) C.I.F. Value of Imports:			
Raw Materials		3,406.83	3,983.76
Capital Goods		0.89	0.68
b) Expenditure incurred in Foreign Currency:			
Interest		12.88	38.59
Bank Charges		0.06	0.06
Travelling		0.07	0.15
Others		0.37	0.27
c) Other Earnings/Receipts in Foreign Currency:			
F.O.B. Value of Exports		120.08	-
			(₹ in Million)
		Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
28.2 Payment to Auditors			
a) Statutory Audit Fees		0.93	1.05
b) Tax Audit Fees		0.05	0.05
c) Other Services		0.30	0.28
d) Reimbursement of Expenses		0.04	0.03
Total		1.32	1.41

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)

	Year ended on 31st March, 2017	15 Months ended on 31st March, 2016
a) Amount at the beginning of the year/period	30.27	35.13
b) Additional provision made during the year/period	25.92	30.27
c) Amount used	30.27	35.13
d) Amount at the end of the year/period	25.92	30.27

30. EMPLOYEE BENEFITS:

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

A) Defined Contribution Plans:

Contribution to Provident and Other Funds of ₹ 17.12 Million (Previous period ₹ 18.76 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 March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
I) The amounts recognised in the Balance Sheet as at the end of the year/period:				
a) Present value of Defined Benefit Obligation	35.19	29.63	5.56	5.03
b) Fair value of Plan Assets	16.98	13.83	-	-
c) Funded Status - Surplus/(Deficit)	(18.21)	(15.80)	(5.56)	(5.03)
d) Net Assets/(Liability)				
i) Non Current	(16.15)	(13.97)	(4.81)	(4.39)
ii) Current	(2.06)	(1.83)	(0.75)	(0.64)
II) The amounts recognised in the Statement of Profit and Loss for the year/period:				
a) Current Service Cost	1.83	1.68	1.05	1.01
b) Interest Cost	2.22	1.84	0.37	0.41
c) Actuarial (Gains)/Losses	1.55	6.94	(0.78)	0.79
d) Actual return on Plan Assets	1.22	1.25	-	-
e) Total Expenses	4.38	9.21	0.64	2.21
III) The changes in Obligations during the year/ period:				
a) Present value of Defined Benefit Obligation at the beginning of the year/period	29.63	19.59	5.03	4.90
b) Current Service Cost	1.83	1.68	1.05	1.01
c) Interest Cost	2.22	1.84	0.37	0.41
d) Actuarial (Gains)/Losses	1.55	6.94	(0.78)	0.79
e) Benefit Payments	0.04	0.42	0.11	2.08
f) Present value of Defined Benefit Obligation at the end of the year/period	35.19	29.63	5.56	5.03
IV) The changes in Plan Assets during the year/ period:				
a) Plan Assets at the beginning of the year/ period	13.83	10.69	-	-
b) Contribution by Employer	1.97	2.31	-	-
c) Actual Benefits paid	0.04	0.42	-	-
d) Plan Assets at the end of the year/period	16.98	13.83	-	-
e) Actual return on Plan Assets	1.22	1.25	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

V) Actuarial Assumptions	
a) Discount Rate	- 7.00% 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

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
Mr. Milind M. Deshpande - Chief Financial Officer
Mr. Kaustubha A. Sahasrabudhe - Company Secretary

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

Remuneration paid to the Key Management Personnel ₹ 7.78 Million (Previous period ₹ 6.90 Million)

(₹ in Million)

32. CONTINGENT LIABILITIES NOT PROVIDED FOR:

	As at 31st March, 2017	As at 31st March, 2016
i) Letters of Credit opened	499.83	927.32
ii) Letters of Guarantees	3.96	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	12.77	15.22
c) Sales Tax demands and penalties under dispute	0.57	52.06
[Amount paid under protest ₹ 0.27 Million (Previous period ₹ 18.46 Million)]		
iv) Income Tax matters in respect of which appeals are pending	7.43	7.43

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 Electroworld Digital Solutions Limited (formerly Videocon International Electronics Limited). Further, Videocon Telecommunications Limited is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders as mentioned in Note No. 4.1(a) above.

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, 2017 of ₹ 212,769.44 Million (As at 31st March, 2016 of ₹ 192,862.99 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.

In order to buy peace of mind, the Company filed application with the Adjudication Authority who determined that the declared value is liable to be rejected and re-determined under Custom Valuation Rules read with Section 14 of the Customs Act, 1962. The Adjudication Authority imposed a penalty of ₹ 0.50 Million on the Company under Section 112(a) of the Customs Act, 1962. The Company has been advised by its counsels that the Order passed by Adjudication Authority is untenable in the court of laws and, accordingly, the Company is considering filing of appeal against the said Order. Hence, no provision has been considered necessary in the financial statements.

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"

TREND ELECTRONICS LIMITED

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 details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016:

(₹ in Million)

Particulars	SBNs (Old ₹ 500 and ₹ 1000 Notes)	Other Denomination Notes	Total
Closing Cash in hand as on 8th November, 2016	1.64	0.86	2.50
(+) Permitted receipts	-	0.33	0.33
(-) Permitted payments	-	0.97	0.97
(-) Amount deposited in Banks	1.64	-	1.64
Closing Cash in hand as on 30th December, 2016	-	0.22	0.22

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

As per our report of even date

For and on behalf of the Board

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

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

MILIND 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 SAHASRABUDHE
Company Secretary
Membership No.: A21165

S. S. NABAR
Director
DIN: 01341057

Place: Mumbai

Date : 30th May, 2017

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.: +91-240-2644507/8/9/10/11/12 **Fax. No.:** +91-240-2644506

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

27th Annual General Meeting - 29th September, 2017

Name of the Member(s)

Registered address

Email ID

Folio No. / Client ID No.

DP ID No.

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

Name : _____ Email ID : _____

Address : _____

Signature :

or failing him/her

Name : _____ Email ID : _____

Address : _____

Signature :

or failing him/her

Name : _____ Email ID : _____

Address : _____

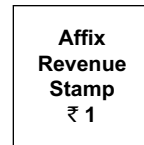
Signature :

(contd.....)

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 27th Annual General Meeting of the Company, to be held on the Friday, 29th day of September, 2017 at 12.00 noon at the Registered office at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhargaon, Aurangabad - 431 210 (Maharashtra) and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolution	For	Against
Ordinary Business:			
1.	Adoption of Audited Statement of Profit and Loss for the financial year ended 31st March, 2017 and the Audited Balance Sheet as at that date together with Reports of Board of Directors and Auditors thereon.		
2.	Appoint a Director in place of Mrs. Smita Dharm, (DIN: 07144712), who retires by rotation, and being eligible offers herself for re-appointment.		
3.	Appointment of Auditors and fixation of their remuneration.		
Special Business:			
4.	Ratification and confirmation of payment of remuneration to Mr. Jayant B. Galande, Cost Auditor of the Company.		

Signed this _____ day of _____ 2017.



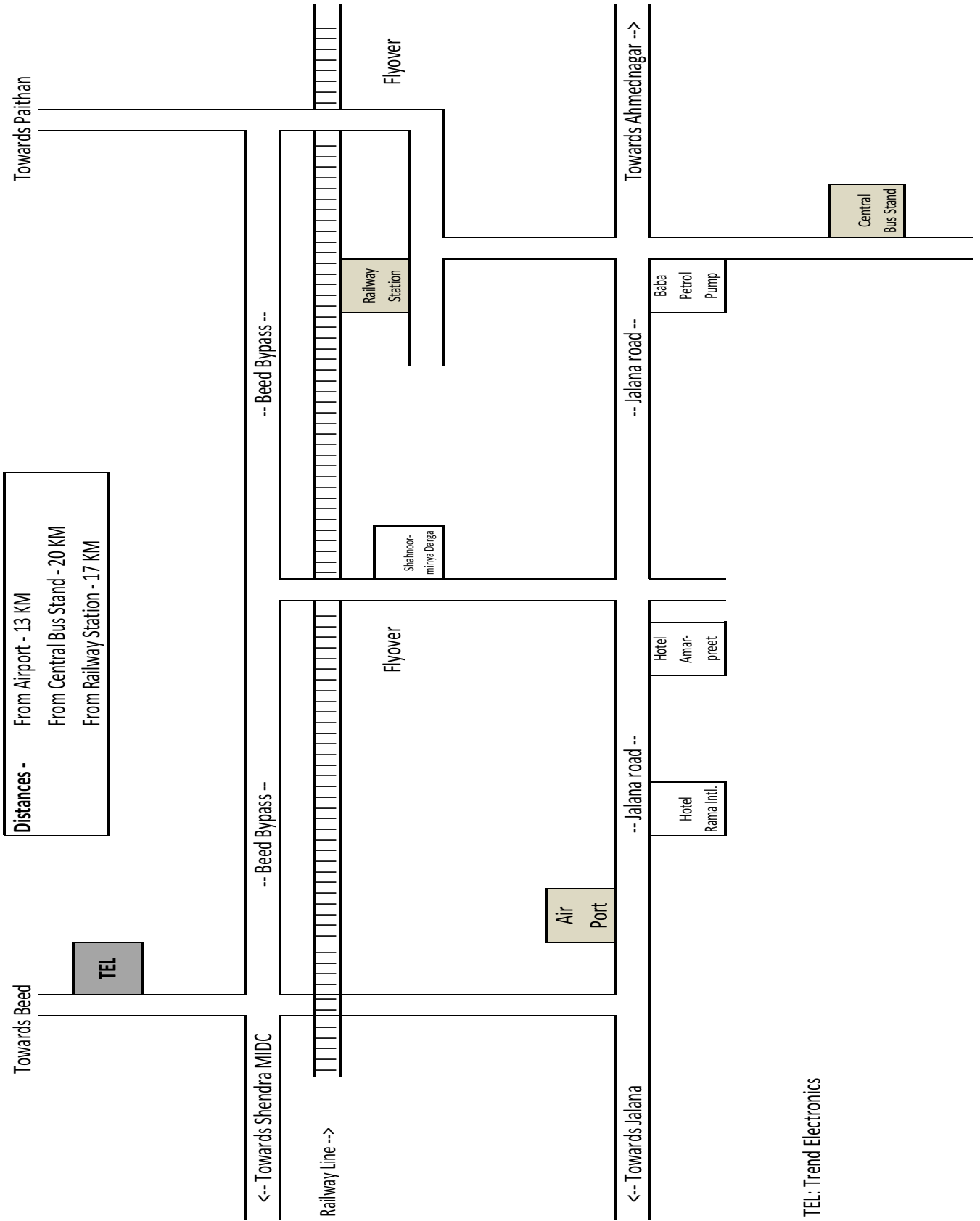
Signature of the Shareholder

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



TEL: Trend Electronics

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.