

TREND ELECTRONICS LIMITED



ANNUAL REPORT
2015-16

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDITORS

KHANDELWAL JAIN & CO.

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

KADAM & CO.

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

COMPANY SECRETARY

Mr. Kaustubha A. Sahasrabudhe

REGISTERED OFFICE AND MANUFACTURING FACILITY

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

BANKERS

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

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NOTICE

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

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Statement of Profit and Loss for the financial period ended 31st March, 2016, the Audited Balance Sheet as at that date and the Cash Flow Statement together with the Reports of the Board of Directors and Auditors thereon.
- 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.
- To ratify the appointment of Auditors, and fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

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

SPECIAL BUSINESS:

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

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

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

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

By order of the Board of Directors of
TREND ELECTRONICS LIMITED

KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
ACS 21165

Place: Mumbai
Date: 13th August, 2016

Registered Office:

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

NOTES:

- 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.**
- 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.
- Copies of the Notice of 26th Annual General Meeting together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company / Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares in physical form and whose names appear in the Company's Register of Members on Saturday, 13th August, 2016 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 12th August, 2016 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode.
- Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Director seeking re-appointment / confirmation at the ensuing Annual General Meeting is appended to this Notice.
- Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
- 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.
- Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the attendance slip and bring their attendance slip, as enclosed, alongwith their copy of Annual Report to the Meeting.
- The businesses set out in this Notice are also being conducted through remote e-voting. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and

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

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

REMOTE E-VOTING INSTRUCTIONS

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

- (i) The voting period begins on Friday, 23rd September, 2016 at 9.00 a.m. and ends on Sunday, 25th September, 2016 at 5.00 p.m. (both days inclusive). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date / entitlement date i.e. Monday, 19th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number, given below on attendance slip, in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd / mm / yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **TREND ELECTRONICS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app viz., m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
 - After receiving the login details the Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com
- (xxi) Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date / entitlement date i.e. Monday, 19th September, 2016, may obtain the User ID and Password by sending an email request to secretarial_trend@videoconmail.com. Members may also call on +91 22 6611 3658 or send a request to The Company Secretary, by writing to him at Trend Electronics Limited at 2nd Floor, Fort House, Dr. D N Road, Fort, Mumbai- 400 001.

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

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

Place: Mumbai
Date: 13th August, 2016

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

Item No. 4:

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

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

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

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

Item No. 5:

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

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

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

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

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

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

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

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

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

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

Place: Mumbai
Date: 13th August, 2016

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

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

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

DIRECTORS' REPORT

Dear Shareholders,

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

FINANCIAL HIGHLIGHTS

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

(₹ in Million)

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

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

PERFORMANCE REVIEW

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

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

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

CHANGE IN NATURE OF BUSINESS

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

DIVIDEND

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

TRANSFER TO RESERVES

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

ISSUES / ALLOTMENT

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

FIXED DEPOSITS

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

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

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

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

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

EMPLOYEES REMUNERATION

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

CONSERVATION OF ENERGY

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

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

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

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

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

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

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

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

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

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

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

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

Benefits derived from R & D Activities:

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

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

Further, the Company could also derive the following benefits:

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

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

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

Future Plan of action:

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

The future plan of action includes:

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

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

Technology Absorption:

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

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

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

Foreign Exchange Earnings and Outgo:

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

RISK MANAGEMENT POLICY OF THE COMPANY

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

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

CORPORATE SOCIAL RESPONSIBILITY POLICY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

HEALTH, SAFETY & ENVIRONMENT

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

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

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

INFORMATION TECHNOLOGY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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