

# **TREND ELECTRONICS LIMITED**

**ANNUAL REPORT 2017-18**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Vivek D. Dharm  
Mr. Chandrakant S. Jyoti  
Mrs. Smita V. Dharm  
Mr. Kiran Patwardhan

### RESOLUTION PROFESSIONAL

DUSHYANT C. DAVE  
IP Registration No. IBBI/IPA-003/IP-P00061/2017-18/10502

### AUDITORS

**S Z DESHMUKH & CO.**  
Chartered Accountants  
Flat No. 306, Aastha Apartment, Opp. Population Science Centre,  
Deonar, Mumbai – 400088

### 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-Eighth Annual General Meeting of the members of **TREND ELECTRONICS LIMITED** (the "Company") (Company under Corporate Insolvency Resolution Process) will be held on Friday, 28<sup>th</sup> December, 2018 at the Registered Office of the Company at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad -431 210 (Maharashtra) at 11.30 a.m. 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 31<sup>st</sup> March, 2018 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.

### SPECIAL BUSINESS:

3. To appoint Mr. Kiran R. Patwardhan (DIN: 08136757) as an Non Executive, Independent Director at an ensuing Annual General Meeting and in this regard to consider and if thought fit to pass the following resolution as an **Ordinary Resolution**

**"RESOLVED THAT** pursuant to section 149,150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013 and pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 (including any statutory modification (s) or re-enactment thereof for the time being in force), Mr. Kiran R. Patwardhan (DIN:08136757) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 18<sup>th</sup> May, 2018 and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 160 of the Companies Act, 2013 signifying its intention to propose the appointment of Mr. Kiran R. Patwardhan as an Independent Director, be and is hereby appointed as an Independent Director to hold the office upto a term of 5 (five) consecutive years, not liable to retire by rotation."

### TREND ELECTRONICS LIMITED

(A Company under Corporate Insolvency Resolution Process by NCLT order dated 25th September, 2018)

**Place:** Mumbai

**Date:** 1<sup>st</sup> December, 2018

**MILIND DESHPANDE**

**CHIEF FINANCIAL OFFICER**

### 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.:** +91-240-2644507/9/10/12

**Fax No.:** +91-240-2644506

### NOTES:

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD,**

**HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**

2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard 2 (SS-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 28<sup>th</sup> 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 Friday, 16<sup>th</sup> November, 2018 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, 16<sup>th</sup> November, 2018 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 (SS-2) on General Meeting issued by The Institute of Company Secretaries of India in respect of Director seeking re-appointment/appointment/ confirmation 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 are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
6. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by attendance slip, which is annexed to the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
7. Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the attendance slip and bring their attendance slip, as enclosed, alongwith their copy of Annual Report to the Meeting.
8. The 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, 25th December, 2018 at 9.00a.m. To Thursday, 27th December, 2018 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, 27th December, 2018. 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 ([www.trendelectronics.in](http://www.trendelectronics.in)) and on the website of CDSL ([www.cdslindia.com](http://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 alongwith the report of the Scrutinizer shall be placed on the website of the Company at [www.trendelectronics.in](http://www.trendelectronics.in) and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com), immediately after the results are declared by the Chairman.
  14. The Company has fixed Friday, 21st December, 2018, 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, 21st December, 2018, may obtain the User ID and Password by sending an e-mail request to [secretarial\\_trend@videoconmail.com](mailto:secretarial_trend@videoconmail.com). Members may also call on +91 22 6611 3658 or send a request by writing to Trend Electronics Limited at 171 C, Floor-17, Plot No. 224, C Wing Mittal Court Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021.
  16. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Friday, 21st December, 2018, 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, 21st December, 2018 to Friday, 28th December, 2018 (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 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 29th September, 2017 (the date of previous Annual General Meeting) are available on the Company's website [www.trendelectronics.in](http://www.trendelectronics.in) and on the website of Ministry of Corporate Affairs at [www.mca.gov.in](http://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 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 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 2017-18, circulated to the members of the company is also uploaded on the Company's website at [www.trendelectronics.in](http://www.trendelectronics.in).
  26. Members may address their queries/communications at [secretarial\\_trend@videoconmail.com](mailto: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:

- Timely receipt of all communications without any transit loss.
- Helping in protecting environment and conservation of resources.
- 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](http://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 Transfer Agent of the Company and Members holding shares in dematerialized 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

29. SEBI vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, inter-alia, mandated all the Registrar and Share Transfer Agents and all the Listed Companies to collect copy of pan and bank details and update the KYC of all the security holders holding securities in physical form. Hence, all the members are requested to update the information by filling up the form attached with this report and send all the supporting documents to MCS Share Transfer Agents Limited (R and T Agents) of the Company by writing them at A-209, C Wing, 2nd floor Gokul Industries Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai- 400059. Tel. 022-40206022-25 Fax 022-40206021 E-mail: [mcssta.mumbai@gmail.com](mailto:mcssta.mumbai@gmail.com).

## REMOTE E-VOTING INSTRUCTIONS

The instructions for shareholders voting electronically are as under:

- The voting period begins on Tuesday, 25<sup>th</sup> December, 2018 at 9:00am and ends on Thursday, 27<sup>th</sup> December, 2018 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/ entitlement date i.e Friday, 21<sup>st</sup> December, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders / Members
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vi) 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"> <li>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.</li> <li>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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>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).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.

- (viii) 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.

- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the Company, Trend Electronics Limited on which you choose to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 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.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) 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.

(xviii) 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](http://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](mailto: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](mailto: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.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(xix) 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, 21<sup>st</sup> December, 2018 may obtain the User ID and Password by sending an email request to the Company at [secretarial\\_trend@videoconmail.com](mailto:secretarial_trend@videoconmail.com). Members may also call on +91 22 6611 3658 or send a request to Trend Electronics Limited at 20 K. M. Stone, Aurangabad Beed Road, Village Bhalgaon, Aurangabad 431210 Maharashtra or by writing a mail at [secretarial\\_trend@videoconmail.com](mailto:secretarial_trend@videoconmail.com).

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

### **Item No. 3**

After the Balance Sheet date, Mr. Kiran R. Patwardhan (DIN: 08136757) was appointed as an Additional Director of the Company on 18<sup>th</sup> May, 2018. In terms of the provisions of Section 161 of the Companies Act, 2013, he holds office of Director upto the date of ensuing Annual General Meeting of the Company. The Company has received a Notice in writing, along with the requisite deposit as prescribed under Section 160 of the Companies Act, 2013, from a member, proposing appointment of Mr. Kiran R. Patwardhan as Independent Director of the Company for a term of five years.

The Company has received from Mr. Kiran R. Patwardhan consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014; 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 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.

The resolution seeks the approval of the Members of the Company for appointment of Mr. Kiran R. Patwardhan as an Independent Director of the Company for five consecutive years from the date of this appointment pursuant to the provisions of Section 149 and such other applicable provisions of the Companies Act, 2013 and the Rules made there under. He shall not be liable to retire by rotation.

A brief profile of Mr. Kiran R. Patwardhan, seeking appointment at the ensuing Annual General Meeting under Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is appended to the Notice.

In the opinion of the Board of Directors, Mr. Kiran R. Patwardhan, the Independent Director, proposed to be appointed fulfils the conditions specified in the Companies Act, 2013 and the Rules made there under and he is independent of the Management. All the relevant documents in connection with the appointment of Mr. Kiran R. Patwardhan are available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on working day upto the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Kiran R. Patwardhan as an Independent Director.

No Director, Key Managerial Personnel or their relatives, except Mr. Kiran R. Patwardhan, to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution set forth in item no. 3 for the approval of the Members.

### **TREND ELECTRONICS LIMITED**

(A Company under Corporate Insolvency Resolution Process by NCLT order dated 25th September, 2018)

Place: Mumbai

Date: 1<sup>st</sup> December, 2018

**MILIND DESHPANDE**  
**CHIEF FINANCIAL OFFICER**



**BRIEF PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT/ CONFIRMATION 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 Dharm	Mr. Kiran R. Patwardhan
DIN	07144712	08136757
Date of Birth	27/11/1970	04/09/1981
Age (in years)	47 Years	37 Years
Educational Qualification	Graduate	Graduate
Date of Appointment	31 <sup>st</sup> March, 2015	18 <sup>th</sup> May, 2018
Category of the Director	Professional – Non Executive	Independent – Non Executive
Terms and Conditions of Appointment or Re-appointment along-with the details of remuneration sought to be paid	Mrs. Smita Dharm shall be Professional Non-Executive Director, 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. Mrs. Smita Dharm shall perform such functions and duties as provided in the Companies Act, 2013 and the Rules made there under.	Mr. Kiran R. Patwardhan shall be Independent Non-Executive Director. He will not be liable to retire by rotation and shall not draw any remuneration. He 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. Mr. Kiran R. Patwardhan 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 year		
Area of expertise/senior position held/work experience	She has more than a decade of experience in various fields like Administration and Management	He has vast experience in the field of Administration and Operations.
Names of other directorships in Public Limited Companies in which the Director holds directorship	NIL	1. Century Appliances Ltd. 2. Millennium Appliances India Limited 3. CE India Limited
Names of the other Committees in which Chairman*	NIL	NIL
Names of other Committees in which Member*	NIL	1. Century Appliances Ltd. (Audit Committee) 2. Millennium Appliances India Limited (Audit Committee)
Number of Shares held	NIL	NIL
Relationships between Directors, Key Managerial Personnel and Mangers of the Company	Relative Mr. Vivek Dharm	Not related to any director.

\*Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies.

## ADDENDUM

**TREND ELECTRONICS LIMITED** (the “Company”) is undergoing Corporate Insolvency Resolution Process (‘CIRP’) under the provisions of The Insolvency Bankruptcy Code, 2016 (‘IBC’) in term of order dated 25<sup>th</sup> September, 2018 passed by Hon’ble National Company Law Tribunal, Mumbai Bench (‘NCLT’), pursuant to an application filed by the State Bank of India under Section 7 of IBC.

By virtue of the same order, Hon’ble NCLT appointed Mr. Dushyant Dave (IP Registration No. IP Registration No. IBBI/IPA-003/IP-P00061/2017-18/10502) as the Interim Resolution Professional. Subsequently, the Committee of Creditors (COC), which was formed pursuant to the provisions of the Code at its first meeting held on 25<sup>th</sup> October, 2018, appointed Mr. Dushyant Dave as the Resolution Professional. In accordance with the provisions of IBC, on commencement of CIRP, the powers of the Board of Directors of the Company stands suspended and is being exercised by the Resolution Professional. Further the powers of the Board of Directors including the powers of the directors proposed to be appointed shall continue to remain suspended during the CIRP under the provisions of the IBC code 2016.

Further, the COC meetings have been convened from time to time on various agenda, as per the provisions of IBC, and have been attended by the members of COC. The members of the board of directors have been invited to attend the COC Meetings.

It is hereby informed that an application was moved by the Company under section 96 of Companies Act, 2013 with the Registrar of Companies for extension of time for holding Annual General Meeting by a period of 3 Months on the grounds that the CIRP shall commence and IRP has to achieve a number of milestones in a time-bound manner. Pursuant to such application, the Registrar of Companies, Mumbai, Maharashtra, vide its order dated 18<sup>th</sup> September, 2018 granted extension of time for holding Annual General Meeting by a period of 3 months.

Accordingly, RP has instructed the Chief Financial Officer to convene the 28<sup>th</sup> Annual General meeting on Friday, 28<sup>th</sup> December, 2018, and issue the Notice of Annual General Meeting in terms of the resolution(s) passed by the Board of Directors prior to Commencement of CIRP. The Annual General Meeting is being held within the extend time period.

**For TREND ELECTRONICS LIMITED**  
**(A Company under Corporate Insolvency Resolution**  
**Process by NCLT order dated 25<sup>th</sup> September, 2018)**

DUSHYANT C. DAVE  
RESOLUTION PROFESSIONAL  
*(IP Registration No. IBBI/IPA-003/IP-P00061/2017-18/10502)*

Dated: 1<sup>st</sup> December, 2018

Place: Mumbai



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty-Eighth Annual Report together with the Audited Accounts and Auditors' Report for the financial year ended on 31<sup>st</sup> March, 2018.

### FINANCIAL HIGHLIGHTS

The performance of the Company, for the financial year ended on 31<sup>st</sup> March, 2018, is summarized below:

(₹ in Million)

Particulars	Year Ended on 31 <sup>st</sup> March, 2018	Year Ended on 31 <sup>st</sup> March, 2017
Revenue from Operations	3,949.50	11,844.93
Other Income	16.10	167.11
Total Income	3,965.60	12,012.04
Profit/(Loss) Before Finance Costs, Depreciation and Tax	(1,950.90)	504.29
Finance Costs	1,090.42	998.12
Depreciation and Amortization	230.54	233.93
Profit/(Loss) Before Tax	(3,271.86)	(727.76)
Tax including deferred tax	(243.63)	55.34
Profit/(Loss) after Tax	(3,028.23)	(783.10)

### PERFORMANCE REVIEW

The Company is primarily engaged in manufacturing and selling of Satellite set top box as well as cable Set top box. There was significant decline in the level of operations of the Company on account of severe strains on the working capital.

During the year under review, the Company has earned a total income of Rs. 3,949.50 Million as against Rs. 11,844.93 Million for the previous year. Total Expenditure amounted to Rs. 7,237.46 Million as against Rs. 12,739.80 Million for the previous year. The Company has incurred a net loss of Rs. 3,028.23 Million as against a loss of Rs. 783.10 Million for the previous year.

### 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 31<sup>st</sup> March, 2018.

### TRANSFER TO RESERVES

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

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has not transferred any in respect of unpaid/ unclaimed dividend 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

The State Bank of India, the financial creditor of the Company, had filed an application with Hon'ble National Company Law Tribunal, Mumbai Bench,

Mumbai ("NCLT") on 5<sup>th</sup> April, 2018, for the debts due to them and initiation of Corporate Insolvency Resolution Process ("CIRP") in respect of the Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC"). However, the application is not yet admitted by the NCLT.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, guarantees given and investments made during the year from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 as required under Section 186 of Companies Act, 2013, are provided in Note No. 4 and 37(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 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 Companies Act, 2013 and rule 5 of the Companies (Appointment & remuneration of Managerial Personnel) Rules 2014, as amended from time to time, there are no employees who were drawing remuneration in excess of limits prescribed under the said rules. The information as per rule 5 (1) forms part of this Director's Report. However, as per first proviso to section 136 (1) of the Act, the Director's report and the financial statements are being sent to members of the company excluding the statement of particulars under rule 5 (1). 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 prices have increased at an alarming rate and at the same time the interest in environmental responsibility is at an all time high. Your Company is looking for ways to conserve energy, reduce carbon emissions, and save on overall utility costs.

While total energy management is very complex, there are some relatively simple strategies that can reduce your Company's energy consumption, lower costs, and advance your conservation goals.

The Company is already having team of experts who monitors and devices various means to conserve the energy. Some of the specific measures undertaken by Company for conservation of energy are:

- Demand efficiency restoration;
- Installation of electronic timers which has helped to cut down the electricity consumption;
- Proper ventilation at the manufacturing facility 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;
- Involvement of all employees in the drive of conservation of energy;
- Arrange awareness programs for the concerned on the various energy efficient products, that are available;
- Inspect & maintain machinery so as to keep the energy / fuel consumption at an optimum level; and
- Discourage printing of documents & encourage communications through e-mails.

The adoption of the aforesaid 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

Manufacturing innovation is fostered by research and development of technologies that are aimed at increasing the competitive capability of manufacturing concerns. Broadly speaking, manufacturing-related Research and Development (R&D) encompasses improvements in existing methods or processes, or wholly new processes, machines or systems.

Your Company often spend resources on certain investigative undertakings in an effort to make discoveries that can help develop new products or way of doing things or work towards enhancing pre-existing products or processes.

Research and development bring new knowledge and processes to a business Individuals and organizations are the direct consumers of energy & may want to conserve energy in order to reduce energy costs.

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.

Your Company utilizes R&D to improve on product lines, growth through 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. As such, 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 adaption of latest technologies. Primary function of the R&D department is to conduct researches for new products / new technologies and develop new solutions. 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 R&D activities during the year were minimal on account of decline in operation levels. The following key tasks are carried out as a continuous process, viz.:

- Improved operational process.
- Developed and updated the products created by the Company.
- Ensuring that, the newer products satisfy the consumer's aspirations, in terms of features & the product cost.
- To define 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.

### Benefits derived from R & D Activities:

The Company was successful in developing and updating Set Top Boxes inter-alia including Ultra High Definition -4k Set Top Box.

### Future Plan of action:

In near future, your Company shall continue to focus on newer technologies and offer the same to the customers at an affordable prices. 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.

During the year under review, no recurring expenses are incurred on R&D.

### 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. 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 Rs. NIL as against Rs. 120.08 Million for the previous year. Foreign Exchange Outgoes amounted to Rs. 1,805.81 Million as against Rs. 3,421.10 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 confidentialities 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.