

19th August, 2021

To,

The Manager
Corporate Relations Department
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: 30th Annual Report of the Company for the Financial year ended 31st March, 2020

Ref: Trend Electronics Limited (the "Company") - SCRIP CODE - 517228

We would like to inform you that the 30th Annual General Meeting (AGM) of the Company for the Financial year ended 31st March, 2020 is scheduled to be held on Monday, the 13th September, 2021 at 11:00 AM (IST) through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM").

Pursuant to Regulation 34 of SEBI (LODR) 2015, please find enclosed herewith our 30th Annual Report for the financial year 2019-20 which has been sent to the Members of the Company by permitted mode (as confirmed By NSDL on 18th August, 2021 at 21:00 Hours) . The aforesaid Annual Report is also available on the website of the Company at www.trendelectronics.in.

You are requested to kindly take the same on record.

Thanking you,

Yours Truly,

**For TREND ELECTRONICS LIMITED
(A Company under Corporate Insolvency
resolution Process by NCLT order dated
25th September, 2018 read with order
dated 8th August, 2019)**

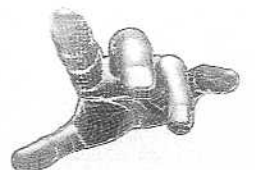
Divyesh N. Desai

**DIVYESH DESAI
AUTHORISED SIGNATORY
(IP Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338)**

Trend Electronics Limited

Correspondence Address : Gut No. 350, Beed Road, Village Bhalgaon, Dist.: Aurangabad - 431201, Maharashtra.
Regd. Office : Trend Electronics Limited, 20 K.M. Stone, Aurangabad - Beed Road, Village Bhalgaon, Aurangabad - 431201.
Tel.: (+91-0240) 2644507 / 08 / 09 / 10 / 11 | Fax : (+91-0240) 2644506 | www.trendelectronics.in

CIN NO. L99999MH1969PLC052233





30th
ANNUAL
REPORT

2019 – 2020

TREND ELECTRONICS LIMITED

(A COMPANY UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)

RESOLUTION PROFESSIONAL

Mr Divyesh Desai

IP Registration No. IBB/PA-001/IP-P00169/2017 – 18/10338

REGISTERED OFFICE

20 KM Stone, Aurangabad – Beed Road
Village: Bhalgaon, Aurangabad, MH 431210

KEY MANAGERIAL PERSONNEL

Mr Milind Deshpande (CFO)

MANUFACTURING FACILITY

20 KM Stone, Aurangabad – Beed Road
Village: Bhalgaon, Aurangabad, MH 431210

AUDITORS

M/s SGCO & Co., LLP
Chartered Accountants
4A, Kaledonia – HDIL, 2nd Floor, Sahar Road, Near Andheri
Station, Andheri (East), Mumbai – 400 069

BANKERS

State Bank of India	Punjab National Bank
Central Bank of India	Indian Bank
Canara Bank	IDBI Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited
201, D-Wing, 2nd Floor, Gokul Industrial Estate,
Sagbaug, Marol Co-op Industrial Area,
B/H Times Square, Andheri (E) Mumbai - 400 059 Ph: [022] 286516020 – 23
Email: helpdeskmm@mcsregistrars.com

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NOTICE TO MEMBER

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, vide its order dated September 25, 2018 ("Order"), admitted the application for initiation of the Corporate Insolvency Resolution Process ("CIRP") filed by State Bank of India in respect of Trend Electronics Limited ("Corporate Debtor") in accordance with Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code"). Pursuant to the said order, Mr. Dushyant C Dave was appointed as the Interim Resolution Professional. Subsequently, Mr. Dushyant C Dave was appointed as Resolution Professional by the Committee of Creditors.

Pursuant to an application filed before the NCLT, Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted the application allowing consolidation of CIRP petitions of 13 Videocon Group Companies to avoid conflicting orders, if any. However, it was ordered that CIRP of Trend Electronics Limited shall run independently as the Company is capable of maintaining itself as a going concern. The NCLT, vide its order dated 8th August, 2019, has appointed Mr. Divyesh Desai, having registration No. IBBI/PA-001/IP-P00169/2017-18/10338, as the Resolution Professional of the Corporate Debtor replacing then erstwhile resolution professional.

In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company stands suspended and the same are being exercised by the Resolution Professional (i.e. Mr. Dushyant Dave from 25th September, 2018 till 7th August, 2019 and Mr. Divyesh Desai from 8th August, 2019). The management of the affairs of the Company has also been vested with the Resolution Professional.

NOTICE is hereby given that the Thirtieth Annual General Meeting of **TREND ELECTRONICS LIMITED** (the "Company") will be held on Monday, 13th day of September, 2021 at 11 A.M. at B2 402B, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013 through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Circulars No. 20/2020 dated 5th May, 2020, Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 02/2021 dated 13th January, 2021, issued by the Ministry of Corporate Affairs, to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statements including the Audited Statement of Profit and Loss for the financial year ended 31st March, 2020 and the Balance Sheet as at that date together with the Cash Flow Statement and the notes, annexures thereto and the reports of Board of Directors and Auditors thereon.
- To appoint a Director in place of Mrs. Smita V Dharm, Non Executive Director (DIN No.07144712) who retires by rotation and being eligible, offers herself for re-appointment.
- To appoint Statutory Auditors and in this regard, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and 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) and on the recommendation of the Resolution Professional, SGCO & CO. LLP, Chartered Accountants, having Firm Registration Number 112081W, be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation of M/s. S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 102380W).

RESOLVED FURTHER THAT SGCO & CO., LLP Chartered Accountants, Firm Registration Number 112081W, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting of the Company, at such remuneration as may be agreed upon between the Resolution Professional and the Auditors of the Company.

RESOLVED FURTHER THAT the Resolution Professional and/or any Director of the Company, be and is hereby authorised to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

SPECIAL BUSINESS:

- To consider the appointment of Mr. Rajendra Shende (DIN: 09206528) as the Whole-Time Director of the Company and in this regard, to the pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Articles of Association of the Company, Mr. Rajendra Shende (DIN: 09206528), who was appointed as an additional director and designated as a Whole-Time Director on 26th July, 2021, for a period of one year, based on the recommendation of the Resolution Professional and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby confirmed/appointed as a Whole-Time Director of the Company for a period effective from 26th July, 2021 to 25th July, 2022.

RESOLVED FURTHER THAT in accordance with the recommendations of the Resolution Professional and pursuant to the provisions of Sections 196, 197, 198 and 203 of the Act, read with Schedule V to the Act and other applicable provisions, if any, of the Act and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the Members be and is hereby accorded for the confirmation/appointment of Mr. Rajendra Shende as a Whole-Time Director for a period effective from 26th July, 2021 to 25th July, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the Notice of this Meeting, with liberty to the Resolution Professional to alter and vary the terms and conditions of the appointment and/ or remuneration subject to the same, not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Resolution Professional and/or any Director of the Company be and is hereby authorised to do all such acts, deeds and matters and things as, in its absolute discretion, it may consider necessary, expedient and desirable to give effect to this resolution."

- To consider the appointment of Mr. Umakant Bhangale (DIN: 09210697) as the Whole-Time Director of the Company and in this regard, to the pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Articles of Association of the Company, Mr. Umakant Bhangale (DIN:09210697), who was appointed as an additional director and designated as a Whole-Time Director on 26th July, 2021, for a period of one year, based on the recommendation of the Resolution Professional and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby confirmed/appointed as a Whole-Time Director of the Company for a period effective from 26th July, 2021 to 25th July, 2022.

RESOLVED FURTHER THAT in accordance with the recommendations of the Resolution Professional and pursuant to the provisions of Sections 196, 197, 198 and 203 of the Act, read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the Members be and is hereby accorded to the confirmation/appointment of Mr. Umakant Bhangale as a Whole-Time Director for a period effective from 26th July, 2021 to 25th July, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the Notice of this Meeting, with liberty to the Resolution Professional to alter and vary the terms and conditions of the appointment and/ or remuneration subject to the same, not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Resolution Professional and/or any Director of the Company be and is hereby authorised to do all such acts, deeds and matters and things as, in its absolute discretion, it may consider necessary, expedient and desirable to give effect to this resolution."

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

Divyesh Desai
Resolution Professional

(Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338)

Place: Mumbai
Date: 12th August, 2021

Registered Office:

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

CIN: L99999MH1989PLC052233

E-mail id: secretarial.trendelectronics@gmail.com

Website: www.trendelectronics.in

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

Fax. No.: +91-240-2644506

NOTES:

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of

Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2021 dated 13th January, 2021 and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79, dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 (collectively referred to as "Circulars") issued by the Securities and Exchange Board of India (SEBI). The forthcoming AGM will thus be held through Video Conferencing (VC) or other audio visual means (OAVM) and members can participate in the ensuing AGM through VC/OAVM.

2. The Ministry vide the said circulars has introduced certain measures enabling companies to convene their Annual General Meetings (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, Copies of Notice of 30th Annual General Meeting together with Annual Report are being sent by electronic mode to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) and shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 13th August, 2021 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). No physical copy of the Notice has been sent by the Company to any member.
3. The members who have not yet registered their e-mail ids with the Company may contact M/s MCS Share Transfer Agent Limited, 201, D Wing, 2nd Floor, Gokul Industrial Estate, Sagbaug Marol Co - op Industrial Area, B/H Times Square, Andheri (East) , Mumbai – 400 059 or e-mail to helpdeskmm@mcsregistrars.com) or call on 022 -286516020 - 23, for registering their e-mail ids at the earliest. The Company shall send the Notice to such members whose e-mail ids get registered as and when the e-mail ids are registered and in respect of those investors the length of notice as set out under the provisions of the Companies Act, 2013 will not be applicable. The Company will dispatch annual report until 4th September, 2021 enabling them to participate in the meeting and cast their votes.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the maximum capacity of VC/OAVM, of at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of

first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded, unless there is technical difficulty, on the website of the Company at www.trendelectronics.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also being disseminated on the website of NSDL viz., www.nsdl.co.in (agency for providing the Remote e-Voting facility and e-voting system during the AGM.)
9. Corporate Members are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC/OAVM portal / e-voting portal.
10. Details regarding Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 (SS-2) on General Meeting issued by the Institute of Company Secretaries of India (ICSI) in respect of Director seeking re-appointment/appointment/confirmation at the ensuing Annual General Meeting forms part of this Notice.
11. Members holding shares in dematerialized form are requested to notify immediately any change of address to their Depository Participants (DPs) and those who hold shares in physical form are requested to write to the Company's Registrar & Share Transfer Agent, M/s. MCS Share Transfer Agent Limited 201, D-Wing, 2nd Floor, Gokul Industrial Estate, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri (E) Mumbai - 400 059 or e-mail at helpdesknum@mcsregistrars.com.
12. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 10th September, 2021 to Monday, 13th September, 2021 (both days inclusive) for the purpose of the Meeting.
13. The remote e-voting facility shall be opened from Friday, 10th September, 2021 at 9.00 a.m. to Sunday, 12th September, 2021 till 5.00 p.m., both days inclusive. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Sunday, 12th September, 2021. 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.
14. The Company has fixed Wednesday, 8th September, 2021, as the cut off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means. 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 e- voting at the Annual General Meeting.
15. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
16. 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 by e-voting system at the meeting.
17. Ms. Gayathri R Girish, Company Secretary in Whole-Time Practice (CP No. 9255) has been appointed as a Scrutinizer for conducting the e-voting at the Meeting and remote e-voting process in a fair and transparent manner.
18. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by electronic voting at the AGM, 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 electronic means at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.trendelectronics.in and on the website of NSDL at www.nsdl.co.in, immediately after the results are declared by the Chairman.
19. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of Shareholders on the cut-off date/entitlement date for identifying the Shareholders entitled to participate in voting through Remote E-voting Mode or electronic voting at the Meeting.
20. In accordance with Section 125 of the Companies Act, 2013 and Rule 3 of Rules Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account has been transferred to the Investor Education and Protection Fund ("IEPF") except for the dividend declared on 29th June, 2011 which the company is in the process of completing.

In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members shall be entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
21. As per Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the securities of the listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, the members of the Company who are holding shares in physical form are requested to consider converting their physical holdings into dematerialised form. The members can contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company, for such conversion.

22. The equity shares of the Company are currently suspended. However, 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 will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Monday, 13th September, 2021. Members seeking to inspect such documents can send an e-mail to secretarial.trendelectronics@gmail.com.
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. Members may address their queries/ communications at secretarial.trendelectronics@gmail.com.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE ANNUAL GENERAL MEETING

The remote e-voting period begins on Friday, 10th September, 2021 at 9.00 A.M. and ends on Sunday, 12th September, 2021 till 5.00 P.M., both days inclusive. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 8th September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 8th September, 2021.

WAY TO VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM





The way to vote electronically on NSDL e-voting system consists of "Two Steps" as mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM:

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM:

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Company by e-mail to secretarial.trendelectronics@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders, available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at.evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to secretarial.trendelectronics@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial.trendelectronics@gmail.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail id, mobile number at secretarial.trendelectronics@gmail.com. If any shareholder wants to speak, they can register as a speaker shareholder at least 48 hours before the AGM by writing to secretarial.trendelectronics@gmail.com. so as to enable the Company to facilitate the access for the same.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Wednesday, 8th September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 8th September, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system". In case you have any grievance connected with facility for voting you may contact the Chief Financial Officer by sending an email to secretarial.trendelectronics@gmail.com. Members may also call on +91 73870 54520 or send a request to the Company by writing to Trend Electronics Limited at secretarial.trendelectronics@gmail.com.

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

Divyesh Desai

Resolution Professional

(Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338)

Place: Mumbai

Date: 12th August, 2021

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

Item No. 4

As stated hereinabove, the Company is into corporate insolvency resolution process and the Resolution Professional has been finding it difficult to identify the external people to comply with the requirement(s) of the Companies Act, 2013 with regards to minimum of 3 directors on the Board of the Company. Accordingly, in order to remain compliant, Mr. Rajendra Shende (DIN:09206528), was appointed as an Additional Director and designated as a Whole-Time Director on 26th July, 2021, for a period of one year i.e., from 26th July, 2021 to 25th July, 2022, based on the recommendation of the Resolution Professional. As an additional director, he holds the office of Director up to the date of ensuing Annual General Meeting of the Company.

Mr. Rajendra Shende has been associated with the Company for over a decade and has vast experience in various fields like Administration and Management.

Further, the Company has received a Notice in writing as prescribed under Section 160(1) of the Companies Act, 2013, from a member, expressing its intention to propose candidature of Mr. Rajendra Shende (DIN: 09206528). The remuneration payable to Mr. Rajendra Shende shall be in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Mr. Rajendra Shende (DIN: 09206528) is neither disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The resolution seeks the approval of the Members of the Company for the appointment of Mr. Rajendra Shende as a Whole-Time Director of the Company for a period effective from 26th July, 2021 to 25th July, 2022, pursuant to the provisions of Sections 152, 196, 197, 198 and 203 of the Act, read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the rules made thereunder.

A brief profile of Mr. Rajendra Shende, 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.

All the relevant documents in connection with the appointment of Mr. Rajendra Shende are available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on all working days.

None of the Directors/Key Managerial Personnel of the Company/ their relatives/Resolution Professional are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the members.

Item No. 5

As stated hereinabove, the Company is into corporate insolvency resolution process and the Resolution Professional has been finding it difficult to identify the external people to comply with the requirement(s) of the Companies Act, 2013 with regards to minimum of 3 directors on the Board of the Company. Accordingly, in order to remain compliant, Mr. Umakant Bhangale (DIN: 09210697), was appointed as an Additional Director and designated as a Whole-Time Director on 26th July, 2021, based on the recommendation of the Resolution Professional. He holds the office of Director up to the date of ensuing Annual General Meeting.

Mr. Umakant Bhangale is an Engineering Graduate having over 3 decades of experience in the field of engineering technology.

Further, the Company has received a Notice in writing as prescribed under Section 160(1) of the Companies Act, 2013, from a member, expressing its intention to propose candidature of Mr. Umakant

Bhargale (DIN: 09210697), to the office of Director of the Company for a period effective from 26th July, 2021 to 25th July, 2022.

The remuneration payable to Mr. Umakant Bhargale (DIN: 09210697), shall be in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Mr. Umakant Bhargale (DIN:09210697), is neither disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The resolution seeks the approval of the Members of the Company for the appointment of Mr. Umakant Bhargale (DIN: 09210697), as a Whole-Time Director of the Company for a period effective from 26th July, 2021 to 25th July, 2022, pursuant to the provisions of Sections 152, 196, 197, 198 and 203 of the Act, read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the rules made thereunder.

A brief profile of Mr. Umakant Bhargale, 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.

All the relevant documents in connection with the appointment of Mr. Umakant Bhargale are available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on all working days.

None of the Directors/Key Managerial Personnel of the Company/ their relatives/Resolution Professional are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

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. Rajendra Shende	Mr. Umakant Bhargale
DIN	07144712	09206528	09210697
Date of Birth	27/11/1970	06/10/1973	17/06/1966
Age (in years)	48 Years	47 Years	55 Years
Educational Qualification	Graduate	M.Sc	BE (Electronics)
Date of Appointment	31st March, 2015	26th July, 2021	26th July, 2021
Category of the Director	Professional – Non Executive	Executive, Whole – Time Director	Executive, Whole – Time Director
Terms and Conditions of Appointment or Re-appointment along-with the details of remuneration sought to be paid	Mrs. Smita Dharm is Professional Non-Executive Director, liable to retire by rotation and shall not draw any remuneration and shall be eligible for sitting fees for attending the meetings of the Board and Committees of the Board of Directors of the Company as and when held 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. Rajendra Shende is designated as a Whole-Time Director and shall be eligible for remuneration not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013. Mr. Rajendra Shende shall perform such functions and duties as provided in the Companies Act, 2013 and the Rules made there under.	Mr. Umakant Bhargale is designated as a Whole-Time Director and shall be eligible for remuneration not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013. Mr. Umakant Bhargale 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	N.A	N.A
No. of Board Meetings attended during the year	NIL	N.A	N.A
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 been associated with the Company for over a decade and has vast experience in the fields of Administration and Management.	He is an Engineering Graduate and has over three decades of experience in the field of technology
Names of other directorships in Public Limited Companies in which the Director holds directorship	NIL	NIL	NIL
Names of the other Committees in which Chairman*	NIL	NIL	NIL
Names of other Committees in which Member*	NIL	NIL	NIL
Number of Shares held	NIL	NIL	NIL
Relationships between Directors, Key Managerial Personnel and Mangers of the Company	NIL	NIL	NIL

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

DIRECTORS' REPORT

To
The Members
Trend Electronics Limited

The Resolution Professional present the 30th Board's Report of your Company, along with the Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow for the financial year ended 31st March, 2020.

INFORMATION ON CORPORATE INSOLVENCY RESOLUTION PROCESS

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), vide its order dated 25th September, 2018 ("Order"), admitted the application for initiation of corporate insolvency resolution process ("CIRP") filed by State Bank of India in respect of Trend Electronics Limited ("Corporate Debtor") in accordance with Section 7 of The Insolvency and Bankruptcy Code, 2016 ('the Code'). Pursuant to the order, Mr. Dushyant C Dave was appointed as the Interim Resolution Professional. Subsequently, Mr. Dushyant C. Dave was appointed as Resolution Professional by the Committee of Creditors.

Pursuant to an application filed before the NCLT by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted application allowing consolidation of CIRP petitions of 13 Videocon Group Companies to avoid conflicting of orders, if any.

However, it was ordered that the CIRP of Trend Electronics Limited shall run independently as the Company is capable of maintaining itself as a going concern. The NCLT vide its order 8th August, 2019, has appointed Mr. Divyesh Desai, having registration No. IBBI/IPA-001/IP-P00169/2017-18/10338, as the Resolution Professional of the Corporate Debtors replacing the then erstwhile resolution professional.

In terms of Section 17 of the Code, on commencement of the CIRP, the powers of the Board of Directors of the Company stands suspended and the same are being exercised by the Resolution Professional (i.e. Mr Dushyant Dave from 25th September, 2018 till 7th August, 2019 and Mr Divyesh Desai from 8th August, 2019). The management of the affairs of the Company has also been vested with the Resolution Professional.

This report presents the business and operations of Trend Electronics Limited ('the Company'), along with the audited financial statements and performance of the Company for the financial year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS

The financial highlights for the year ended 31st March, 2020 and year ended 31st March, 2019, is summarized below:

(Rs. in Million)

Particulars	Financial Year ended	Financial Year ended
	31st March, 2020	31st March, 2019
Revenue from Operations	376.27	1814.79
Other Income	6.02	7.05
Total Income	382.29	1821.84
Profit/(Loss) Before Finance Costs, Depreciation and Tax	(1,172.90)	(270.33)
Finance Costs	1,502.00	1,452.08
Depreciation and Amortization	----	201.45
Profit/(Loss) Before Tax	(2,674.90)	(1,923.86)
Profit/(Loss) for the Year/Period	(2,674.90)	(1,923.86)

REASON FOR DELAY IN HOLDING ANNUAL GENERAL MEETING

The Ministry of Corporate Affairs ("MCA") vide Circular No. 20/2020, dated May 05, 2020 (G.C. 20/2020) had issued a clarification regarding holding of Annual General Meeting ("AGM") for the financial year ended on 31st March, 2020 through video conferencing ("VC") or other audio visual means ("OAVM") for the calendar year 2020, considering the rapid spread of Covid-19 in India, its declaration as pandemic by the World Health Organization and notified disaster by the Government of India.

Further, the MCA once again reiterated that the companies which are unable to hold their AGM for the financial year ended on 31st March, 2020 despite availing the relaxations provided in the G.C. 20/2020 ought to file their applications in form No. GNL-1 for seeking extension of time in holding of AGM for the financial year ended on 31.03.2020. Subsequently, as a general relaxation, Registrar of Companies, Mumbai, had vide Order dated 08.09.2020 had extended the time to hold the AGM by a period of 3 months from the due date by which the AGM ought to have been held in accordance with the provisions of the subsection (1) of Section 96 of the Act, without requiring the Companies to file application for seeking such extension by filing the prescribed Form GNL 1.

In view of the above extension, the Company ought to have convened and held its Annual General Meeting for the financial year ended 31st March, 2020 by 31st December, 2020.

The Company is in the advanced stage of corporate insolvency resolution process. Owing to the complexity of the same and the difficulties faced owing to Covid-19 virus pandemic and non-availability of adequate resources, the entire day to day functioning of the Company has been hampered to a large extent.

As a result, the Finance and Accounts department of the Company found it difficult to finalize the aforesaid financial statements due to non-receipt/delay in receipt of mandatory information required for preparation, compilation and audit of the financial statements.

However, in view of the hardships faced by the Company in view of the numerous challenges involved in the process of CIRP coupled with the difficulties caused due to the Covid - 19 pandemic, as stated above, it was not possible for the Company to complete the finalization of the audited financial statements for year ended 31st March, 2020 and complete the formalities with regards to calling and convening the ensuing Annual General Meeting of the Company on or before 31st December, 2020.

Therefore an application was filed with the Registrar of Companies, requesting to grant approval for (i) not holding any annual general meeting in the calendar year 2020; and extension of time for holding the Annual General Meeting of the Company for the financial year ended on 31st March 2020, by a further period of 3 Months from 31st December, 2020, i.e. the date by which the Company ought to have conducted its Annual General Meeting in view of general exemption upto 31st March, 2021. No approval has been received as such from the Ministry.

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 382.29 Million as against Rs.1,821.84 Million for the previous financial year. Total Expenditure amounted to Rs.3,057.19 Million as against Rs. 3,745.70 Million for the previous year. Loss before tax stood at Rs.2,674.90 Million as against Rs.1,923.86 Million for the previous financial year. The Net Loss for the year under review is Rs.2,674.90 Million as against Net loss of Rs.1,923.86 Million for the previous financial year.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the year under review.

DEPOSITS

Your Company has not accepted any Deposit within the meaning and the ambit of Chapter V, 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.

DIVIDEND

In view of losses incurred, no dividend on shares is recommended for the year ended 31st March, 2020.

TRANSFER TO RESERVES

In view of losses incurred, the Company does not propose to transfer any amount to reserves.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company was required to transfer the unclaimed dividend pertaining to the financial year 2009-10 of Rs. 425,536/- and in pursuance to the provisions of Section 124(6) of the Companies Act, 2013 and the IEPF Rules, the Company was required to transfer 425,536 equity shares to Investor Education and Protection Fund (IEPF), in respect of which dividend has not been claimed. However, in absence of clarity consequent to commencement of CIRP, the Company couldn't transfer the unclaimed dividend to the Investor Education and Protection Fund ("IEPF"). Further, the equity shares are not yet transferred to IEPF due to procedural issues.

The Company is in the process of seeking clarity and transferring the said amount to IEPF. The Company has not declared any dividend since the financial year ended December, 2011 and therefore, there was no requirement to transfer unclaimed dividends to IEPF for the subsequent year(s).

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associate companies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD COMPOSITION

As at the commencement of the year, the composition of the Board of Directors was as follows:

Directors	Category
Mr Vivek D Dharm	Non Executive Independent Director
Mr Kiran Patwardhan	Non Executive Independent Director
Mr Chandrakant S Jyoti	Non Executive Independent Director
Mrs Smita V Dharm	Non Executive Director

CHANGES IN DIRECTOR AND KEY MANAGERIAL PERSONNEL

Mr. Vivek D Dharm, an Independent Director on the Board of the Company, has completed his tenure as a Director on 29th June 2019 and, accordingly, ceased to be the Director of the Company.

Similarly, Mr Chandrakant Sidram Jyoti who was appointed by the Board of Directors on 29th January, 2016 to fill the casual vacancy caused by the resignation of Mr Bhopinder K Chopra, and who continued to hold office till 13th August, 2019 i.e., till the date Mr. Bhopinder K Chopra would have held office, ceased to hold office as an Independent Director of the Company.

Further, it has come to notice that, Mr. Kiran Patwardhan has been disqualified for a period of five years by the Registrar of Companies under Section 164 (2) of the Companies Act, 2013 effective 01st November, 2018 as updated on the portal of the Ministry of Corporate Affairs.

On this background, as on 31st March, 2020, there is only One Non Executive Director. The number of Companies in which she holds the memberships/chairmanships of Board Committees, as stipulated under SEBI (LODR) Regulations, 2015 is provided in the Corporate Governance Section of this Annual Report.

Ms. Prabhavi Mungee resigned as Company Secretary and Compliance Officer of the Company effective 7th June, 2019.

BOARD MEETING

No meeting of Board of Directors or Committee was held during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

As at 31st March 2020 there are no Independent Directors on the Board of the Company.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Smita V Dharm (07144712), will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Brief resume of the Director seeking re-appointment alongwith other details are disclosed in the Notice convening the Annual General Meeting.

INDEPENDENT DIRECTOR FAMILIARIZATION PROGRAMME

Familiarisation Programme imparted to Independent Directors has been given on the Company's Website i.e. www.trendelectronics.in. However, as there were no independent directors post cessation of Mr. Vivek D Dharm, Mr. Chandrakant Jyoti and Kiran Patwardhan, no familiarisation programme was imparted to Independent Directors during the year under review and no meeting of the Independent Directors were held during the year under review as the Company is into CIRP and the powers of the Board stand suspended.

EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

As the Company's paid up equity share capital as on 31st March, 2019 does not exceed rupees ten crore and net worth does not exceed rupees twenty five crore, the Company is exempt from compliance of the provisions with regards to performance evaluation of the Directors for the year ended 31st March, 2020 in terms of Regulation 17 of SEBI (LODR).

Accordingly, the evaluation of Board, Committees and Directors was not carried out during the year under review and hence no such statement in terms of Section 134 (3) (p) of the Companies Act, 2013 is being furnished.

AUDITORS

STATUTORY AUDITORS :

M/s. S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 102380W) were appointed as Statutory Auditors for a period of 5 years at the 27th Annual General Meeting of the Company held on 29th September, 2017 to hold office till the conclusion of 32nd Annual General Meeting.

However, M/s. S. Z. Deshmukh & Co. have expressed their unwillingness to continue as Statutory Auditors of the Company owing to operational inconvenience caused due to the Covid-19 pandemic and lack of resources.

The Resolution Professional and the Committee of Creditors, on the 22nd of April, 2021, have noted and accepted the resignation of M/s. S. Z. Deshmukh & Co. The Committee of Creditors on the 27th of April, 2021, based on the recommendation of the Resolution Professional and subject to the approval of shareholders at the ensuing Annual General Meeting of the Company, has approved the appointment of M/s. SGC&O & Co. LLP, Chartered Accountants, as statutory auditors of the Company to hold office till the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2021.

As the Company is into CIRP, the Committee of creditors (CoC) has been vested with the decision making power under the IBC Code with regards to the affairs and management of the Company. Any decision taken by the CoC is binding on the Company and all the stakeholders. For the purpose of IBC, it is deemed that the approval of CoC is equivalent to approval of shareholders. As per Section 28 of the said Code, the appointment of M/s SGC&O & Co. LLP, Chartered Accountants, has been approved by the CoC and the said approval is valid and binding on the Company and the statutory auditors. However, as a matter of abundant caution, approval of the shareholders is being sought at the ensuing annual general meeting.

As required under section 139 of the Companies Act, 2013, the Company has received a written consent and certificate from M/s. SGC&O & Co. LLP, Chartered Accountants (Firm Registration Number:112081W), confirming that they satisfy the criteria provided under section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Resolution Professional has proposed the appointment of M/s. SGC&O & Co. LLP, Chartered Accountants (Firm Registration Number:112081W), as the Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting of the Company, at such remuneration as may be agreed upon between the Resolution Professional and the Auditors of the Company.

In terms of the Statement of Peer Review issued by the Institute of Chartered Accountants of India (ICAI), there is a system of Peer Review in place wherein the professional competence of Chartered Accountants is reviewed by peer reviewers appointed by the ICAI. The Securities & Exchange Board of India (SEBI) has also mandated that the limited review/statutory audit reports submitted to the concerned stock exchanges by the listed entities shall be given only by those auditors who have subjected themselves to peer review process and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

M/s. SGC&O & Co. LLP, Chartered Accountants (Firm Registration Number:112081W), hold a valid "Peer Review" Certificate as issued by the ICAI.

AUDIT REPORT:

The Statutory Auditors M/s. S. Z. Deshmukh & Co. Chartered Accountants, Mumbai (ICAI Firm Registration No. 102380W) who were statutory auditors for the Financial Year ended 31st March, 2020 have submitted the Auditors' Report, which have certain Qualifications on the Financial Statements for the period ended on 31st March, 2020.

The Chief Financial Officer of the Company has given explanation to the Auditors' Qualifications and the same was noted by the Resolution Professional as under:

➤ The Company has not assessed or reviewed the plant and machinery and other fixed assets for impairment, not ascertained net realizable value of inventories and not ascertained the realizable value of unquoted investments. The RP has appointed valuers for valuation of assets including inventories and investments. The RP continues the process for ascertaining the realizable value of assets and necessary adjustments to the carrying value will be effected

in due course. The impact of which is not ascertainable at this stage.

- The confirmations and reconciliations of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.
- The Company has made investments, given advances and has trade receivables aggregating to Rs 2,928.18 Million in group/affiliate companies, namely Videocon Industries Limited, Applicomp (India) Limited, VOVL Limited, Value Industries Limited, KAIL Limited, Sky Appliances Limited and Techno Electronics Limited, which have been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 by their lenders and subsequently admitted to Corporate Insolvency Resolution Process (CIRP). The actual amount of loss on these investments, advances and trade receivables are not ascertainable till the completion of resolution process of these group/entities.
- Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. Such claims can be submitted to the RP till the approval of the resolution plan by CoC. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Similarly, claims of all creditors including MSME, will be treated as per approval of resolution plan.
- Due to various unavoidable circumstances inter-alia including voluminous activities under CIRP, lack of resources inter-alia including qualified staff having resigned pre-post CIRP, the company couldn't submit the financial results for 31st March, 2018 and subsequent periods till date as prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However no impact of the same is envisaged in the financial statements.
- The Company has been unable to comply with the disclosure requirements of certain Indian Accounting Standards (Ind-AS) viz., IND-AS 109 pertaining to "Financial Instruments", IND-AS 36 pertaining to "Impairment of assets", IND-AS 2 pertaining to "Inventories" and IND AS – 16 pertaining to "Property, Plant And Equipment" due to the non-availability/lack of resources in view of the ongoing CIRP. The Company has also not charged depreciation on Property, Plant and Equipment due to unavailability of information on account of lack of resources in view of the ongoing CIRP.
- The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended and there are persistent severe strains on the working capital and there is considerable decline in level of operations of the Company and net worth of the Company as on the reporting date is negative and it continues to incur losses. The Company has received invocation notices of corporate guarantees given by it and also the personal guarantees of promoter directors have been invoked. The Company is a co-obligor and has received demand notices in respect of borrowings of other obligors/borrowers. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. The company continues the process for ascertaining the realizable value for its assets (including inventories and trade receivables) and necessary adjustments to the carrying value will be effected in due course, the impact of which is not ascertainable at this stage. The Company has also carried forward the Deferred

Tax Asset though there is no reasonable certainty of its realization in view of maintaining the Company as a going concern during the CIRP.

COST AUDITOR

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and amendments made thereto; from time to time, the Company has to appoint Cost Auditor to conduct audit of Cost Accounting Records maintained by the Company for the financial year commencing from 1st April, 2020 to 31st March, 2021. Further, in compliance with the provisions, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. However, since the cost auditor is yet to be appointed, the consent of the Members will be sought at the general meeting, as and when held.

The Company being admitted into CIRP and due to the unwillingness of some of the cost accountants to undertake cost audit of the records of the Company for the same reason, the Company failed to appoint Cost Auditor for the previous three financial year(s) and consequently, failed to file the Cost Audit Report for the financial years ended 31st March, 2018, 31st March, 2019 and 31st March, 2020.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex to its Board's Report, a secretarial audit report from a Company Secretary in practice, in the prescribed form.

The Resolution Professional, in compliance with Section 204 of the Act, appointed Mrs. Gayathri R Girish, Company Secretary in Whole-time Practice, (CP No.: 9255) to carry out the Secretarial Audit for the financial period ended on 31st March, 2020. The Secretarial Auditor has made certain observations in her Secretarial Audit Report. The Report of the Secretarial Audit in Form MR-3 for the financial year ended 31st March, 2020 is marked as 'Annexure-1' and forms part of this Directors Report. The Secretarial Auditor in her report has raised certain observations.

In respect of observations raised by the Secretarial Auditor, the explanation of the management is as under:

- The non-filing of e-forms MGT 14, IEPF-2, Form INC 22A, DPT 3, DIR 12 and other forms as stated in the secretarial audit report annexed hereto, were on account of technical issues.
- The Company couldn't transfer the unpaid/unclaimed dividend to IEPF, declared at the Annual General Meeting held on 29th June, 2011; (ii) the shares in respect of which dividend is unclaimed or unpaid for than 7 years and which were due for transfer to IEPF is pending on account of lack of clarity consequent to commencement of CIRP.
- The non-filing of statement of unpaid and unclaimed amount to IEPF Authority was on account of non-receipt of adequate information from the officials of the Company and the procedural issues involved in relation to transfer.
- The delay in filing of E Form MGT 14 for appointment for secretarial auditor for Financial year ended 31st March, 2019, Form AOC 4 for Financial year ended 31st March, 2019 was on account of technical difficulty and procedural issues.
- Due to non-willingness of external professionals coupled with the liquidity issues, the Company has not been able to comply with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regards to the appointment of Managing Director, Whole Time Director, Chief Executive Officer or Manager, Company Secretary till the end of financial year under

review. However, in the ensuing annual general meeting the Company is recommending appointment of whole time director from existing employees.

- The Company has not paid Listing Fees in terms of Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. In terms of the Code, the outstanding dues pertaining to pre-CIRP period are to be filed as claims and will be treated as per the provisions of IBC and accordingly payment is not made even though the same is pertaining to Listing Fees.
- Non appointment of a qualified company secretary with effect from 7th June, 2019 as per the provisions of Regulation 6 (1) of SEBI LODR Regulation, 2015 is owing to the Company being into CIRP and the reluctance/unwillingness of professionals to act as Company Secretary of the Company.
- Non-compliance of the provisions of Regulations 23 (9) with regards to disclosure of material Related Party Transactions within 30 days of publication of financial results, The Company has however, made a representation to the Stock Exchange on the 13th of January, 2020 requesting for exemption from Related Party Disclosure as the Company's Paid up Capital does not exceed Rs 10.00 Crores and Networth does not exceed Rs 25.00 Crores as on the last day of the previous financial year ie, 31st March, 2019.
- Non compliance with the following provisions of SEBI (LODR), 2015 were on account of technical difficulties, voluminous activities under CIRP, lack of resources inter-alia including qualified staff having resigned pre-post CIRP.
- The delay in compliance of certain provisions of SEBI(LODR), 2015 were account of delay in receipt of information/data from the Registrar or technical difficulties or lack of resources.
- Non filing of returns under FEMA were on account of absence of adequate information and data related to previous filings.
- Non appointment of cost auditor was on account of un-willingness of some of the cost auditors to undertake cost audit on account of admission of company into CIRP.
- The other observations or adverse remarks are self-explanatory

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRING AFTER THE BALANCE SHEET DATE AND AS AT THE DATE OF SIGNING THIS REPORT

There are no material changes and commitments affecting the financial position of the Company that occurred after the Balance Sheet Date and as at the date of signing of this report.

CONSERVATION OF ENERGY

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended 31st March, 2020 is marked as 'Annexure 2' and forms part of this Directors Report.

HEALTH, SAFETY AND ENVIRONMENT

The health and safety of employees and workmen remain of utmost importance to the Company. There is no change in the already set and defined health and safety initiatives which were undertaken by Company prior to commencement of CIRP, which inter-alia includes:

- Ensuring maintenance and immediate actions in case of spillages and wet surface to avoid slip and trips.
- Waste water treatment and recycling of the same for gardening purposes.

- Round the clock occupational health center and ambulance with all medical devices.
- Timely disposal of waste and scrap materials.

INFORMATION TECHNOLOGY

The Company has robust Information Technology to ensure database management of set top box manufacturing and monitoring, right from the beginning of the assembly process till the finished product. The network application is also used for facilitating the storage and retrieval of the Set Top Box pairing elements.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION (SECTION 178)

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 directors. Further, the details pertaining to the Nomination and Remuneration Policy during the financial year ended 31st March, 2020 forms part of the Corporate Governance Report.

RISK MANAGEMENT POLICY OF THE COMPANY

In line with the regulatory requirements, 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.

CORPORATE SOCIAL RESPONSIBILITY POLICY

As per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having network of Rs. 500 Crore or more or turnover of Rs. 1,000 Crore or more or net profit of Rs. 5 Crore or more during the immediately preceding financial year shall ensure that it spends, in every financial year, atleast 2 (Two) percent of the average net profits made during three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The Company has formed a Corporate Social Responsibility Committee in terms of provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. The scope and composition of the Committee forms part of Corporate Governance Report.

However, during the financial year 2019-20, the Company was not required to spend any amount under its Corporate Social Responsibility policy as it has incurred losses in its preceding financial years and the Company is admitted into CIRP.

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

There is no fraud/misconduct detected at the time of statutory audit by Auditors of the Company for the financial period ended on 31st March, 2020.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (LODR), disclosures relating to particulars of loans, guarantees given and investments made during the period is marked as 'Annexure- 4' and forms part of this Directors Report.

DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER CUM VIGIL MECHANISM POLICY DIRECTORS AND EMPLOYEES

The Company has formulated a Whistle Blower Policy, where in the Employees / Directors / Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. This mechanism provides

safeguards against victimisation of Employees, who report under the said mechanism. The Whistle Blower Policy complies with the requirements of Vigil Mechanism as stipulated under Section 177 of the Companies Act, 2013.

During the year under review, the Company has not received any complaints under the said mechanism. The Whistle Blower Policy of the Company has been displayed on the Company's website www.trendelectronics.in.

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

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no related party transactions made by the Company (except for remuneration to related parties) which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders.

Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of disclosure of Related Party Transaction is marked as 'Annexure-3' and forms part of this Directors Report.

The Policy on Related Party Transactions as previously approved by the Board is uploaded on the Company's website www.trendelectronics.in.

CHANGES IN SHARE CAPITAL

During the year under review, there is no change in Paid up Share Capital of the Company

SUSPENSION OF TRADING OF SECURITIES

The Company's Shares are suspended from Trading by Bombay Stock Exchange Limited due to Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and penal reasons. As per stock exchange data, the last trading in equity shares took place on 16th April, 2018.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

As stated herein before, the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 25th September, 2018 ("Order"), admitted the application for initiation of corporate insolvency resolution process ("CIRP") filed by State Bank of India in respect of Trend Electronics Limited ("Corporate Debtor") in accordance with Section 7 of The Insolvency and Bankruptcy Code, 2016 ('the Code'). Pursuant to the order, Mr. Dushyant C Dave was appointed as the Interim Resolution Professional. Subsequently, Mr. Dushyant C. Dave was appointed as Resolution Professional by the Committee of Creditors.

Pursuant to an application filed before the "NCLT", Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted application allowing consolidation of CIRP petitions of 13 Videocon Group Companies to avoid conflicting of orders, if any. However it was ordered that the CIRP of Trend Electronics Limited shall run independently as the Company is capable of maintaining itself as a going concern. The NCLT vide its order 8th August, 2019, has appointed Mr. Divyesh Desai, having registration No. IBBI/IPA-001/IP-P00169/2017-18/10338, as the Resolution Professional of the Corporate Debtors replacing the then erstwhile resolution professional.

In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company stands suspended and the same are being exercised by the Resolution Professional (i.e. Mr Dushyant Dave from 25th September, 2018 till 7th August, 2019 and Mr Divyesh Desai from 8th August, 2019). The management of the affairs of the Company has also been vested with Resolution Professional.

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

The Company promotes a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees and values every individual and committed to protect the dignity and respect of every individual. The Company has always endeavored for providing a better and safe environment free of sexual harassment at all its work places. During the year under review, no cases of sexual harassment against women employees at any of its work place were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

INTERNAL FINANCIAL CONTROL

The Company maintains a system of internal control, including suitable monitoring procedures in various functional areas. The system is reviewed from time to time to update the same with changing requirement. Internal Audit of Company's financial accounts and related records is conducted by in house internal audit team of the Company.

PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure – 5A' and forms part of the Directors' Report.

A statement containing, inter-alia, the names of top ten employees in terms of remuneration drawn and every employee employed throughout the financial year and in receipt of remuneration of Rs.102 lakhs or more and, employees employed for part of the year and in receipt of remuneration of Rs. 8.50 lakhs or more per month, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure-5B' and forms part of this Directors Report.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance as stipulated in the Listing Regulations 2015 is annexed in "Annexure 6" and forms an integral part of this Annual report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is marked as 'Annexure- 7' and forms part of this Directors Report which provides full details of the operational performance and business analysis of the Company.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Secretarial Standards issued by the Institute of Companies Secretaries of India, as applicable to the Company, have been complied to the extent feasible.

RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the RESOLUTION PROFESSIONAL hereby submits the responsibility Statement :-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Resolution Professional had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial period and of the loss of the company for that period;
- c. in respect of CIRP period, the Resolution Professional had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities prior to the Commencement of the CIRP;
- d. the Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis.
- e. the internal controls as laid down prior to commencement of CIRP were continued to be followed by the Company post commencement of CIRP and the current internal financial controls, during the CIRP period, internal financial controls as reviewed by the Resolution Professional are adequate and are operating effectively; and
- f. the Resolution Professional had devised proper systems to ensure compliance with the provisions of all applicable laws during CIRP and that such systems as reviewed by the Resolution Professional were adequate and operating effectively.

ACKNOWLEDGEMENT

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

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

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

ANNEXURE – 1

Form No.MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
Trend Electronics Limited
CIN: L99999MH1989PLC052233
20 K. M. Stone, Aurangabad-Beed Road,
Village, Bhalgaon, Aurangabad 431210.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Trend Electronics Limited** (hereinafter called the "Company").

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 25th September, 2018 admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of the Company in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time.

Auditor's Responsibility

The Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. The responsibility of the Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit has been conducted in accordance with the applicable standards. These standards require that the auditor comply with the statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of the audit as stated in the para on Disclaimer of Opinion, there is an element of unavoidable risk that some mis-statements or material non compliances may not be detected even though the audit is properly planned and performed in accordance with the standards.

In view of the Company being into CIRP there were no meetings of the Board of Directors held during the year. Hence, there were no minutes in respect of the Board or Committee Meetings. I have also not been provided with the minutes of the meetings of the Committee of Creditors hence I am unable to comment compliances, if any, arising out of decisions taken by the Committee of Creditors.

Disclaimer of Opinion

In view of the unavailability of the (i) Minutes of the Meeting of the Board of Directors; (ii) Minutes of the Committee(s); (iii) Minutes of the Meeting of the Committee of Creditors; (iv) certain Statutory Registers and Records; and certain other documents and in the absence of information and explanations sought, which to the best of my knowledge and belief were necessary for the conduct of the Audit, I am unable to comment on the material impact arising out of the lack of audit evidence on the functioning of the Company.

Report on Companies Act, 2013 and Other Regulatory Requirements:

On this background, based on my verification of available books, papers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year 01st April, 2019 to 31st March, 2020, has complied with the statutory provisions listed hereunder in the manner and subject to the reporting made

hereinafter and also that the Company has compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Due to the COVID - 19 Pandemic and the restrictions imposed due to the same, physical verification of documents and records have been impacted and hence reliance has been placed on the scanned/soft copies of various documents/records which were provided by the Company/Resolution Professional and the records made available/uploaded on the website of the Company, on the portal of the Ministry of Corporate Affairs and BSE Limited where the shares of the Company are listed.

I have examined the papers, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- The Companies Act, 2013 (the "Act") and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- The Provisions of the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Foreign Exchange Management Act (FEMA), 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company for the financial year ended 31st March, 2020.
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014 (Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on its industry/ sectors are:
- Factories Act, 1948
 - Industrial Disputes Act, 1947
 - The Payment of Wages Act, 1936
 - The Minimum wages Act, 1948
 - Employees State Insurance Act, 1948
 - The Employees Provident Funds and Miscellaneous Provisions Act, 1952
 - The Payment of Bonus Act, 1965
 - The Payment of Gratuity Act, 1972
 - The Contract Labour (Regulation & Abolition) Act, 1970
 - The Maternity Benefit Act, 1961
 - The Child Labour (Prohibition & Regulation) Act, 1986
 - The Industrial Employment (Standing Orders) Act, 1946
 - The Employees Compensation Act, 1923
 - The Apprentices Act, 1961
 - Equal Remuneration Act, 1976
 - The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
 - Water (Prevention and Control of Pollution) Act, 1974
 - Air (Prevention and Control of Pollution) Act, 1981
 - Environment Protection Act, 1986
 - Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
 - E-Waste Management & Handling Rules, 2016.

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

- Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India and in absence of suitable audit evidence, I am unable to express an opinion on the extent of adherence to the applicable Secretarial Standards by the Company .
- The Listing Agreements entered by the Company with the Stock Exchange.

I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

I have not examined the Compliance by the Company:

- With Other laws including applicable labour, industrial, environmental and other industry specific laws (as informed and certified by the management of the Company which are specifically applicable to the Company based on its industry/ sector) since the compliance and monitoring of the said laws are to be ensured by the management of the Company;
- With the applicable financial laws like direct and indirect laws, since the same have been subject to review by the statutory financial audit by other designated professionals.

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

I. Under Companies Act, 2013:

- During the period under review, the Company has not filed various E Form with Registrar of Companies during the financial year 2019– 20 inter-alia including:
- *E-form MGT-14 for appointment of Internal Auditor as required in terms of provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014. The Company has confirmed it has in place an in-house internal audit team to carry out the audit of internal records maintained by the Company.*
 - *In absence of minutes of meetings of Committee of Creditors, I am unable to comment on applicability of filing of MGT-14, if any, for business transacted by the Committee of Creditors/Resolution Professional.*
 - *The Company has not filed E Form INC-22A ACTIVE for Active Company Tagging Identities and Verification in terms of Rule 25A of the Companies (Incorporation) Rules, 2014.*
 - *The Company has not, till the date of this report, filed E-Form DPT 3 (i.e., onetime return of outstanding receipt of money or loan by a company but not considered as deposits, in terms of clause (c) of sub-rule 1 of rule 2 from the 1st April, 2014 to the date of publication of the said notification in the Official Gazette(i.e. 22nd January, 2019), within 90 days from the date of said publication subject to such relaxation of time for filing) within the prescribed time limit as provided in sub rule (2) of Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014.*
 - *The Company has not till the date of report filed E-Form DPT 3 (Return of Deposit to be filed by the Companies with the Registrar duly audited by the Auditors of the Company as on 31st March of every year).*
 - *The Company has not appointed Cost Auditor for the Financial Year 2019-20. Therefore, the Company has violated the provisions of Section 148 of the Companies Act, 2013 read with Rule 6 of the Companies (Cost Records and Audit Rules, 2014) and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time. Hence, the Company has not filed Form CRA – 2 for the financial year 2019-20 and Form CRA-4 for the Financial Year ended 31st March, 2019.*
 - *The Company has not filed E form DIR-12 in respect of cessation of office by Mr Chandrakant Sidram Jyoti and Mr. Vivek D Dharm*
- During the period under review, the Company has delayed in filing of various E Form with Registrar of Companies which inter-alia includes:
- E-form AOC-4 for financial statement in XBRL format for financial year ended 31st March 2019.

- E-form MGT-14 for Appointment of Secretarial Auditor for the financial year ended on 31st March, 2019;

However, the Company has filed these forms with the Registrar of Companies with additional fees, hence not specifically identified as non compliance.

I Further Report that:

- *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regards to the appointment of Managing Director, Whole Time Director, Chief Executive Officer or Manager, Company Secretary till the end of financial year under review. However, the Company had appointed Chief Financial Officer earlier, but E-form DIR- 12 & E-form MGT-14 has not been filed with Registrar of Companies till date. The Company has informed that his appointment was prior to the commencement of the Companies Act, 2013, hence no filing is required as such.*

Further, in terms of the MCA General Circular No. 08/2020, the Resolution Professional of the Company is designated as "Chief Executive Officer"(CEO) only for the purpose of filings to be made by the Company with the Ministry of Corporate Affairs.

- *The Company has, till date, not transferred the unpaid/unclaimed dividend to IEPF, declared on Annual General Meeting held on 29th June, 2011 which was due for transfer to Investor Education and Protection Fund ("IEPF") on or before 29th July, 2018; thereby violating the provisions of Section 124(5) of the Companies Act, 2013. Similarly, the Company has not transferred the shares in respect of which dividend is unclaimed or unpaid for more than 7 years and which were due for transfer to IEPF. Thus, the Company has violated the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Therefore, the same has not been intimated to Registrar of Companies in Form IEPF-1 & IEPF-4.*
- *The Company has not filed statement of amounts remaining unpaid and unclaimed to IEPF Authority in Form IEPF 2 within 90 days of the Annual General Meeting held on 28th December, 2018 in accordance with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Thus, the Company has violated the provisions of Sub-Rule 8 of Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.*
- *The Company made an application to the Registrar of Companies seeking approval for extension of time for holding annual general meeting under section 96(1) of the Companies Act, 2013 for the financial year ended 31st March 2019. Keeping in view, the circumstances as mentioned for extension for time for the purpose of holding Annual General Meeting, Registrar of Companies has granted the extension of 2 months. The Company made a further application to Registrar of Companies seeking approval for extension of time for holding Annual General Meeting under section 96(1) of the Companies Act, 2013 by a further period of 1 month. The Registrar of Companies granted further extension of time for holding annual general meeting by another 1 month and the Annual General Meeting of the Company was held on 30th December, 2019 at the Registered Office of the Company.*

II. Under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and other SEBI Regulations:

- During the financial year under review,
 - *The Company has not paid Listing Fees in terms of Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. However, the Management of the Company is evaluating the same in view of the securities being suspended from trading and rationale for imposing Listing Fees when the services are not provided by the Stock Exchanges.*
 - *The Company has violated the provisions of Regulation 6 (1) of SEBI LODR Regulation, 2015 for not appointing a qualified company secretary effective 7th June 2019*
 - *The Company has failed in Submission of Regulation 23 (9) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to disclosure of material Related Party Transactions within 30 days of publication of financial results for half year ended 31st March, 2019 and 30th September, 2019. The Company has however, made a representation to the Stock Exchange on the 13th of January, 2020 requesting for exemption from Related Party Disclosure as the Company's Paid up Capital does not exceed ₹ 10.00 Crores and Networth does not exceed ₹ 25.00 Crores as on the last day of the previous financial year ie, 31st March, 2019.*
 - *The Company has failed in Submission of Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 with regards to Annual Secretarial Compliance Report to be submitted by listed entities within 60 days of the Financial year ended 31st March, 2019.*
 - *The Company has not considered any financial results for the quarter ended on 31st March, 2019, 30th June, 2019, 30th September, 2019 and 31st December, 2019 and therefore no prior intimation was given to stock exchanges in terms of Regulation 29 (2) of SEBI (LODR) Regulations. Further, the Company has not intimated to the stock exchange about the consideration of Audited financial results by the Resolution Professional in terms of the said regulation.*
 - *The Company has not submitted un-audited financial results together with limited review Report/Auditor Report along with Statement of impact, as the case may be, in terms of the provisions of Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for the Quarter ended 31st March, 2019, 30th June, 2019, 30th September, 2019 and 31st December, 2019. With Reference to Regulation 33 of SEBI LODR, the company has not published the financial results for various quarters. However, with reference to SEBI Circular CIR/CFD/CMD-1/142/2018 dated November 19, 2018 regarding "disclosure of reasons for delay in submission of financial results by the listed entity", the company has not submitted to the Stock Exchanges the reasons for the*

delay in submission of the financial results except for the quarter ended on September 30, 2019 explaining the delay in finalisation of quarterly results.

- The Company has not made publication of the audited financial results for the year ended 31st March, 2019, together with applicable reports, in terms of the provision of Regulation 33(3)(d) of the SEBI LODR within 60 days of Financial year end. The Company has not made any publication of audited financial results in the newspaper during the year 2019 – 20 as per Regulation 47(3) of SEBI (LODR).
- The Company has not published the quarterly unaudited financial results in the newspaper in terms of requirements of Regulation 47(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in view of non consideration of financial results for various quarters during the year under review.
- The Company has not filed Reconciliation of Share Capital Audit Report for quarter ended 31st March, 2019 in terms Regulation 76 of Securities Exchange Board of India (Depositories And Participants Regulations) 2018 with regards to reconciliation of share capital audit certification from Practicing Company Secretary within 30 days from each quarter end of financial year. For the quarter ended 30th June, 2019 the Company has obtained the Reconciliation of Share Capital Audit Report from Practicing Company Secretary. However, the same is not reflected on the website of BSE. Hence I am unable to comment on the filing status for the said quarter.
- Due to Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities, the Shares of the Company are suspended from Trading on BSE Limited w.e.f. 16th April, 2018.

➤ The Company has delayed in:

- Submission of statement giving status of investor complaints in terms of Regulation 13(3) in respect of quarter ended March 2019 and December 2019.
- Submission of intimation for change in Resolution Professional in terms of Regulation 30 of SEBI LODR, 2015 and intimation of outcome of meetings of Committee of Creditors.
- Submission of shareholding pattern in respect of quarter ended June 2019 and September 2019 in terms of Regulation 31 of SEBI LODR, 2015.
- Submission of a certificate procured from the PCS that all share certificates have been issued within 30 days of lodgement of transfer, sub-division, consolidation, renewal or exchange for quarter ended September 2019 in terms of Regulation 40(9) of SEBI (LODR), 2015.

- Submission of Large Corporate Body disclosure as per SEBI Circular- SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 within 30 days from the end of financial year.

➤ In terms of Regulation 46 of SEBI (LODR), 2015, the Company has functional website, however, certain information is not up to date.

III. Under Foreign Exchange Management Act (FEMA), 1999

The return of Foreign Assets and Liabilities for the Current Audit Period has not been filed for the Company with the Reserve Bank of India.

I report that:

1. The State Bank of India in capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), 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 ("Code"). In terms of the Order pronounced on 25th September, 2018, by the NCLT, Mr. Dushyant C. Dave, having Registration No.: IBBI/IPA-003/IP-P00061/2017-18/10502 was appointed as Interim Resolution Professional of the Company.

Subsequently, Mr. Venugopal N. Dhoot, promoter of the Company, had filed an application before the Principal Bench, National Company Law Tribunal, New Delhi praying that all the matters relating to the Videocon Group Companies inter-alia including the Company must be heard before Common NCLT, Bench.

Similarly, another application was filed by the State Bank of India before the Hon'ble NCLT Principal Bench, seeking the consolidation of CIRPs of all the Videocon group companies. The Hon'ble Principal Bench disposed of both the applications vide a common order dated 24th October, 2018. Vide the said Order dated 24th October, 2018, the Hon'ble Principal Bench has transferred all the matters where CIRP commenced in respect of the Videocon Group Companies before Hon'ble NCLT, Mumbai Bench to avoid the conflicting of orders, if any.

Pursuant to the aforesaid application filed before the "NCLT", Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted the application allowing consolidation of CIRP petitions of 13 Videocon Group Companies viz., M/s. Videocon Industries Limited, M/s. Value Industries Limited; M/s. Videocon Telecommunications Limited; M/s. Evans Fraser And Company (India) Ltd; M/s. Millennium Appliances India Ltd; M/s. Applicomp (India) Ltd; M/s. Electroworld Digital Solutions Ltd; M/s. Techno Kart India Ltd; M/s. Century Appliances Ltd; M/s. Techno Electronics Ltd; M/s. PE Electronics Ltd; and CE India Ltd ("Corporate Debtors") and has continued CIRP of all the Corporate Debtors as one from 8th August, 2019 i.e. from the date of the Order till the end of 180 days. However, it was ordered that CIRP of Trend Electronics Limited shall run independently and the consolidation in respect of the company is inter-alia denied on the grounds that the company is independently capable of maintaining itself as a going concern and it business is not dependent on other Videocon Companies.

The NCLT vide its order 8th August, 2019, has appointed Mr. Divyesh Desai, having registration No. IBBI/IPA-001/IP-P00169/2017-18/10338, as the Resolution Professional of the Corporate Debtors ("Interim Resolution Professional")

replacing then erstwhile resolution professional.

Mr. Divyesh Desai was appointed as the resolution professional of the Corporate Debtor, by the COC in its Meeting on 6th September, 2019.

2. In terms of Section 14 of the Code read with the Order, moratorium continues inter alia prohibiting the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority.
3. In terms of Section 17 of the Code, the management of affairs of the Corporate Debtor vests with the Resolution Professional and the powers of the Board of Directors of the Corporate Debtor which were already suspended shall be exercised by him.
4. By virtue of Section 17 & 23 of the Code:
 - a. the management of the affairs of the Corporate Debtors vests in the Resolution Professional;
 - b. the powers of the board of directors are suspended and are to be exercised by the Resolution Professional;
 - c. the officers and managers of the Corporate Debtors are required to report to the Resolution Professional and provide access to such documents and records of the Corporate Debtors as may be required by the Resolution Professional; and
 - d. the financial institutions maintaining accounts of the Corporate Debtors are required to act on the instructions of the Resolution Professional in relation to such accounts and furnish all information relating to the Corporate Debtors available with them to the Resolution Professional.

I further report that:

- Based on the representation made by the management of the Company, there are no material events provided by the Company to the Stock Exchange.
- The Independent Directors of the Company have not convened a separate meeting of the Independent Directors as the Company was referred to CIRP and the powers of the Board of Directors stands suspended.

➤ The Board of Directors of the Company is not constituted with proper balance of Executive, Non-Executive Directors and Independent Directors as stipulated under the provisions of SEBI (LODR) 2015. Further, one of the directors is already disqualified by the Ministry of Corporate Affairs and two directors have ceased to be the Directors.

➤ In terms of the provisions of Section 173 of the Companies Act, 2013, every company shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. However, the said provisions are not applicable to the companies which are under Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") as the powers of the Board of Directors stand suspended. Similarly, the provisions are not applicable to the committee meetings.

➤ As per the provisions of IBC and provisions of Regulation 15 (2A) and (2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI (LODR)) as amended from time to time, the provisions specified in regulation 17, 18, 19, 21, shall not be applicable during the insolvency resolution process. The provisions as specified in said regulations of the SEBI (LODR) shall not be applicable during the insolvency resolution process period and the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional.

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

- i. As stated hereinbefore, the State Bank of India in capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), 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 ("Code"),

which requires attention of the members.

Gayathri R Girish
CP No: 9255
ACS: 18630

Place: Pune
Date: 24th June, 2021

UDIN: A018630C000506073

ANNEXURE – A

To,
The Members,
Trend Electronics Limited
CIN: L99999MH1989PLC052233
20 K. M. Stone, Aurangabad-Beed Road,
Village, Bhalgaon, Aurangabad 431210.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for my opinion.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of certain events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Pune
Date: 24th June, 2021

Gayathri R Girish
CP No: 9255
ACS: 18630
UDIN: A018630C000506073

Annexure-2

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3)
OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

1	Steps taken to conserve energy	<p>The Company is conscious about its responsibility to conserve energy, power and other natural resources, wherever possible.</p> <p>Consequent to commencement of corporate insolvency resolution process, the Company continued with the measures which were taken in the past inter-alia including:</p> <ul style="list-style-type: none"> • Awareness amongst employees and workmen in relation to energy conservation and reduction of misuse of electricity • Using energy efficient equipment. <p>The adoption of the energy conservation measures helps the company in reducing the energy cost.</p>
2	Steps taken to utilize alternate sources of energy	The Company prior to commencement of corporate insolvency resolution process has installed solar power so as to ensure generation of green energy and continue to make efficient use of the same.
3	The capital investment on energy conservation equipments	In view of admission of the Company into corporate insolvency resolution process, the Company has not made any fresh investment except for re-aligning/re-arranging the already existing energy conservative equipment.

B. TECHNOLOGY ABSORPTION

1	The efforts made towards technology absorption	Not Applicable
2	The benefits derived as a result of the above efforts	<p>Basis the research and development in the past, the Company continue to derive the following benefits:</p> <ul style="list-style-type: none"> • Improved quality • Improvement in the operational process • Cost Reduction • Meeting the changing social and environmental needs • Meeting the changing requirements of customers
3	<p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>(a) Technology imported</p> <p>(b) the year of import</p> <p>(c) whether the technology has been fully absorbed</p> <p>(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof</p>	The Company has not imported any technology in the last three years.
4	Expenditure incurred on R & D	The Company has not undertaken any R & D activities during the year. Accordingly, no expenditure has been incurred by the Company on account of capital and/or recurring in nature. Thus the total expenditure as a percentage to total turnover is Nil.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

INR (In Millions)

Foreign Exchange Earnings and Outgo		FY 2020	FY 2019
a.	Foreign Exchange Earnings	NIL	NIL
b.	CIF Value of Imports	NIL	0.15
c.	Expenditure in foreign currency	NIL	NIL

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

Annexure 3

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis.

a)	Nature of Related Party:	Except for salaries to the Head Operations and Key Managerial Personnel there are no related party transaction entered by the Company
b)	Nature of transactions:	
	Sale of Goods	
	Rent Income	
	Availing of Services	
c)	Duration of the contracts/ arrangements/transactions:	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
e)	Date(s) of approval by the Board, if any:	
f)	Amount paid as advances, if any	

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

Annexure - 4

Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013

(Pursuant to Section 134 (3)(g) of the Companies Act, 2013)

A. DETAILS OF INVESTMENT:

Sr. No.	Nature of transaction	Name of the person or body corporate whose securities have been acquired	No. and Kind of Securities	Cost of Acquisition (In case of securities how the Purchased Price was arrived at) Amount (₹ in Million)	Nominal Value	Date of Investment	Purchase Price (how the price was arrived at)
NIL							

B. DETAILS OF LOANS:

Sr. No.	Nature of transaction	Name of the person or body corporate whose securities have been acquired/ Sold	Amount of Loan/ Security/ Acquisition/ Guarantee	Time period for which it is made/ given	Purpose of Loan/ Acquisition/ Guarantee/ Security	% of loan/ Acquisition/ exposure on guarantee/ security provided to the Paid up Capital, Free Reserves and Securities Premium account and % of free reserves and securities premium	Date of passing Special resolution, if required	Rate of Interest	Date of maturity
NIL									

C. DETAILS OF GUARANTEE:

Sr. No.	Nature of transaction (whether Loan/Guarantee/ Security/Acquisition)	Date of making Loan/ Acquisition/Giving Guarantee/Providing Security	Name and Address of the Person or Body Corporate to whom it is made or given or whose securities have been acquired (Listed /Unlisted entities)	Amount of Loan/Security/ Acquisition/Guarantee
NIL				

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

Annexure 5A

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

The directors of the Company are not entitled for any remuneration except sitting fees. During the year under review, no sitting fee is paid to any director of the Company. Therefore, the ratio of the remuneration of each director to the median remuneration of the employees of the Company is not relevant.

2) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company:**

Name	% Increase in the remuneration
Mr Jagdish Bangad – Head (Operations)	Nil
Mr Milind Deshpande – Chief Financial Officer	Nil

Ms Prabhavee Mungee, Company Secretary was appointed on 6th December, 2018 and resigned on 7th June 2019. Hence the percentage increase in remuneration is not applicable.

Note: No Remuneration or sitting fees is paid to any director of the Company.

3) **The Percentage increase in the median remuneration of employees in the financial year:**

During the year under review, there were no increase in the remuneration. Hence, the percentage increase in median remuneration of the employee is Not Applicable.

4) **The number of permanent employees on the rolls of the Company:**

218 (including 103 permanent workers)

5) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average Percentage Increase made in the salaries of Employees including the managerial personnel in the last financial year i.e. 2019-20 was Nil. Therefore, the comparison of percentile increase in remuneration of employee with managerial remuneration is not applicable.

6) **It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company:**

Yes

7) **The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.**

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

Annexure 5 B

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A) Top 10 employees in terms of salary drawn during the year 2019 - 20

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
1	JAGDISH L. BANGAD	05.05.2018	6,393,579	B.E.(ELECT.), MEP	54	31 yrs 11 mnth	NA	VIDEOCON IND.	NA	ASSOCIATE V.P.
2	MILIND M. DESHPANDE	05.05.2018	1,152,976	B.COM, LLB, DBM, DCA	52	29 yrs 1 mnth	NA	VIDEOCON IND.	NA	ASST. GEN. MANAGER
3	SURENDER MOHAN GARG	02.06.2018	1,057,806	BE (MECH.)	54	28 yrs 5 mnth	NA	VIDEOCON IND.	NA	ASST. GEN. MANAGER
4	MANGESH GHAG	05.05.2018	838,356	BE (Mech.)	48	26 yrs 9 mnth	NA	VIDEOCON IND.	NA	SR. MANAGER
5	RAJENDRA P. SHENDE	01.04.2004	754,876	M.Sc. (Agri.)	47	20 yrs	NA	VIDEOCON IND.	NA	DY. MANAGER
6	SANDEEP S KULKARNI	05.05.2018	760,010	B.SC	50	27 yrs 4 mnth	NA	VIDEOCON IND.	NA	MANAGER
7	RAJENDRA M. DAYMA	05.05.2018	786,897	M.COM.	52	30 yrs 9 mnth	NA	VIDEOCON IND.	NA	MANAGER
8	MADHUKAR P. KEMDHARNE	05.05.2018	649,506	HSC, Certificate Course in R & TV	50	29yrs 10 mnth	NA	VIDEOCON IND.	NA	MANAGER
9	UMAKANT BHANGALE	02.06.2018	642,932	BE (Electronics)	54	29yrs 8 mnth	NA	VIDEOCON IND.	NA	MANAGER
10	PRASHANT B DESHMUKH	02.06.2018	706,709	DIPLOMA IN ELECTRONICS	51	27 Years	NA	VIDEOCON IND.	NA	DY. MANAGER

Notes:

- Remuneration comprises salary, allowances, commission, performance based payments, perquisite and Company's contribution to Provident Fund and super-annuation as per the definition contained in Section 2(78) of the Companies Act, 2013 paid during the year. It also includes perquisites value of Restricted Stock Units (RSUs) exercised, if any, by employees.
- The nature of employment is contractual in all the above cases.
- None of the employees employed throughout the financial year or part thereof, were in receipt of remuneration in that year, which in the aggregate, or as the case may be at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
- In terms of proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement as there are no such instances.

B) Employees drawing salary of Rs.102 lakhs or above per annum and posted in India

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
Not applicable										

C) Employed for Part of the Year with an average salary of Rs. 8.5 lakhs or above per month and posted in India

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
Not applicable										

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

Annexure 6

CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), the Resolution Professional of the Company presents the Report on Corporate Governance for the Financial year ended 31st March, 2020 containing the matters detailed in the said Regulations with respect to Corporate Governance requirements.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance may be defined as a set of systems, processes and principles which ensure that a Company is governed in the best interest of all the stakeholders. It is about promoting corporate fairness, transparency and accountability. In other words, good Corporate Governance is simply good business.

Prior to commencement of CIRP, your Company has documented internal governance policies and put in place a formalized system of Corporate Governance which sets out the structure, processes and practices of governance within the Company and serves as a guide for day to day business and strategic decision making in the Company.

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

- Ensure integrity and ethics in all the dealings;
- Simple and transparent corporate structure driven solely by business needs;
- Maintain transparency with a high degree of disclosure and adequate control system;
- Compliance with all the laws and regulations as applicable to the Company; and
- Promote interest of all the stakeholders including customers, shareholders, employees, lenders, vendors, government and the community at large.

MANAGEMENT OF THE COMPANY

The State Bank of India in its capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), 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 ("Code"). In terms of the Order pronounced on 25th September, 2018, by the NCLT, Mr. Dushyant C. Dave, having Registration No.: IBBI/IPA-003/IP-P00061/2017-18/10502 was appointed as Interim Resolution Professional of the Company. Subsequently, Mr. Dushyant C. Dave was appointed as Resolution Professional by the Committee of Creditors.

Pursuant to an application filed before the "NCLT", Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted application allowing consolidation of CIRP petitions of 13 Videocon Group Companies to avoid conflicting of orders, if any. However it was ordered that the CIRP of Trend Electronics Limited shall run independently as the Company is capable of maintaining itself as a going concern. The NCLT vide its order dated 8th August, 2019, has appointed Mr. Divyesh Desai, having registration No. IBBI/IPA-001/IP-P00169/2017-18/10338, as the Resolution Professional of the Corporate Debtors replacing the then erstwhile resolution professional.

On this background, the role and responsibilities of the Board of Directors after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

- Composition and Category of Board as on 31st March, 2020:

As at the commencement of the financial year under review, the composition of the Board was as under:

Directors	Category
Mr Vivek D Dharm	Non Executive Independent Director
Mr Kiran Patwardhan	Non Executive Independent Director
Mr Chandrakant S Jyoti	Non Executive Independent Director
Mrs Smita V Dharm	Non Executive Director

The tenure of Mr. Vivek D Dharm, an Independent Director on the Board of the Company ended on 29th June, 2019. However, he didn't offer himself for re-appointment. Similarly, during the year under review, Mr Chandrakant Sidram Jyoti who was appointed by the Board of Directors on 29th January, 2016 to fill the casual vacancy caused by the resignation of Mr Bhopinder K Chopra, and who continued to hold office till 13th August, 2019 i.e., till the date Mr. Bhopinder K Chopra would have held office, ceased to hold office as an Independent Director of the Company with effect from 13th August, 2019.

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (SEBI LODR) and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the listed entity whose paid up equity share capital does exceed rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

As the Company's Paid up Equity Share Capital as on 31st March, 2019 does not exceed Rupees Ten Crores and Net Worth does not exceed Rupees Twenty Five Crores, the Company is exempt from compliance of the provisions related to Regulation 17 as regards the Composition of the Board and the related procedures.

Further, Mr Kiran Patwardhan has been disqualified for a period of five years by the Registrar of Companies under Sec 164 (2) of the Act, effective 01st November, 2018 as notified on the portal of the Ministry of Corporate Affairs.

The Company has complied with the requirements of Section 149 (1) read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 with regards to the appointment of woman director.

- **Number of Board Meeting held, dates and attendance; including attendance at the last Annual General Meeting and Number of other Board(s) or Committee(s) in which director is member or chairperson:**

The Company is currently under CIRP under the Code by the order of the Hon'ble NCLT dated 25th September, 2018. As per Section 17 of the IBC, 2016 the powers of the Board stand suspended and such powers shall be vested with Mr. Divyesh Desai, (IBBI/IPA-001/IP-P00169/2017-18/10338) appointed as the Resolution Professional of the Company.

The number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on 31st March, 2020 are given herein below:

Name	No. of Board Meetings Attended during the year 2019-20	Whether attended last AGM held on 30th December, 2019	No. of Directorships in other public companies as on 31st March, 2020**	No. of Committee positions in other public companies as on 31st March, 2020**	
				Member	Chairman
Smita V Dharm	NIL	NO	NIL	NIL	NIL
Vivek D Dharm	NIL	YES	**	**	**
Chandrakant S Jyoti	NIL	NO	**	**	**
Kiran Patwardhan	NIL	NO	**	**	**

** In absence of disclosure, the other directorship and committee position is unavailable.

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of the Non Executive Director is within respective limits prescribed under the Companies Act, 2013 ("The Act") and SEBI Listing Regulations.

Ms. Smita V Dharm is not a member in more than 10 committees or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. Chairmanships/ Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

The additional disclosures are as under:

- (i) Ms. Smita Dharm does not hold any shares of the Company.
- (ii) Ms. Smita Dharm does not hold directorship or chairmanship on the Board of any other Public Company.

➤ **Disclosure of Relationship between directors inter-se:**

Except Mr. Vivek Dharm and his spouse Mrs. Smita V Dharm, none of the other Directors have any inter-se relations among themselves and with any employee of the Company. However, considering the cessation of tenure of Mr Vivek D Dharm as an Independent Director, there is no inter se relationship as such.

➤ **The following skills/expertise/ competencies are fundamental for the effective functioning of the Company which are currently available with the Resolution Professional:**

Sr No.	Area of skills/expertise/competencies
1.	Financial Skills/Accounts
2.	Human Resource/Leadership
3.	Supply Chain
4.	Risk Management

These skills/competencies are broad-based, encompassing several areas of expertise /experience.

➤ **The Resolution Professional is unable to confirm on the independence of the Independent Directors.**

There are no independent directors as on 31st March, 2020. The Company has not received any declaration from the Independent Director under Section 149(7) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations as the Company is into CIRP and the powers of the Board stands suspended.

BOARD PROCEDURE:

Pursuant to the provisions of the Code, the powers of the Board of Directors of the Company stand suspended and the same stands vested with and are being exercised by the Resolution Professional.

No Board Meetings were held post commencement of CIRP hence, the board procedures is not relevant for the year under review.

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all directors and senior management of the Company and the same has been posted on the website of the Company i.e. www.trendelectronics.in.

As stated hereinbefore the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation

(2) of regulation 46 and para C , D and E of Schedule V are not applicable to the Company.

Hence, the Company is exempt from compliance of the provisions related to Regulation 26 with regards to the affirmation with the Code of Conduct of Directors and Senior Management on an annual basis for the year ended 31st March, 2020.

COMMITTEES OF THE BOARD OF DIRECTORS:

In terms of the provisions of Code and provisions of Regulation 15 (2A) and (2B) of the SEBI Listing Regulations, as amended from time to time, the provision as specified in Regulation 17, 18, 19, 20 and 21 are not applicable during the insolvency resolution process in respect of Listed entity. The role and responsibilities of the Board of Directors after the Commencement of CIRP shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of the Code and powers of the Board of Directors and Committee thereof stand suspended.

The Board had constituted various Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters.

Following are the details of Committee as on 31st March, 2020:

I. AUDIT COMMITTEE:

As per the provisions of the Code and the provisions of Regulation 15 (2A) and (2B) of SEBI Listing Regulations, as amended from time to time, the provisions specified in regulations related to Audit Committee shall not be applicable during the CIRP.

The constitution of the Audit Committee does not meet the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. However, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V are not applicable to the Company. Hence, the Company is exempt from compliance of the provisions of Regulation 18 with regards to the Composition of Audit Committee, its role and functions for the year ended 31st March, 2020.

The terms of reference of the Audit Committee is as per Section 177 of the Companies Act, 2013 and as per Regulation 18 of the SEBI Listing Regulations.

II. NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of the Code and the provisions of Regulation 15 (2A) and (2B) of SEBI Listing Regulations, as amended from time to time, the provisions specified in regulations related to Nomination and Remuneration Committee shall not be applicable during the CIRP

The constitution of the Nomination and Remuneration Committee does not meet the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations,

However, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company, hence, the Company is exempt from compliance of the provisions of Regulation 19 with regards to the Composition of Nomination and Remuneration Committee, its role and functions for the year ended 31st March, 2020.

No meetings of the Nomination and Remuneration Committee were held post the commencement of CIRP of the Company.

The Terms of reference and scope of the committee are in accordance with the regulation 19(4) read with Part D of Schedule II of SEBI Listing Regulations and Section 178 of the Act and as adopted by the then Board of Directors of the Company.

REMUNERATION OF DIRECTORS

The Nomination and Remuneration Committee has formulated the policy for Remuneration of Directors, Key Managerial Personnel (KMP), Senior management and other Employees of the Company which is displayed on the website of the Company www.trendelectronics.in.

Except for the sitting fees, the Directors are not entitled to any remuneration.

III. STAKEHOLDER RELATIONSHIP COMMITTEE

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. The constitution of the Stakeholder Relationship Committee doesn't meet the requirement of SEBI Listing Regulations.

Ms. Prabhavi Mungee, Company Secretary was the compliance officer the Company upto 7th June, 2019. The Company Secretary was assisting the Resolution Professional in compliance of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequent to her resignation, the Company has not appointed any Company Secretary till date due to unwillingness of qualified company secretaries in view of the Company being into CIRP.

Terms of reference and Scope of the Committee is in accordance with the SEBI Listing Regulations.

The Committee also closely monitors compliance of the code of conduct for prevention of insider trading.

The power of share transfer has been delegated to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, who processes the transfers.

During the year 2019-20, 2 (Two) complaints were received and resolved. There are no pending complaints at the end of the year.

IV. RISK MANAGEMENT COMMITTEE:

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company.

Hence, the Company is exempt from compliance of the provisions of Regulation 21 with regards to the Risk Management Committee for the year ended 31st March, 2020.

Eventhough, the Company has constituted the Risk Management Committee pursuant to Regulation 21 of SEBI Listing Regulations, the composition is not meeting the provisions.

No meetings of the Risk Management Committee were held post the commencement of CIRP of the Company.

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

The Terms of Reference of the CSR Committee are to :

1. Formulate and recommend to the Board the CSR Policy and its review from time to time.
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
4. Ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

However, Corporate Social Responsibility is not applicable to the Company during the financial year 2019-20 as the Company has been incurring losses. Hence, the Company has not undertaken any activities related to Corporate Social Responsibility.

INDEPENDENT DIRECTORS:

All the Independent Directors ceased to be the directors of the Company consequent to completion of their tenure/dis-qualification. Further, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence, the Company is exempt from compliance of the provisions of Regulation 25 with regards to the Obligations of Independent Directors for the year ended 31st March, 2020.

PERFORMANCE EVALUATION

The Company is exempt from compliance of the provisions with regards to performance evaluation of the Directors for the year ended 31st March, 2020 in terms of Regulation 17 of the SEBI Listing Regulations. Hence, no performance evaluation of the Board was carried out during the year.

GENERAL BODY MEETINGS

➤ Location and Time of the last 3 (Three) General Meetings held so far:

AGM	AGM Date	Location	Time	Special Resolution Passed
27th AGM	29th September, 2017	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431 210 (Maharashtra)	12.00 PM	NIL
28th AGM	28th December, 2018	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431 210 (Maharashtra)	11.30 AM	NIL
29th AGM	30th December, 2019	20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad – 431 210 (Maharashtra)	3.00 PM	NIL

➤ Details of special resolution proposed to be conducted through postal ballot: There were no special resolution passed through postal ballot.

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

➤ Extra Ordinary General Meeting:

No extra ordinary general meeting was held during the year under reference.

to cast their votes electronically at the meeting or through remote e-voting on the proposed resolutions in the Notice of the 30th Annual General Meeting. The Instructions for e-voting are mentioned under "Notes" to the Notice of 30th Annual General Meeting.

➤ Date of Book Closure:

The dates of Book Closure shall be from Monday, 6th September, 2021 to Monday, 13th September 2021 (both days inclusive).

➤ Financial Calendar for the year ended 31st March, 2021 :

The financial calendar shall be as under :

MEANS OF COMMUNICATION

The Shares of the Company are suspended from trading by BSE Limited due to non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and penal reasons. As per the Stock Exchange data, the last trading in equity shares took place on 16th April, 2018.

➤ WEBSITE:

The Company's website (www.trendelectronics.in) contains a separate dedicated section 'Investor Relations'. Even though the website is functional, certain information(s) are not up-to-date due to non-availability of data.

➤ BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE 'LISTING CENTRE'):

BSE's Listing Centre is a web-based application designed for Listed Companies. The compliance filings like Shareholding Pattern, Corporate Governance Report and other announcements are filed electronically on the Listing Centre.

➤ QUARTERLY RESULTS:

The Company has failed in considering and adopting the quarterly results during the year under review.

Financial Year	1st April, 2020 to 31st March, 2021
First Quarterly Results	In terms of the provisions of SEBI (LODR), the First Quarterly results were required to be disseminated to Stock Exchange on or before 14th August, 2020. However, due to diverse reasons, the Company couldn't publish the same.
Second Quarterly Results	In terms of the provisions of SEBI (LODR), the Second Quarterly results were required to be disseminated to Stock Exchange on or before 14th November, 2020. However, due to diverse reasons, the Company couldn't publish the same.
Third Quarterly Results	In terms of the provisions of SEBI (LODR), the Third Quarterly results were required to be disseminated to Stock Exchange on or before 14th February, 2021. However, due to diverse reasons, the Company couldn't publish the same.
Fourth Quarterly Results	On or before 30th June, 2021. However, due to diverse reasons, the Company is not in position to publish the same before the aforesaid date.
Annual General Meeting for the year ending 31st March, 2021	On or before 30th September, 2021

GENERAL SHAREHOLDER INFORMATION

➤ Annual General Meeting

The Thirtieth Annual General Meeting (AGM) of the Company for the financial year 2019-2020 is scheduled on Monday 13th September, 2021 through VC/OAVM at 11.00 AM in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Circulars No. 20/2020 dated 5th May, 2020, Circular No. 14/2020 dated 8th April, 2020 and Circular No. 17/2020 dated 13th April, 2020, issued by the Ministry of Corporate Affairs.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, the Company has extended e-voting facility to its Members to enable them

➤ **Dividend Payment Date:** No dividend is recommended.

➤ **Listing on Stock Exchange:**

The Company's equity shares are listed on BSE Limited. However, the trading in the shares are suspended. The following are the details of the Company's shares:

Type of Shares	Equity Shares
International Securities Identification Number (ISIN)	INE703A01011
BSE- Stock Code	517228
BSE Address	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001; www.bseindia.com.
Annual Listing Fees	Annual Listing fees of BSE Limited for financial year 2019-20 has not been paid.

➤ **Corporate Identity Number (CIN)**

The Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India, is L99999MH1989PLC052233. Your Company is registered in the State of Maharashtra, India.

➤ **Market Price Data:** High, Low during each month of the Financial Year 2019-20.

Eventhough , the Company's Shares are listed on Bombay Stock Exchange Limited for the Financial Year 2019-20, the trading in shares are suspended by BSE Limited due to non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and penal reasons before commencement of CIRP.

As per the Stock Exchange data, the last trading in equity shares took place on 16th April, 2018. In view of this, monthly high and low market price date are not available.

➤ **Comparison of performance to board-based indices i.e. BSE Sensex:**

Not available since the share price of the Company is not available.

➤ **Shareholding pattern as on 31st March, 2020, is as under:**

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+ B+ C)
	Shareholding of promoter and promoter group			
(1)	Indian	11	40,41,788	53.89
(2)	Foreign	-	-	-
	Sub-Total (A)	11	40,41,788	53.89
(B)	Public Shareholding			
(1)	Institutions	9	3,975	0.05
(2)	Non-Institutions			
	Bodies Corporate	104	4,42,083	5.89
	Individuals	15,959	27,25,412	36.34
	Hindu Undivided Families	139	1,43,160	1.91
	NRI	791	1,43,582	1.92
	Sub-Total (B)	17,002	34,58,212	46.11
	Total (A)+(B)	17,013	75,00,000	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0
(1)	Promoter and Promoter Group	0	0	0
(2)	Public	0	0	0
	Sub Total ©			
	Grand Total (A) + (B) + (c)	17,013	75,00,000	100

➤ Equity Shares of the Company are suspended from trading due to non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and penal reasons. As per the Stock Exchange data, the last trading in equity shares took place on 16th April, 2018.

➤ **Registrar and Transfer System Agent**

Name	MCS SHARE TRANSFER AGENT LTD
Address	201, D-Wing, 2nd Floor, Gokul Industrial Estate, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri (E) Mumbai - 400 059
Contact No.	022 - 28516020 / 022 - 28516021/022 - 28516022 / 022 - 28516023
Fax No.	022 - 28516021
Website	helpdesknum@mcsregistrars.com

SHARE TRANSFER SYSTEM

➤ Share Transfer Details for the year 1st April, 2019- 31st March, 2020 :

Sr No.	Particulars	
a)	Number of Transfer	NIL
b)	Avg No. of transfer per month	NIL
c)	Number of Share Transferred	NIL

Report of Demat/Remat of shares from 1st April, 2019- 31st March, 2020

Sr No.	Particulars	
a)	Number of Demat Requests approved	20
b)	Number of Sub-committee Meetings held	12
c)	Number of shares Dematerialized	2575
d)	Percentage of shares Dematerialized	0.03
e)	Number of Rematerialization Requests approved	1
f)	Number of shares Rematerialized	200

➤ **Distribution Schedule**

Share Holding of Nominal Value	Number of Shareholders	% to the total number of shareholder	No of shares	Amount in Rs.	% of total value of capital
Up to 5,000	16,558	97.32	13,14,482	1,31,44,820	17.53
5,001 to 10,000	204	1.20	1,61,806	16,18,060	2.16
10,001 to 20,000	122	0.72	1,82,319	18,23,190	2.43
20,001 to 30,000	40	0.24	98,136	9,81,360	1.31
30,001 to 40,000	15	0.09	53,138	5,31,380	0.71
40,001 to 50,000	9	0.05	43,088	4,30,880	0.57
50,001 to 100,000	26	0.15	1,82,167	18,21,670	2.43
100,001 and above	39	0.23	54,64,864	5,46,48,640	72.86
Total	17,013	100	75,00,000	7,50,00,000	100

➤ **Dematerialization of shares and liquidity**

As of 31st March, 2020, 87.51% of the Company's shares representing 65,63,081 shares were held in dematerialized form and the balance 12.49% representing 9,36,919 shares were held in physical form. The entire promoter shareholding is in dematerialised form.

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

The Company has not issued any instruments which warrant conversion. As on 31st March, 2020, there is no outstanding instrument which warrants conversion.

➤ **Plant Location:**

The Company's plant is located at Aurangabad.

➤ **Address for Correspondence:**

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

Other Disclosures

➤ **Related Party Transactions**

There were no transactions with Related Parties during the financial year which were in conflict with the interest of the Company at large. The Company has in place a policy on Related Party transactions and the same is displayed on the Company's website www.trendelectronics.in.

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the listed entity whose paid up equity share capital does exceed rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As the Company's paid up equity share capital as on 31st March, 2019 does not exceed rupees ten crore and net worth does not exceed rupees twenty five crore, the Company is exempt from compliance of the provisions of Regulation 23 with regards to half yearly disclosure of related party transactions for the year ended 31st March, 2020. The Company has made a representation to BSE Limited, seeking exemption from compliance requirements in terms of Regulation 23 of SEBI (LODR), 2015.

➤ **Details of Non-Compliance by the Company, penalties, Strictures imposed on the Company by Stock Exchange or the Board or any statutory authority, or any matter related to capital markets during the last three years - Not Applicable**

➤ **Whistle Blower Policy**

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

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

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

➤ **Material Subsidiary**

The Company does not have any subsidiary.

➤ **Web link where policy on dealing with related party transactions**

The Company has formulated a Policy of related party transaction and the same is displayed on the Company's website www.trendelectronics.in.

➤ **Disclosure of commodity price risks and commodity hedging activities:** Not Applicable

➤ **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable.

➤ A certificate from M/s. Gayathri R Girish, Practising Company Secretary, on the status of qualification of Directors and whether they are debarred or disqualified from being appointed or continuing as directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.

➤ Total fees of the statutory auditor for their services for the Financial year 2019-20 is Rs 5,10,000/- . As the Company is not having any subsidiary, the details related to fees paid on consolidated basis to auditors is not applicable.

➤ During the financial year 2019-20, there were no complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

NON-MANDATORY REQUIREMENTS:➤ **Chairman of the Board as on 31st March, 2020:**

The Company is currently under CIRP under the Code by the order of the Hon'ble National Law Tribunal (NCLT), Mumbai bench dated 25th September, 2018. The Management of the Company is vested with the Resolution Professional

➤ **Shareholder quarterly/ half yearly/ yearly results**

In view of the enormous challenges involved, the quarterly results could not be filed with the Stock Exchanges in a timely manner and accordingly, the Company couldn't publish the same in English and Vernacular language newspaper in terms of SEBI (LODR) requirements.

➤ **Modified Audit Qualification:** Not Applicable.➤ **Reporting of Internal Auditors:** The Internal Auditors reported to the Audit Committee before commencement of CIRP. Currently, the Resolution Professional manages and controls the functioning of the Company.

However, in terms of the provisions of the Code and provisions of Regulation 15 (2A) and (2B) of the SEBI Listing Regulations, as amended from time to time, the provisions specified in Regulations 17, 18, 19, 20 and 21, not applicable during the CIRP in respect of listed entity. The roles and responsibilities of the Board of Directors after commencement of CIRP, shall be fulfilled by the resolution professional in accordance with sections 17 and 23 in the Code and power of the Board of Directors and Committee thereof stand suspended.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the listed entity whose paid up equity share capital does exceed rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As the Company's paid up equity share capital as on 31st March, 2019 does not exceed rupees ten crore and net worth does not exceed rupees twenty five crore, the Company is exempt from compliance of the provisions related to Regulation 27 with regards to the Compliance with conditions of Corporate Governance for the year ended 31st March, 2020.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the listed entity whose paid up equity share capital does exceed rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As the Company's paid up equity share capital as on 31st March, 2019 does not exceed rupees ten crore and net worth does not exceed rupees twenty five crore, the Company is exempt from compliance of the provisions related to Regulation 26 with regards to the affirmation with the Code of Conduct of Directors and Senior Management on an annual basis for the year ended 31st March, 2020.

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

Subject: Certificate under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I have examined the relevant registers, records, forms, returns, information available and confirmation/disclosures received from the Directors of Trend Electronics Limited having CIN L99999MH1989PLC052233 and having registered office at 20 K. M. Stone, Aurangabad-Beed Road, Village: Bhalgaon, Aurangabad 431210 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in); list of entities debarred by Securities and Exchange Board of India, as uploaded on the website of Bombay Stock Exchange (BSE) Limited and based on the explanation furnished to me by the Company and its officers; & based on the explanation, declaration, representations from its Directors, I hereby certify that as on 31st March, 2020 there is only One director on the Board of the Company and the said Director has not been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority,

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

GAYATHRI R GIRISH
Practicing Company Secretary
Membership No. 18630
CP No.: 9255
UDIN: A018630C000525906

Place: Pune
Date: 28th June, 2021

CFO CERTIFICATE

- A. I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of my knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the management, the deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. (1) There are no significant changes in internal control over financial reporting during the year;
- (2) There are no significant changes in accounting policies during the year ended 31st March, 2020 and that the same have been disclosed in the notes to the financial statements; and
- (3) There are no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Trend Electronics Limited**

Place: Mumbai
Date: 12th August, 2021

Milind Deshpande
Chief Financial Officer

Note : The Company has not appointed Chief Executive Officer. Hence this certificate has been signed by Chief Financial Officer.

Annexure 7

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

INDUSTRY OVERVIEW

The cable television sets need a digital device that decodes and convert a digital signal for the audience to view and flip through various channels. Set top box is the device that makes this technology possible and enables viewers to watch television at ease. Technology that pertains to this device has evolved at a good rate. Satellite television is the most important application of the set top box market and this segment is expected to grow with an annual CAGR of 7%-9%. One of the new innovations in satellite TV is the introduction of show recording facility that enables consumers to record their shows in real-time and watch it later according to their convenient times.

Over-the-top services is the most prominent challenge faced by the set top box market. Online streaming services like Netflix and Amazon have become popular amongst the young population with their ease of accessibility and original content. Investment in introducing innovation to the set top box experience is the way to combat this challenge. Huawei Technologies for example, teamed up with Dolby Laboratories and released world's first Dolby-vision enabled set top box which highly interested consumers.

Television companies have increasingly adopted Artificial Intelligence because of the latter's popularity and usefulness. Today, the set top boxes offered by some of the players have an option to be connected to the Internet and are equipped with a voice remote that uses Google Assistant as its primary feature. Further, many players have added Alexa as an update to set top boxes that can be accessed simply through our voices, a much needed automation update. This is a disruptive trend that will define the set top box market in the upcoming time.

The following are some of the happening trends in set-top box industry:

- Technological innovations have lead to the development of a wide range of STB's equipped with various features. This in turn has made the competition fierce among the set-top-box companies.
- Digital video recording is one of the most desired features as it enables the viewers to watch and record their favourite shows.
- Over-the-air DVR systems are a standalone set-top box that enables the viewers to broadcast and record TV programs. Apart from DVRs, subscription-based TV services providers offer STBs to customers.
- The government regulations mandating the installation of set-top-boxes, deployment of open OS based devices by STB vendors and analog switch-off transition in emerging countries are further driving the demand of the STB market.
- The Government of India has made STBs compulsory through an amendment to the Cable Television Networks (Regulation) Act. Set-top boxes provide a better viewing experience because of digital signal and help in preventing illegal channels from being broadcasted in India.

- STBs offer numerous benefits such as better reception quality and increased channel carrying capacity, resulting in their rising preference.
- Moreover, as coronavirus spread and lockdown have highly impacted the film production and exhibition sector, its impact on TV broadcasters, film distribution, and distribution platform operators has been comparatively less.

The STB market is segmented :

- On the basis of technology into various types that include satellite/DTH, IPTV, cable and other types (DTT and OTT).
- On the basis of its content quality, product type, services, end-user and regional demand, there is Standard definition, High Definition and 4k.
- On the basis of services, the market is categorised into Interactive Services (Video on Demand, Video Conferencing and High-Speed Internet Television) and Managed Services (Testing, Repairing, Screening).
- On the basis of end-user, the market is divided into Residential and Commercial.

The OTT Segment is expected to exhibit the fastest growth over the next seven years. Significant technological advancements in the OTT industry has resulted in a rising demand for high resolution picture and improved sound quality. OTT provides enhanced features such as reduced time-to-content, simplified payment methods and accessible time-shifted viewing. There is increasing shift towards a user-driven innovation identifying the user experience as a top priority and a key differentiator in its bid to attain dominance amongst the market players.

HD and Full HD segment are anticipated to be the highest revenue contributor over the forecast period. Accessibility to a broader range of channels, as compared to the counterpart, is the primary factor accelerating the demand for HD and Full HD devices. Also, these STBs are increasingly replacing the conventional SD variants owing to their advantages, such as improved picture and sound quality as well as exclusive channels.

India is a huge market for set-top boxes. In addition to a thriving direct-to-home satellite business, the country is nearing the end of digitization of its cable TV system, an effort that saw a massive upgrade of cable boxes across the country. Apart from this, Satellite STB units are also being increasingly equipped with interactive features, like video-on-demand, electronic program guide, etc. More advanced units also provide a suite of interactive and multimedia services directly through a user television system, such as Internet browsing, e- mail, and instant messaging, in addition to basic functionality.

OPPORTUNITIES AND THREATS

Opportunities

1. Technological proliferation, reduced prices of smart TVs and the introduction of HD channels are anticipated to boost the global STB market growth.
2. Increasing awareness pertaining to Internet Based STB devices, such as IPTV and OTT, is expected to present substantial opportunities for the growth of these technologies over the next few years.
3. STB manufactures are increasing forming a strategic partnership with the content and internet service providers across the world, in order to leverage patent technologies and increase their geographic presence.

4. Consumers across the globe are increasingly demanding connectivity from their electronic devices and set top boxes are expected to play a central role in the networking of products.
5. Worldwide service providers are presumed to focus more on lifecycle and logistics challenges, in addition to testing and integration, in order to fuel the market growth, as well as focus on the upcoming 4k and HDR Color set top boxes over the forecast period.

Threats:

- a. Over-the-top services is the most prominent challenge faced by the set top box market. Online streaming services like Netflix and Amazon have become popular amongst the young population with their ease of accessibility and original content. Investment in introducing innovation to the set top box experience is the way to combat this challenge.
- b. High subscription rates of pay channels are expected to challenge the growth of HD and 4K STBs
- c. Increase in competition from foreign Competitors.
- d. Raw materials are not available through indigenous source and have to be imported. This adds to the cost of the STBs.
- e. Technology obsolescence.
- f. Changing consumer preferences.
- g. Bargaining power of suppliers.
- h. Bargaining power of customers.
- i. Threat of new entrants.
- j. Rivalry among existing players.
- k. Threat of substitutes.

OUTLOOK AND STRATEGY

The smart STB market is witnessing high consolidation, where several vendors are focusing on mergers and acquisitions to strengthen the portfolio. Also, the growing construction activities in residential and hospitality sector is expected to increase the demand for smart set-top boxes. The smart STB market is witnessing rapid transformations. The growing consumption of hybrid content, digitization in emerging economies, the rising internet penetration, and growing demand from the commercial sector are some of the prominent factors leading to the growth of the smart STB market. The increasing consumption of OTT content on smartphones and other handheld devices are major drivers for the smart set-top box market. The rising demand for energy-efficient smart appliances is expected to generate high innovation opportunities for smart set-top boxes during the forecast period. The introduction of artificial intelligence and voice assistant technology is also fuelling the smart STB market growth. Besides, the digitization of cable networks in high population countries has also increased the demand for smart set-top boxes. Also, the emergence of new smartphone and online platforms and digital pathways is supporting operators to provide cloud-based non-linear and on-demand services, thereby offering a high potential and growth for the smart STB market during the forecast period.

RISKS AND CONCERNS

Your Company is exposed to risks such as high interest rates, stiff competition, and possible entry of multinational companies into manufacturing of Set Top Boxes in India. The management is aware of the risks and has always endeavoured to mitigate the same.

In addition to this, the Company is also concerned about shortage of working capital considering that the Company is into Corporate Insolvency Resolution Process. The outcome of CIRP will decide about the future prospects for the Company.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

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

The Company's internal control systems commensurate with the nature of its business and the size and complexity of its operations.

The Internal Audit was not carried out for the financial year ended 31st March, 2020. The Resolution Professional continues to strengthen the controls and enhance the effectiveness of the existing systems.

SEGMENT - WISE PERFORMANCE

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

FINANCIAL PERFORMANCE

Income:

Sales

During the year under review, the Company recorded a turnover of ₹ 376.27 Million as against ₹ 1,814.79 Million for the year ended on March 31, 2019.

Other Income

Other Income for the year was ₹ 6.02 Million as against ₹ 7.05 Million for previous period ended on March 31, 2019. Other income comprises of profit on sale of fixed assets, interest income, Exchange Rate Fluctuation and other non operating income.

Expenditure:

Cost of Goods Consumed

During the year, the Cost of Goods Consumed/sold stood at ₹ 1,383.05 Million as against ₹ 1,682.80 Million for the previous year ended on March 31, 2019.

Employee Benefits Expenses

During the year under review, the Salary and Wages were ₹ 95.43 Million as against ₹ 182.60 Million for the previous year ended on March 31, 2019.

Other Expenses

During the year under review, the Other Expenses were ₹ 76.72 Million as against ₹ 226.77 Million for the previous year ended on March 31, 2019.

Finance Cost

Interest and Finance Charges were to the tune of ₹ 1,502.00 Million as against ₹ 1,452.08 Million for the previous year ended on March 31, 2019.

Depreciation & Amortization

During the year under review, Depreciation & Amortization amounted to Nil as against 201.45 Million for the previous year ended on March 31, 2019.

Loss Before Tax

The Loss before Tax for the current year amounted to ₹ 2,674.90 Million as against a loss of ₹ 1,923.86 Million for the previous year ended on March 31st, 2019.

Net Profit /Loss

Net Loss of the Company for the current year amounted to ₹ 2,674.90 Million as against a loss of ₹ 1,923.86 Million for the previous year ended on March 31, 2019.

Earnings Per Share

Earnings Per Share for the current year amounted to ₹ (356.65) as against ₹ (256.51) for the previous year ended on March 31, 2019.

Details of significant changes (i.e change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation therefore, including:

S. No.	Nature of Ratio	RATIO 2019-2020	RATIO 2018-2019	Reason
1	Debtor Turnover	0.90	3.57	There has been a significant change in the key financial ratios on account of overall impact on the operations of the Company.
2	Inventory Turnover	1.58	1.03	
3	Interest Coverage Ratio	-0.78	-0.32	
4	Current Ratio	0.41	0.54	The operations were impacted on account of the referral and consequently the commencement of Corporate Insolvency Resolution Process.
5	Debt Equity Ratio	-1.66	-2.39	
6	Operating Profit Margin (%)	-313.32	-26.38	
7	Net Profit Margin (%)	-710.90	-106.01	

Similarly, the change in Return on Net Worth as compared to the immediately previous financial year was on account of significant losses and provisioning.

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

The Company is committed to maintain a cordial and healthy atmosphere with the employees at all levels. It considers the quality of its human resources to be the most important asset. The Company ensures that and keep its employees motivated throughout.

The Company continues to strengthen employer-employee relationship by providing a conducive working environment.

The total staff strength of the Company for the period ended March 31, 2020, was around 218 (including 103 permanent workers)

CAUTIONARY STATEMENT

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

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

DIVYESH DESAI
Resolution Professional
IP No.10338

Place: Mumbai
Date: 12th August, 2021

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Trend Electronics Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Trend Electronics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

We do not express an opinion on the accompanying financial statements of the entity. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

a) *We are unable to comment on necessary adjustments / disclosures in these financial statements in relation to following items in view of non-availability of necessary information / documentations / satisfactory explanations relevant to the audit for the current year :-*

(i) *As mentioned in Note No. 45 of the financial statements, the Company has carrying value of investments of ₹ 52.68 million, has given advances of ₹ 2,659.70 million and has trade receivables of ₹ 215.80 million aggregating to ₹ 2,928.18 Million in group/affiliate companies, which have been also admitted to Corporate Insolvency Resolution Process (CIRP).*

In view of the referral of these group/affiliate companies to National Company Law Tribunal and consequent admission thereof under the Insolvency and Bankruptcy Code, 2016, we are unable to obtain sufficient and appropriate evidence to express an opinion on the extent of realisability of aforesaid investments, advances and trade receivables from these group / affiliate companies pending the completion of resolution process of these entities. Further we are unable to determine the consequential effect of the above, on the Company's Statement of Profit and Loss for the year ended March 31, 2020 and Equity.

(ii) *As mentioned in Note No 46 to the financial statements, the Company has not assessed impairment of fixed assets, not ascertained net realisable value of inventory, and not ascertained the realisable value of investments; though as explained to us, valuers have been appointed for valuation of assets including inventory and investments. As inform to us, the valuation reports are confidential as per Insolvency and Bankruptcy Code, 2016. In the absence of management evaluation, we are unable to determine the consequential impact of the same on the financial statements.*

(iii) *As mentioned in Note No. 47 to the financial statements, the balance confirmations have not been received in respect of secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. The Company continues the process of obtaining*

confirmations and reconciliation of the balances of trade receivables, trade and other payables and loans and advances. In the absence of sufficient and appropriate evidence in relation to unconfirmed balances, we are unable to determine whether any adjustments are required to the said balances as on March 31, 2020 and the consequential impact of the same on the financial statements.

(iv) *As mentioned in Note No. 48 to the financial statements, pursuant to commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, and employees to the Resolution Professional (RP). Such claims can be submitted to the RP till the approval of the resolution plan by Committee of Creditors (COC). The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of account has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Accordingly, we are unable to obtain sufficient and appropriate evidence with respect to completeness of the amount of liabilities in the financial statements.*

b) *Material uncertainty relating to Going Concern:*

As mentioned in Note No. 44 to the financial statements, the Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, and there is considerable decline in level of operations of the Company and net worth of the Company as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other obligors/borrowers. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. However, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of the preparation of financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable at this stage.

c) *The Company has not recognised the impact and has not complied with the disclosure requirements of Indian Accounting Standards (Ind-AS) including Ind AS 109- "Financial Instruments", Ind AS 36 – Impairment of Assets, Ind AS – 2 Inventories, Ind AS – 16 Property, Plant and Equipment.*

d) *The Company has not charged the depreciation on Property Plant and Equipment (PPE) for the year, due to non availability of information. we are unable to determine the impact on the Loss of the Company for the year and the completeness of the disclosures in the notes to the financial statements of the Company.*

e) *As mentioned in Note No 7 to the financial statements, the Company has carried forward the Deferred Tax Asset of ₹ 134.62 million even though there is no reasonable certainty of its realisation.*

f) *As mentioned in Note No 49 to the financial statements, the Company has not submitted its financial results for the quarter/period ended March 31, 2018, and subsequent*

periods till date as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Consequently, we are unable to comment on the monetary impact, if any of these non-compliances on the financial statements in addition to the fact that the equity shares of the Company are suspended from trading on the BSE Limited.

In view of our observations at para (a) to (f) above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on Balance sheet date, income and expenses for the year, the elements making up the statement of changes in equity, cash flow statement and related presentation and disclosures in financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company has been under the Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') vide order dated 25th September, 2018 passed by the National Company Law Tribunal ('NCLT'). The powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were being managed by Resolution Professional Mr. Dushyant C. Dave.

Subsequently, NCLT Principal Bench on October 24, 2018 directed to transfer all insolvency petitions related to certain Videocon group/ affiliate entities to one bench at NCLT, Mumbai and left open the matter of substantive consolidation to be decided by NCLT, Mumbai bench. Further, State Bank of India had filed a petition at NCLT, Mumbai bench for substantive consolidation of CIRP of group/ affiliate entities.

The NCLT, Mumbai Bench has passed an Order on August 8, 2019 approving Consolidation of CIRP of 13 Videocon Group/ affiliate entities ("Consolidation Order"). Trend Electronics Limited, ("Trend"), is kept out of consolidation considering that Trend business of manufacturing set top boxes, is independent of other Videocon group/affiliate entities businesses. The Hon'ble Bench appointed Mr. Divyesh Desai Interim Resolution Professional (IRP) of Trend effective from the date of Consolidation Order. NCLT, Mumbai has granted a time of 180 days, from Order dated August 8, 2019, to the IRP to complete CIRP of Trend.

Committee of Creditors (CoC) in its meeting held on September 6, 2019 approved appointment of IRP as Resolution Professional ("RP") of Trend. Therefore, the management and operations of the Company are being managed by Resolution Professional Mr. Divyesh Desai.

The Company's management / RP is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management / RP is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the entity's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. As required by Section 143(3) of the Act, we report that:
 - a) As described in the Basis for Disclaimer of Opinion paragraph, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) The matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) We have not received any written representations from the directors as on March 31, 2020 with regard to disqualification from being appointed as a director in terms of Section 164(2) of the Act. Accordingly, we are unable to comment as to whether any of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B', and

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
- In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has disclosed the complete impact of pending litigations on its financial position in the financial statements;
 - ii. As per the information and explanation given to us, the Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses. (refer note no.50)
 - iii. As mentioned in note no 51, the company has defaulted in transferring amounts of ₹ 0.43 Million, required to be transferred to the Investor Education and Protection Fund during the year ended March 31, 2020.
- For **S Z DESHMUKH & CO.**
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM

Partner

Place: Aurangabad
Date: 14th January, 2021Membership No. 125886
UDIN : 21125886AAAABJ6572**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure 'A' referred to in Independent Auditor's Report to the Members of the Trend Electronics Limited ('the Company') on the financial statements for the year ended March 31, 2020, we report the following:

- (i) In respect of fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except that, as mentioned in the Basis for Disclaimer of Opinion paragraph in the main report, the Company has not provided for depreciation for the year ended 31st March, 2020 as required under the Act and to that extent the details were not maintained.
 - (b) We have been informed that the physical verification and valuation of fixed assets has been carried out by external agencies. However, we have not been given any such report. Hence, we are unable to comment as to whether there is any material discrepancies on physical verification. In our opinion, the frequency of verification is not satisfactory, having regard to the size of the Company and nature of its business.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

- (ii) (a) We have not been given the details of physical verification of the inventories carried out during the period by the management and hence we are unable to comment as to whether the frequency of the physical verification is reasonable.
- (b) As per information and explanation given to us, the Company has appointed Valuers for verification of inventory and its valuation. However, no report of valuer has been made available to us, due to confidentiality. Hence, we are unable to comment as to whether there is any material discrepancy noticed on physical verification and the same has been adjusted in the books of accounts.
- (iii) As per the information and explanation given to us, the Company during the year has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the period. Therefore, the provisions of clause (v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, in our opinion, the Company has not made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authorities except that, undisputed arrears of following statutory dues were outstanding as on March 31, 2020 for a period of more than six months from the date they became payable and not paid till date (including dues in respect of pre-CIRP period):

Nature of the Dues		₹ in Million
1.	Central Sales Tax	0.03
2.	Value Added Tax	35.45
3.	Excise Duty	8.06
4.	Custom Duty	151.58
5.	Entry Tax	2.14
6.	Profession Tax	0.20
7.	Provident Fund	3.25
8.	ESIC Fund	0.37
9.	LIC Fund	0.05
10.	Income Tax (TDS)	0.76

- (b) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of income tax, goods and service tax, sales

tax, service tax, custom duty, excise duty, value added tax, cess which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of the Dues	₹ in Million	Forum where dispute is pending
1. Sales Tax Acts of various States	Sales Tax	0.02	Appellate Tribunal
		0.28	Additional Commissioner
2. Income Tax Act, 1961	Income Tax	1.95	DCIT (Appeals)

- (viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has defaulted in repayment of interest and principal amount of all loans to financial institutions and banks. The default runs into more than 365 days.
- The Company has not borrowed from government and has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the period.
- (xi) The Company has not paid or provided the managerial remuneration to any of its Director.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
- (xv) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For **S Z DESHMUKH & CO.**
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886
UDIN : 21125886AAAAABJ6572

Place: Aurangabad
Date: 14th January, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We were engaged to audit the internal financial controls over financial reporting of Trend Electronics Limited ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

Because of the matters described in the basis of Disclaimer of Opinion paragraph in our main report, and in view of possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had maintained adequate internal financial controls over financial reporting with reference to these financial statements and whether such internal financial controls over financial reporting were operating effectively as of March 31, 2020. Accordingly, we do not express an opinion on internal controls over financial reporting with reference to these financial statements, considering the essential components of internal control stated in the Guidance Note.

We have considered the disclaimer of opinion and the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses have inter-alia affected our opinion on the financial statements of the Company and we have issued a disclaimer of opinion on the financial statements.

For **S Z DESHMUKH & CO.**
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner

Place: Aurangabad
Date: 14th January, 2021

Membership No. 125886
UDIN : 21125886AAAABJ6572

Balance Sheet as at March 31, 2020

₹ in Million

Particulars	Notes	As at 31-Mar-20	As at 31-Mar-19
I. ASSETS			
1) Non-current assets			
Property, Plant and Equipment	2	2,708.78	2,708.78
Other Intangible assets	3	2.88	2.88
Financial Assets			
i) Investments	4	96.37	101.17
ii) Loans	5	10.77	10.77
iii) Others	6	0.79	0.23
Deferred tax assets (net)	7	134.62	134.62
Other non-current assets	8	0.35	0.38
Other Tax Assets (Net)		17.72	14.71
Total non current assets		2,972.28	2,973.54
2) Current Assets			
Inventories	9	281.78	1,471.12
Financial Assets			
i) Trade receivables	10	444.36	408.22
ii) Cash and cash equivalents	11a	11.07	9.50
iii) Bank balances other than (10a) above	11b	89.86	85.13
iv) Loans	12	5,060.64	5,055.72
Other current assets	13	8.72	9.51
Total current assets		5,896.43	7,039.20
TOTAL ASSETS		8,868.71	10,012.74
II. EQUITY AND LIABILITIES			
1) Equity			
Equity share capital	14	75.00	75.00
Other equity	15	(7,322.41)	(4,652.13)
Total Equity		(7,247.41)	(4,577.13)
2) Non current liabilities			
Financial liabilities			
i) Borrowings	16	1,605.93	1,627.25
Provisions	17	22.36	29.18
Total non current liabilities		1,628.29	1,656.43
3) Current liabilities			
Financial liabilities			
i) Borrowings	18	9,837.10	8,663.72
ii) Trade payables	19		
- Due to Micro and Small Enterprises		3.45	9.33
- Due to creditors other than Micro and Small Enterprises		319.67	255.84
iii) Others	20	4,074.94	3,799.19
Other current liabilities	21	250.69	203.19
Provisions	22	1.98	2.17
Total Current liabilities		14,487.83	12,933.44
TOTAL EQUITY AND LIABILITIES		8,868.71	10,012.74
Significant Accounting Policies	1		-

The accompanying notes are an integral part of the financial statements

As per our report of even date.
For **S Z DESHMUKH & CO.**
Chartered Accountants

D. U. KADAM

Partner
ICAI Membership No: 125886
UDIN : 21125886AAAABJ6572
Place : Aurangabad
Date : 14th January, 2021

For **TREND ELECTRONICS LIMITED**

MILIND DESHPANDE
Chief Financial Officer

DIVYESH DESAI
Resolution Professional
IP No.: 10338

Statement of Profit and Loss for the year ended March 31, 2020

₹ in Million

Particulars	Notes	For the year ended 31-Mar-20	For the year ended 31-Mar-19
I. Income			
Revenue from Operations	23	376.27	1,814.79
Other income	24	6.02	7.05
Total Income		382.29	1,821.84
II. Expenses			
Cost of materials consumed	25	1,298.01	1,659.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	85.04	23.02
Excise Duty		-	
Employee Benefits Expenses	27	95.43	182.60
Finance Costs	28	1,502.00	1,452.08
Depreciation and Amortization Expenses	2&3	-	201.45
Other Expenses	29	76.72	226.77
Total Expenses		3,057.19	3,745.70
Profit/(Loss) before Tax		(2,674.90)	(1,923.86)
Tax expense:	30		
i) Current Tax		-	-
ii) Deferred Tax		-	-
Total Tax Expenses		-	-
Profit/(Loss) for the year		(2,674.90)	(1,923.86)
Other comprehensive income/(loss)			
Items that will not be reclassified to statement of profit or loss in subsequent period			
i) Remeasurements of the defined benefit plans		9.42	(10.54)
ii) Equity instruments through other comprehensive income - net change in fair value		(4.80)	(31.62)
iii) Income tax on above		-	-
		4.62	(42.16)
Total comprehensive income/(loss) for the year		(2,670.28)	(1,966.02)
Earnings per equity share			
Basic and diluted earnings per share	31	(356.65)	(256.51)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S Z DESHMUKH & CO.**

Chartered Accountants

D. U. KADAM

Partner

ICAI Membership No: 125886

UDIN : 21125886AAAABJ6572

Place : Aurangabad

Date : 14th January, 2021

For **TREND ELECTRONICS LIMITED**

MILIND DESHPANDE

Chief Financial Officer

DIVYESH DESAI

Resolution Professional

IP No.: 10338

Statement of Cash Flows for the year ended March 31, 2020

₹ in Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	(2,674.90)	(1,923.86)
Adjustments for:		
Depreciation and Amortisation	-	201.45
Finance Costs	1,502.00	1,452.08
Provision for Warranty and Maintenance Expenses	-	(20.30)
Provision for Gratuity	(5.50)	12.32
Provision for Leave Encashment	(1.52)	(0.96)
Interest Income	(6.02)	(7.05)
(Profit)/Loss on Sale/Discard of Fixed Assets	-	-
Guarantee commission	-	-
Operating Profit before Working Capital Changes	(1,185.93)	(286.32)
Adjustments for:		
Inventories	1,189.34	338.69
Trade Receivables	(36.14)	182.90
Other financial and non financial assets	(4.10)	13.42
Trade Payables	57.95	(257.59)
Other financial and non financial liabilities	347.30	203.32
Cash generated from Operations	368.41	194.42
Less: Taxes Paid (Net)	3.01	0.22
Net Cash (used in) / from Operating Activities (A)	365.41	194.20
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	6.02	7.05
Purchase of Fixed Assets (Including Capital Work-in-Progress)		(0.01)
(Increase)/Decrease in Fixed Deposits and Other Bank Balances	(5.29)	29.13
(Purchase)/Sale of Investments (Net)	-	-
Net Cash from Investing Activities (B)	0.73	36.17
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Non-Current Borrowings	(35.95)	58.71
Increase/(Decrease) in Current Borrowings	1,173.38	1,155.98
Finance Costs	(1,502.00)	(1,452.08)
Payment of Dividend	(0.00)	-
Net Cash from / (used in) Financing Activities (C)	(364.57)	(237.39)
Net Change in Cash and Cash Equivalents (A+B+C)	1.57	(7.02)
Cash and Cash Equivalents at beginning of the year	9.50	16.52
Cash and Cash Equivalents at end of the year	11.07	9.50

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S Z DESHMUKH & CO.**

Chartered Accountants

D. U. KADAM

Partner

ICAI Membership No: 125886

UDIN : 21125886AAAABJ6572

Place : Aurangabad

Date : 14th January, 2021

For **TREND ELECTRONICS LIMITED**

MILIND DESHPANDE

Chief Financial Officer

DIVYESH DESAI

Resolution Professional

IP No.: 10338

Notes to financial statements for the year ended March 31, 2020 (Contd.)

NOTE 1

Significant accounting policies

1.1 Company Information

Trend Electronics Limited is a company domiciled in India, with its registered office situated at 20 KM Stone, Aurangabad - Beed Road, Village Bhalgaon, District Aurangabad, Maharashtra, Pincode 431210. The Company has been incorporated under the provisions of Indian Companies Act. The entity is primarily involved in manufacturing and trading of consumer electronics products and electronic components.

1.2 Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The financial statements of the Company for the year ended March 31, 2020 were approved by the Resolution Professional on 14th Jan 2021. Details of accounting policies are included in Note 1.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the entity's functional currency. All amounts have been rounded off to the nearest millions with two decimals unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

D. Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Note 1.3.A – Estimation of rate of interest for discounting of long-term financial assets;

Note 1.3.B – Estimation of rate of interest for discounting of long-term financial liabilities;

Note 1.3.C – Useful life of property, plant and equipment and intangible assets.

Assumptions and estimation uncertainties:

Note 1.3.M – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 1.3.J – measurement of defined benefit obligations: key actuarial assumptions;

Note 1.3.K – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial instruments.

The Company has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The entity has recognised certain assets at fair value and further information is included in the relevant notes.

F. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the Balance Sheet date; or
- d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the Balance Sheet date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

1.3 Significant accounting policies

A. Financial assets

- i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

- ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

- iii) Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.
- a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
- b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.
- c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss. In addition, the Company may, at initial recognition, irrevocably designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
- iv) Equity Instruments
- All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.
- v) Trade Receivables
- Trade receivables are initially recognised at fair value. Subsequently, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits and expectations about future cash flows. The impairment losses and reversals are recognised in the Statement of Profit and Loss.
- vi) Derecognition
- The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.
- vii) Impairment of Financial Asset
- Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.
- The Fixed Assets or a group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognised by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

B. Financial liabilities

- i) Initial recognition, measurement and classification
- Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.
- All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
- The Company's financial liabilities at amortised cost includes loan and borrowings, interest accrued but not due on borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

ii) Financial guarantee contracts

The Company has elected to account all its financial guarantee contracts as financial instruments as specified in Ind AS 109 on Financial Instruments. The company recognises the commission income on such financial guarantees and accounts for the same in Profit and Loss account over the tenure of the financial guarantee.

iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Property, Plant and Equipment

i) Recognition and measurement

Items of property, plant and equipment (PPE) are measured at original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital work in progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets.

PPE are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the Statement of Profit and Loss in the year of occurrence.

ii) Transition to Ind AS

On transition to Ind AS certain items of property, plant and equipment have been fair valued and such fair value is considered as deemed cost on the transition date.

The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

iv) Depreciation

The Company provides depreciation on fixed assets, to the extent of depreciable amount on straight line method, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except depreciation on plant and machinery used in Hermetic Divisions which has been provided on written down value method based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

The estimated useful life of items of property, plant and equipment for the current and comparative period are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Buildings	30	30
Plant and Machinery	15	15
Furniture and Fixtures	10	10
Computers	3	3
Electrical Installation	10	10
Office Equipments	5	5
Vehicles	10	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

D. Intangible assets

i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

iii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iv) Amortisation

Intangible assets are amortised using the straight-line method over a period of five years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

v) Expenditure on research and development

Revenue expenditure pertaining to research and development is charged to revenue under the respective heads of account in the period in which it is incurred. Capital expenditure, if any, on research and development is shown as an addition to fixed assets under the respective heads.

E. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. The cost comprises its purchase price and any directly attributable cost of bringing to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

F. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G. Revenue

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. April 1, 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

- a) Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/ rebate, amounts collected on behalf of third parties (such as goods and service tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.
- b) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.
- c) Service income are recognised on the basis of completion of service as per contractual terms.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

H. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument as increased significantly since initial recognition.

I. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss.

J. Employee benefits

i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii) Provident Fund - Defined Contribution Plan

The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

iii) Gratuity - Defined Benefit Plan

The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service.

Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Other Comprehensive Income. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Leave Encashment

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

K. Provisions (other than for employee benefits)

i) Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) Warranties

Provision for the estimated liability in respect of warranty on sale of consumer durable products is made in the year in which the revenues are recognised, based on technical evaluation and past experience. Warranty provision is accounted as current and non current provision. Non current provision is discounted to its present value and the subsequent unwinding effect is passed through Statement of Profit and Loss account under Finance Costs.

L. Contingent liabilities and contingent assets

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Disputed demands in respect of customs duty, income tax, sales tax and others are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Contingent assets are not recognised in the financial statements.

M. Income Tax

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i) Current Tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

N. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

O. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive. The Company has no potentially dilutive equity shares.

P. Excise and Customs Duty

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

Q. Goods and Service Tax

Goods and Service Tax benefit is accounted for by reducing the purchase cost of the materials/ fixed assets/services.

R. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

S. Prior Period Items

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

T. Recent Accounting Pronouncements - Standards issued but not yet effective:

In March 2020, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2020 and Companies (Indian Accounting Standards) (Second Amendment) Rules, 2020 notifying Ind AS 116 – 'Leases' and making amendments to various other Ind AS standards viz. Ind AS 12 – 'Income Taxes', Ind AS 19 – 'Employee benefits', Ind AS 23 – 'Borrowing Cost', Ind AS 28 – 'Investments in Associates and Joint Ventures', Ind AS 111 – 'Joint Arrangements', Ind AS 103 – 'Business Combinations' and Ind AS 109 – 'Financial Instruments'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB). The amendments are effective from accounting periods beginning from April 1, 2020.

Ind AS 116 – 'Leases':

This standard will supersede Ind AS 17 – 'Leases'. It abolishes for lessees the previous classification of leasing agreements as either operating or finance leases. Instead, Ind AS 116 introduces a single lessee accounting model, requiring lessees to recognise assets for right to use assets and lease liability representing its obligation to make lease payments. This means that leases which were previously not reported in the Balance Sheet will have to be reported in subsequent reporting periods. The depreciation expense will include amortisation of right to use asset and finance costs will include interest expense on lease liability. Ind AS 116 also provides exception from recognition of right to use asset and lease liability where lease term is less than 12 months or leases for which underlying asset is of low value. In such cases, lease payments are recognised as an expense over lease term either on straight-line basis unless another systematic basis is representative of time pattern of the user's benefit.

The Company does not expect any significant impact of the amendment on its financial statements.

Amendments to Ind AS 12 – 'Income Taxes':

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Further, the amendment to Appendix C specifies that when an entity is uncertain how tax laws applies to a particular transaction or circumstance until the relevant tax authorities or a court takes a decision in future and it is not probable that taxation authorities may accept entities tax position then entity is required to estimate effect of such uncertain position on income tax and deferred tax. The Company does not expect any significant impact of the amendment on its financial statements.

Amendment to Ind AS 19 – 'Employee Benefits':

The amendment clarifies that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendment has been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. There is no impact of the amendment on the Company's financial statements.

Amendment to Ind AS 23 – 'Borrowing Cost':

The amendment clarifies borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or sale should subsequently be considered as part of general borrowing costs of an entity. The amendment does not have significant impact on the Company's financial statements.

Amendment to Ind AS 28 – 'Investments in Associates and Joint Ventures':

The amendment specifies that entity shall apply Ind AS 109 before applying Ind AS 28 to long term interests in associates and joint ventures that form part of net investment in associate and joint venture but to which equity method is not applied. The amendment does not have significant impact on Company's financial statements.

Amendment to Ind AS 103 – 'Business Combination and Ind AS 111 – Joint Arrangements':

The amendment to Ind AS 103 relating to re-measurement clarifies that when an entity obtains control of a business that is a joint operation, then the entity considers such an acquisition as a business combination achieved in stages and accounts for it accordingly i.e., it re-measures previously held interests in that business.

The amendment to Ind AS 111 clarifies that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

The Company will apply the pronouncement if and when it obtains control/joint control of a business that is a joint operation.

Amendment to Ind AS 109 – 'Financial instruments':

The amendment relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The amendment does not have any significant impact on the Company's financial statements.

Statement of Changes in Equity (SOCIE) for the year ended March 31, 2020

a) Equity share capital

Particulars	Note	₹ in Million
Balance as at April 1, 2018		75.00
Changes in equity share capital during the year	14	-
Balance as at March 31, 2019		75.00
Changes in equity share capital during the year	14	-
Balance as at March 31, 2020		75.00

b) Other equity

Particulars	(₹ in Million)						Total
	Equity component of financial instruments	Reserves & Surplus				Items of Other Comprehensive Income (OCI)	
		Capital Redemption Reserve	General Reserve	Retained earnings*	Deemed Equity Contribution	Equity investments through OCI	
Balance at April 1, 2018	1,100.93	500.00	143.85	(4,119.58)	20.08	(331.39)	(2,686.11)
Profit for the year	-	-	-	(1,923.86)	-	-	(1,923.86)
Other comprehensive income for the year	-	-	-	(10.54)	-	(31.62)	(42.16)
Total comprehensive income for the year	-	-	-	(1,934.40)	-	(31.62)	(1,966.02)
Balance at March 31, 2019	1,100.93	500.00	143.85	(6,053.98)	20.08	(363.01)	(4,652.13)
Profit for the year	-	-	-	(2,674.90)	-	-	(2,674.90)
Other comprehensive income for the year	-	-	-	9.42	-	(4.80)	4.62
Total comprehensive income for the year	-	-	-	(2,665.48)	-	(4.80)	(2,670.28)
Balance at March 31, 2020	1,100.93	500.00	143.85	(8,719.46)	20.08	(367.81)	(7,322.41)

* Includes fair valuation impact of Land and Building ₹ 1,307.39 Million for March 31, 2020, ₹ 1,307.39 Million in March 31, 2019 and ₹ 1,313.00 Million for March 31, 2018. Such amounts are not available for distribution as dividend.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Note 2

Property, Plant and Equipment

(₹ in Million)

Particulars	Freehold Land	Building	Plant and Machinery	Electrical Installation	Computers	Furniture and Fixtures	Office Equipments	Vehicles	Total
Cost as at 01/04/2018	1,135.11	435.86	3,285.65	4.81	1.58	0.22	0.96	10.44	4,874.63
Additions	-	-	0.01	-	-	-	-	-	0.01
Disposals	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2019 (A)	1,135.11	435.86	3,285.66	4.81	1.58	0.22	0.96	10.44	4,874.64
Accumulated depreciation as at April 1, 2018	-	152.19	1,801.78	2.31	0.69	0.09	0.68	7.68	1,965.42
Depreciation for the year	-	9.27	188.65	0.51	0.46	0.02	0.12	1.41	200.44
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2019 (B)	-	161.46	1,990.43	2.82	1.15	0.11	0.80	9.09	2,165.86
Net carrying amount as at March 31, 2019 (A) - (B)	1,135.11	274.40	1,295.23	1.99	0.43	0.11	0.16	1.35	2,708.78
Cost as at March 31, 2019 (A)	1,135.11	435.86	3,285.66	4.81	1.58	0.22	0.96	10.44	4,874.64
Accumulated depreciation as at April 1, 2019	-	161.46	1,990.43	2.82	1.15	0.11	0.80	9.09	2,165.86
Depreciation for the year	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2020 (B)	-	161.46	1,990.43	2.82	1.15	0.11	0.80	9.09	2,165.86
Net carrying amount as at March 31, 2020 (A) - (B)	1,135.11	274.40	1,295.23	1.99	0.43	0.11	0.16	1.35	2,708.78

The Company has decided to reflect fair value for Freehold Land and Building as the deemed cost as per Ind AS 101. The fair valuation impact for April 1, 2016 is ₹ 1,131.93 Million for Freehold Land and ₹ 192.29 Million for Building. The numbers are gross and do not include tax effect.

Note 3

Other Intangible Assets

(₹ in Million)

Particulars	Computer Software	Total
Cost as at April 1, 2018	5.26	5.26
Additions	-	-
Disposals/ adjustments	-	-
Cost as at March 31, 2019 (A)	5.26	5.26
Accumulated depreciation as at April 1, 2018	1.37	1.37
Depreciation for the year	1.01	1.01
Disposals	-	-
Accumulated depreciation as at March 31, 2019 (B)	2.38	2.38
Net carrying amount as at March 31, 2019 (A) - (B)	2.88	2.88
Cost as at March 31, 2019 (A)	5.26	5.26
Accumulated depreciation as at April 1, 2019	2.38	2.38
Depreciation for the year	-	-
Disposals	-	-
Accumulated depreciation as at March 31, 2020 (B)	2.38	2.38
Net carrying amount as at March 31, 2020 (A) - (B)	2.88	2.88

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount as per previous GAAP has been considered as the gross block carrying amount as on April 1, 2016 (transition date).

Notes to financial statements for the year ended March 31, 2020 (Contd.)

(₹ in Million)

	As at 31-Mar-20	As at 31-Mar-19
Note 4		
Financial Assets - Non Current		
Investments		
Investments at Fair Value through Other comprehensive income		
i) Quoted		
Investments in Equity Instruments**	4.31	9.11
ii) Unquoted		
Investments in Equity Instruments	91.68	91.68
Investment in Preference shares at amortized cost	0.38	0.38
Total Non-Current Investments	96.37	101.17
Aggregate amount of Quoted Investments	4.31	9.11
Aggregate Market value of Quoted Investments	4.31	9.11
Aggregate amount of Unquoted Investments	92.06	92.06
**Out of total Investments, 3,075,642 Equity Shares of Videocon Industries Limited are pledged as security for availment of certain loans.		
Note 5		
Financial Assets - Non Current		
Loans		
Sundry Deposits	10.77	10.77
	10.77	10.77
Note 6		
Financial Assets - Non Current		
Others		
Bank balances other than (11a) below		
Fixed deposits with maturity more than 12 months (Held as margin money for credit facilities and other commitments)	0.79	0.23
	0.79	0.23
Note 7		
Deferred tax assets (net)		
Deferred tax assets (net)	134.62	134.62
	134.62	134.62
Note 8		
Other non-current assets		
Unamortised guarantee commission		-
Others	0.35	0.38
	0.35	0.38
Note 9		
Inventories		
(valued at lower of cost and net realisable value)		
Raw Materials including Consumables, Stores and Spares	209.17	1,313.48
Materials in Transit and in Bonded Warehouse	-	-
Work-in-Process	28.33	82.57
Finished Goods and Stock in Trade	44.28	75.07
	281.78	1,471.12

Notes to financial statements for the year ended March 31, 2020 (Contd.)

(₹ in Million)

	As at 31-Mar-20	As at 31-Mar-19
Note 10		
Financial Assets - Current		
Trade receivables		
Unsecured considered good	444.36	408.22
Considered Doubtful	-	-
	<u>444.36</u>	<u>408.22</u>
Less: Provision for doubtful debts	-	-
	<u><u>444.36</u></u>	<u><u>408.22</u></u>
Note 11a		
Financial Assets - Current		
Cash and cash equivalents		
Cash on hand	0.02	0.03
Balance with banks in current accounts	11.05	9.47
	<u>11.07</u>	<u>9.50</u>
Note 11b		
Financial Assets - Current		
Bank balances other than (11a) above		
In Dividend Warrant Accounts	0.43	0.43
In Fixed Deposits - Maturity 12 months or less (Held as margin money for credit facilities and other commitments)	89.43	84.70
	<u>89.86</u>	<u>85.13</u>
Note 12		
Financial Assets - Current		
Loans		
(Unsecured, considered good, unless otherwise specified)		
Other Short Term Loans and Advances	5,060.64	5,055.72
	<u>5,060.64</u>	<u>5,055.72</u>
Note 13		
Other current assets		
Others	8.72	9.51
	<u>8.72</u>	<u>9.51</u>
Note 14		
Share Capital		
Authorised		
25,000,000 Equity Shares of ₹ 10/- each	250.00	250.00
	<u>250.00</u>	<u>250.00</u>
Issued, Subscribed and Paid-up		
75,00,000 Equity Shares of ₹ 10/- each fully paid-up	75.00	75.00
	<u>75.00</u>	<u>75.00</u>

i) Reconciliation of the number of Shares: Equity Shares of ₹ 10/- each

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
At the beginning of the year	75,00,000	75.00	75,00,000	75.00
Issued during the year	-	-	-	-
At the end of the year	75,00,000	75.00	75,00,000	75.00

Notes to financial statements for the year ended March 31, 2020 (Contd.)

ii) Rights, preference and restrictions:

- The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Details of Shareholders holding more than 5% Shares:

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Dome-Bell Electronics India Private Limited	12,50,100	16.67	12,50,100	16.67
b) Videocon Industries Limited	14,08,800	18.78	14,08,800	18.78
c) Waluj Components Private Limited	7,10,730	9.48	7,10,730	9.48

₹ in Million

	As at 31-Mar-20	As at 31-Mar-19
Note 15		
Other equity		
Capital Redemption Reserve	500.00	500.00
Deemed Equity Contribution	20.08	20.08
General Reserve	143.85	143.85
Equity component of compound financial instruments	1,100.93	1,100.93
Equity instruments through OCI	(367.81)	(363.01)
Retained Earnings	(8,719.46)	(6,053.98)
	(7,322.41)	(4,652.13)

Capital Redemption Reserve

The Company recognises the capital redemption reserve from its retained earnings as per the provisions of Companies Act, 2013, as applicable.

Deemed Equity Contribution

Capital contribution from the group.

General Reserve

The Company was required to transfer a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Equity component of compound financial instrument

The account represents the equity component of preference shares calculated as per Ind AS 109.

Equity instruments through OCI

This account represents the fair value changes in the investments calculated at every reporting date as per Ind AS 109.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Retained Earnings

This account includes the amount of profit and loss account transferred to the equity.

	₹ in Million	
	As at 31-Mar-20	As at 31-Mar-19
Note 16		
Financial Liabilities		
Non current borrowings		
a) Secured		
Rupee Term Loans from Banks	-	-
b) Unsecured		
Sales Tax deferral	17.38	38.71
8% Non Cumulative Redeemable Preference shares	1,588.54	1,588.54
	<u>1,605.93</u>	<u>1,627.25</u>

Note:

- a) The Company has availed interest free Sales Tax Deferral under package incentive scheme of 1993. The sales tax collected during the deferral period is payable in five annual installments, after completion of ten years from the year in which the tax was collected.
- b) 8% Non Cumulative Redeemable Preference Shares (20,000,000 Redeemable Preference Shares of ₹ 100/- each):
- i) Rights, Preferences and restrictions attached to preference shares:

The Preference shares do not have voting rights. They have preference over equity shareholder as to dividend and in case of liquidation.
 - ii) Terms of redemption of Preference Shares:

The Preference Shares of ₹ 1,000.00 Million are redeemable at par in 4 equal yearly installments on December 4, 2017, December 4, 2018, December 4, 2019 and December 4, 2020. The Company has not paid first, second and third installments which was due on December 4, 2017, December 4, 2018, and December 4, 2019.

The Preference Shares of ₹ 1,000.00 Million are redeemable at par in 4 equal yearly installments on March 30, 2021, March 30, 2022, March 30, 2023 and March 30, 2024.
 - iii) Provision for Dividend on non commulative Preference share has not been made during the year in view of loss incurred by the Company.

	₹ in Million	
	As at 31-Mar-20	As at 31-Mar-19
Note 17		
Provisions		
Provision for Employee Benefits:		
Gratuity (Refer Note No 34)	20.39	25.46
Provision for Leave Encashment (Refer Note No 34)	1.97	3.72
	<u>22.36</u>	<u>29.18</u>
Note 18		
Financial Liabilities		
Current Borrowings		
Secured		
Rupee Term Loan from Banks	2,282.65	2,166.93
Working Capital Loans from Banks	7,554.45	6,496.79
	<u>9,837.10</u>	<u>8,663.72</u>

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Secured Loans:

i) Rupee Term Loans from Banks:

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

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

Rupee Term Loans from Banks are secured by first pari-passu charge on all present and future tangible/intangible assets (excluding the Identified Properties) of each of the Borrower, first pari-passu charge on the Trust and Retention Accounts of the Borrowers, second pari-passu charge on Identified Assets of Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries through pledge of entire shareholding of VHHL in these overseas subsidiaries, second charge on pledge of 100% shares of Videocon Oil Ventures Limited and VHHL, second pari-passu charge on VHHL's share of cash flows from Identified Assets and second pari-passu charge over current assets of each of the Borrowers. The Rupee Term Loans are also secured by first ranking pledge over specified numbers of equity shares of Videocon Industries Limited, Trend Electronics Limited and Value Industries Limited held by the promoters, the personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first pari-passu charge on 'Videocon' brand. The said loans which were classified as Non-Current Borrowings till previous year have now been classified as Short Term Borrowings, as the banks have now raised the demands for entire loan amount. [Also refer Note No. 37]

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

₹ in Million

	As at 31-Mar-20	As at 31-Mar-19
Note 19		
Financial Liabilities		
Current		
Trade payables		
Total outstanding due to micro and small enterprises (Refer Note 40)	3.45	9.33
Total outstanding due to creditors other than micro and small enterprises	319.67	255.84
	<u>323.12</u>	<u>265.17</u>
Note 20		
Financial Liabilities- Current		
Others		
Current maturities of Long Term Borrowings	612.12	626.75
Unclaimed Dividend	0.43	0.43
Other Payables	3462.39	3,172.01
	<u>4,074.94</u>	<u>3,799.19</u>
Note 21		
Other current liabilities		
Statutory dues payable	204.51	200.50
Others	46.19	2.69
	<u>250.69</u>	<u>203.19</u>

Notes to financial statements for the year ended March 31, 2020 (Contd.)

₹ in Million

	As at 31-Mar-20	As at 31-Mar-19
Note 22		
Provisions		
Provision for Employee Benefits:		
Gratuity (Refer Note No 34)	1.50	1.93
Provision for Leave Encashment (Refer Note No 34)	0.47	0.24
	1.98	2.17
Movement of Provision for warranty and maintenance expenses		
	As at 31-Mar-20	As at 31-Mar-19
At the commencement of the year	-	20.30
Provision made during the year	-	-
Utilisation of Provisions	-	20.30
Unused amount reversed during the year	-	-
At the end of the year	-	(0.00)

Provision for warranty and maintenance expenses

A provision is estimated for expected warranty claims in respect of products sold on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification and replacement. The costs include expenses to be incurred for repairs, replacement, material cost and servicing. It is expected that this expenditure will be incurred over the contractual warranty period that is usually one year.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

₹ in Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 23		
Revenue from Operations		
Sale of Products - Electrical and Electronic items	342.60	1,731.29
Income from Services	10.47	82.67
Other Operating Revenue	23.20	0.83
	<u>376.27</u>	<u>1,814.79</u>
Note 24		
Other income		
Interest Income	6.02	7.05
	<u>6.02</u>	<u>7.05</u>
Note 25		
Cost of materials consumed		
Imported	-	-
Indigenous	1,298.01	1,659.78
	<u>1,298.01</u>	<u>1,659.78</u>
Note 26		
Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening Inventory		
Finished Goods and Stock-in-Trade	75.07	136.68
Work-in-Process	82.58	43.98
	<u>157.64</u>	<u>180.66</u>
Closing Inventory		
Finished Goods and Stock-in-Trade	44.28	75.07
Work-in-Process	28.33	82.57
	<u>72.61</u>	<u>157.64</u>
Changes in inventory	<u>85.04</u>	<u>23.02</u>
Note 27		
Employee Benefits Expenses		
Salary, Wages and Other Benefits	87.59	161.17
Contribution to Provident Fund and Other Funds	6.65	15.94
Staff Welfare Expenses	1.19	5.49
	<u>95.43</u>	<u>182.60</u>
Note 28		
Finance Costs		
Interest Expenses	1502.00	1,452.08
Other Borrowing Costs	0	-
	<u>1,502.00</u>	<u>1,452.08</u>

Notes to financial statements for the year ended March 31, 2020 (Contd.)

₹ in Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 29		
Other Expenses		
Power, Fuel and Water	6.53	14.89
Rent, Rates and Taxes	0.47	0.56
Repairs to Building	0.00	0.15
Repairs to Plant and Machinery	0.48	1.23
Other Repairs and Maintenance	0.30	1.25
Insurance	2.27	3.58
Carriage and Cartage	0.00	14.16
Bank Charges	0.03	0.56
Payment to Auditors*	0.51	0.51
Exchange Rate Fluctuation	42.12	12.06
Legal and Professional Charges	16.57	11.61
Investment W/off	0.00	0.00
Excise and Custom duty demands	0.00	159.65
Office and General Expenses	7.44	6.56
	<u>76.72</u>	<u>226.77</u>
*Payment to Auditors:		
a) Statutory Audit Fees	0.46	0.46
b) Tax Audit Fees	0.05	0.05
	<u>0.51</u>	<u>0.51</u>

Note 30**Income Taxes****a) Amounts recognised in profit and loss****Current income tax**

-

Deferred income tax (asset) / liability, net

Origination and reversal of temporary differences

-

Deferred tax expense

-

Tax expense for the year

-

b) Amounts recognised in other comprehensive income

Deferred tax on remeasurements of the defined benefit plans

-

Deferred tax on equity instruments FVTOCI

-

-

Note 31**Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

₹ in Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic and diluted earnings per share for ordinary shareholders		
a) Net Profit/(Loss) for the year attributable to Equity Shareholders (₹ Million)	(2,674.90)	(1,923.86)
b) Weighted average Number of Equity Shares	7,500,000	7,500,000
c) Basic and Diluted Earnings per Share of ₹ 10/- each (₹)	(356.65)	(256.51)
d) Nominal value of Equity Share (₹)	10.00	10.00

Note:

a) Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

b) The Company did not have any potentially dilutive securities in any of the above reporting period presented.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

c) Deferred Tax assets and liabilities are attributable to the following:

(₹ in Million)

Particulars	Net deferred Tax Asset/ (liabilities)	
	March 31,2020	March 31,2019
Property, Plant and Equipment	543.47	543.47
Expenses allowable for deduction in future years	(197.76)	(197.76)
Unabsorbed depreciation and losses	(478.09)	(478.09)
Fair valuation of investments through OCI	8.18	8.18
MAT Credit	(8.63)	(8.63)
Indexation Impact	(1.79)	(1.79)
Net deferred tax (assets) / liability	(134.62)	(134.62)

d) Movement in Temporary differences:

(₹ in Million)

Particulars	Balance as at March 31,2019	Recognised in Profit and Loss during 2019-20	Recognised in OCI during 2019-20	Balance as at March 31,2020	Recognised in Profit and Loss during 2019-20	Recognised in OCI during 2019-20	Balance as at March 31,2020
Property, Plant and Equipment	543.47	-	-	543.47	-	-	543.47
Expenses allowable for deduction in future years	(197.76)	-	-	(197.76)	-	-	(197.76)
Unabsorbed depreciation and losses	(478.09)	-	-	(478.09)	-	-	(478.09)
Fair valuation of investments through OCI	8.18	-	-	8.18	-	-	8.18
MAT Credit	(8.63)	-	-	(8.63)	-	-	(8.63)
Remeasurements of defined benefit obligation	-	-	-	-	-	-	-
Indexation Impact	(1.79)	-	-	(1.79)	-	-	(1.79)
Total	(134.62)	-	-	(134.62)	-	-	(134.62)

- e) In view of losses and unabsorbed depreciation, in the opinion of the Management considering the ground of prudence, deferred tax assets have not been recognised in the books of accounts. The deferred tax assets recognised in earlier year have been carried forward.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Note 32

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

(₹ in Million)

As at March 31, 2020	Carrying Amount				Fair Value		
	Total	Amortised Cost	FVTPL	FVTOCI	Level 1	Level 2	Level 3
Non-current financial assets							
Investments	96.37	0.38		95.99	4.31	0.38	91.68
Loans	10.77	10.77				10.77	
Others	0.79	0.79				0.79	
Current financial assets							
Trade receivables	444.36	444.36					
Cash and cash equivalents	11.07	11.07					
Other bank balances	89.86	89.86					
Loans	5,060.64	5,060.64					
Other current financial assets							
	5,713.86	5,617.87	-	95.99	4.31	11.94	91.68
Non-current financial liabilities							
Borrowings	1,605.93	1,605.93				1,605.93	
Current financial liabilities							
Borrowings	9,837.10	9,837.10					
Trade payables	323.12	323.12					
Others	4,074.94	4,074.94					
	15,841.09	15,841.09	-	-	-	1,605.93	-

(₹ in Million)

As at March 31, 2019	Carrying Amount				Fair Value		
	Total	Amortised Cost	FVTPL	FVTOCI	Level 1	Level 2	Level 3
Non-current financial assets							
Investments	101.17	0.38	-	100.79	9.11	0.38	91.68
Loans	10.77	10.77				10.77	
Others	0.23	0.23				0.23	
Current financial assets							
Trade receivables	408.22	408.22					
Cash and cash equivalents	9.50	9.50					
Other bank balances	85.13	85.13					
Loans	5,055.72	5,055.72					
Other current financial assets	-	-					
	5,670.74	5,569.95	-	100.79	9.11	11.38	91.68
Non-current financial liabilities							
Borrowings	1,627.25	1,627.25				1,627.25	
Current financial liabilities							
Borrowings	8,663.72	8,663.72					
Trade payables	265.17	265.17					
Others	3,799.18	3,799.18					
	14,355.32	14,355.32	-	-	-	1,627.25	-

- The fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

- c. Measurement of fair values : The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level - 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities

Level - 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Investments in quoted equity instruments	Listing price as fair value on the date of reporting
Investments in unquoted equity instruments	

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- i) Liquidity risk;
- ii) Credit risk; and
- iii) Market risk

Risk management framework

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operations and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

Corporate Insolvency Resolution Process (CIRP) has been initiated in case of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Resolution Professional (RP) appointed by the NCLT. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the Company and the day to day cashflow and its associated risks are as under:

i) Liquidity risk

The Company is under CIRP. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is under CIRP, it is not required to meet any loan or interest obligation till the resolution plan is implemented.

Liquidity risk is the financial risk that is encountered due to uncertainty resulting in difficulty in meeting its obligations. An entity is exposed to liquidity risk if markets on which it depends are subject to loss of liquidity for any reason; extraneous or intrinsic to its business operations, affecting its credit rating or unexpected cash outflows. A position can be hedged against market risk but still entail liquidity risk. Prudence requires liquidity risk to be managed in addition to market, credit and other risks as it has tendency to compound other risks. It entails management of asset, liabilities focused on a medium to long-term perspective and future net cash flows on a day-by-day basis in order to assess liquidity risk.

Liquidity Periodic budget and rolling forecasts shall be determined during CIR process.

ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

The following table provides information about the exposure to credit risk for trade receivables:

	(₹ In Million)	
	Gross carrying amount	
	As at March 31, 2020	As at March 31, 2019
Past due not impaired		
Past due 1-30 days	-	-
Past due 31-60 days	-	6.23
Past due 61-90 days	0.34	2.67
Past due 91-120 days	2.42	17.60
Past due 121-180 days	9.61	33.75
More than 180 days	431.99	347.97
Total	444.36	408.22

Management has analysed the debtors outstanding as of March 31, 2020 and concluded that the history of bad debts on the profile of its current debtors is insignificant. The debtors which are outstanding as of March 31, 2019 have been generally regular in making payments and hence it does not expect significant impairment losses on its current profile of outstanding debtors. The debtors which have defaulted are mostly on account of any litigations and its experience regarding bad debts has been very low in the past.

On the basis of above, no additional provision has been made in the books of accounts under Ind AS.

b) **Cash and cash equivalents and Other bank balances**

The Company held cash and cash equivalents and other bank balances of ₹ 100.93 Million as at March 31, 2020 (March 31, 2019: ₹ 94.63 Million). The cash and cash equivalents are held with banks.

c) **Other financial assets**

Other than trade and other receivables, the Company has no other financial assets that are past due not impaired.

iii) a) **Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is under CIRP, it could not meet interest obligation during the year and shall be finalised when resolution plan is implemented.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

b) **Exposure to interest rate risk**

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company's is as follows.

Borrowings	(₹ In Million)	
	As at March 31, 2020	As at March 31, 2019
	Variable rate borrowings	
Non current borrowings	1,605.93	1,627.25
Current borrowings	9,837.10	8,663.72
Current maturities of long term borrowings	612.12	626.75
Total	12,055.15	10,917.72

Fair value sensitivity analysis for fixed-rate instruments

The entity does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalized to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Particulars	(₹ In Million)	
	Profit or (Loss) before tax	
	100bp increase	100bp decrease
March 31, 2020	(120.55)	120.55
March 31, 2019	(109.18)	109.18

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Note 33

Capital Management

Capital of the Company, for the purpose of the entity's capital management, capital includes issued capital and other equity reserves. The primary objective of the entity's Capital Management is to maximise shareholders value. The entity manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The entity monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Particulars	(₹ In Million)	
	As at March 31, 2020	As at April 1, 2019
Non Current Borrowings	1,605.93	1,627.25
Current Borrowings	9,837.10	8,663.72
Current maturity of long term borrowings	612.12	626.75
Gross Debt	12,055.15	10,917.72
Less: Cash and cash equivalents	11.07	9.50
Less: Other bank balances	89.86	85.13
Adjusted Net Debt	11,954.22	10,823.09
Total Equity	(7,247.41)	(4,577.13)
Adjusted Net Debt to Total Equity	(1.65)	(2.36)

Note 34

Employee benefits

The Company contributes to the following post-employment plans in India.

A) Defined Contribution Plans:

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Contribution to Provident and Other Funds of ₹ 5.32 Million (Previous year ₹ 15.94 Million) is recognised as an expense and shown under the head "Employee Benefits Expense" in the Statement of Profit and Loss.

B) Defined Benefit Plan: Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post employment benefit to its employees in the form of gratuity. The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on an actuarial valuation using the projected unit credit method.

Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

i) Movement in defined benefit obligations:

Particulars	(₹ in Million)			
	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Defined benefit obligation at the beginning of the year	34.05	36.27	3.96	4.92
Recognised in profit or loss				
Current service cost	1.94	2.06	1.14	1.06
Interest expense	2.49	2.54	0.29	0.36
Past service cost	-	2.24	-	-
Recognised in other comprehensive income				
Actuarial (gains)/losses on obligations	(9.51)	9.66	(2.55)	1.39
Benefit paid	(1.89)	(18.72)	(0.40)	(3.77)
Defined benefit obligation at the end of the year	27.08	34.05	2.44	3.96

Notes to financial statements for the year ended March 31, 2020 (Contd.)

ii) Movement in fair value of plan assets:

(₹ in Million)

Particulars	Gratuity	
	March 31, 2020	March 31, 2019
At the beginning of the year	6.66	21.20
Interest income	0.50	1.51
Expected Return on Plan Assets	(0.09)	(0.88)
Recognised in other comprehensive income	-	-
Actuarial gains/(losses)		
Due to change in financial assumptions	-	-
Employer contributions	-	3.55
Benefit paid	(1.89)	(18.72)
At the end of the year	5.18	6.66

iii) Amount recognised in Balance sheet:

(₹ in Million)

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Defined benefit obligation	27.08	34.05	2.44	3.96
Fair value of plan assets	(5.18)	(6.66)	-	-
Net defined benefit (obligation)/assets	21.90	27.39	2.44	3.96

iv) Expense recognised in the Statement of profit and loss and Other comprehensive Income:

(₹ in Million)

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Recognised in the Statement of profit and loss				
Current service cost	1.94	2.06	1.14	1.06
Interest expense	2.49	2.54	0.29	0.36
Past service cost	-	2.24	-	-
Interest income	0.50	1.51	-	-
For the year	3.93	5.33	1.43	1.42
Recognised in the Other comprehensive income				
Actuarial (gains) / losses on obligations	(9.51)	9.66	(2.55)	1.39
Actuarial (gains) / losses on plan assets	0.09	0.88	-	-
For the year	(9.42)	10.54	(2.55)	1.39

v) Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial assumptions				
Discount rate	6.60%	7.50%	6.60%	7.50%
Salary escalation	5.00%	5.00%	5.00%	5.00%
Demographic assumptions				
Mortality rate	Indian assured life mortality (2006-2008) ultimate			
Turnover Rate	5% at younger ages reducing to 1% at older ages			
Future Salary Increase	5% per annum			

Notes to financial statements for the year ended March 31, 2020 (Contd.)

vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	(₹ in Million)			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Gratuity				
Discount rate (0.50% movement)	(26.25)	27.94	(32.91)	35.22
Rate of increase in salaries (0.50% movement)	27.95	(26.24)	35.22	(32.88)
Withdrawal rate (10% movement)	27.11	(27.04)	34.11	(33.95)
Leave Encashment				
Discount rate (0.50% movement)	(2.38)	2.50	(3.82)	4.10
Rate of increase in salaries (0.50% movement)	2.50	(2.38)	4.10	(3.82)
Withdrawal rate (10% movement)	2.44	(2.44)	3.97	(3.95)

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vii) The expected future cash flows as at March 31, were as follows:

Particulars	(₹ in Million)				
	Upto	Between	Between	More than	Total
	1 year	1-2 years	2-5 years	5 years	
Defined benefit obligations (Gratuity - funded)					
March 31, 2020	1.19	2.10	9.00	20.42	32.71
March 31, 2019	1.84	2.19	9.12	30.51	43.66

Note 35.

Contingent Liabilities not provided for:

		(₹ in Million)	
		As at	As at
		31-Mar-20	31-Mar-19
i)	Letters of Credit opened	-	-
ii)	Letters of Guarantees	0.50	0.50
iii)	Claims against the Company not acknowledged as debt:		
a)	Custom Duty demands and penalties under dispute	-	-
b)	Excise Duty and Service Tax demands and penalties under dispute	-	-
c)	Sales Tax demands and penalties under dispute	0.57	0.57
	[Amount paid under protest ₹ 0.27 Million (Previous year ₹ 0.27 Million)]		
iv)	Income Tax matters in respect of which appeals are pending	1.95	1.95

Note 36.

The Company alongwith 13 other affiliates/entities (collectively referred to as 'Obligors' or individually as 'Borrower' or 'Co-Obligors') executed Facility Agreement with the consortium of existing domestic rupee term lenders, under the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities are Videocon Industries Limited, Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited, Electroworld Digital Solutions Limited and Videocon Telecommunications Limited.

As the Company is a Co-Obligor, it is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2020 of ₹ 210,200.65 Million (As at March 31, 2019 ₹ 210,200.65 Million).

Note 37.

The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI'), has on 30th December, 2014, issued a Show Cause Notice ('SCN') in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. The DRI has alleged that the Company has resorted to over-valuation of CPTs, for High Sea Sales made by the Company, leading to evasion of anti-dumping duty. Demand issued for the penalty of ₹ 0.50 Million.

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

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Note 38

Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

		(₹ in Million)	
		As at 31-Mar-20	As at 31-Mar-19
a)	Principle amount remaining unpaid as at the end of the year	3.45	9.33
b)	Interest due thereon as at the end of the year	0.85	0.42
c)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-
d)	Interest due and payable for the period of delay in making payment	0.85	0.42
e)	Interest accrued and remaining unpaid at the end of the year	1.27	0.42
f)	Further interest remaining due and payable even in the succeeding years, untill such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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

Note 39

C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currency

		(₹ in Million)	
		Year ended on 31-Mar-20	Year ended on 31-Mar-19
a)	C.I.F. Value of Imports: Raw Materials and Stock in Trade	-	0.15

Note 40

Corporate Social Responsibility

The Company in light of losses incurred in the past years is not required to spend any amount towards Corporate Social Responsibility for the year ended March 31, 2020.

Note 41

The Company is primarily engaged in manufacturing and trading of Electrical and Electronic Appliances and there is no other reportable segment as defined in Ind AS 108 "Operating Segments".

Note 42

Related party transactions:

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

Key Management Personnel:

Mr. J. L. Bangad - Head Operations

Mr. Milind Deshpande - Chief Financial Officer

Ms. Prabhavi Mungee - Company Secretary (upto June 7,2019), rem paid ₹1,03,058.00 (P Y ₹1,47,478.00)

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

Remuneration to Key Management Personnel - ₹ 5.67 Million (Previous year ₹ 8.31 Million)

Note 43

Pursuant to an application filed before the Hon'able National Company Law Tribunal, Mumbai(Adjudicating Authority) under section 7 of the Insolvency and Bankruptcy Code,2016 against trend Electronics Limited (Corporate Debtor or Trend), the Adjudicating Authority had admitted the application of Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor vide an order dated September 25,2018 and appointed Mr. Dushyant C. Dave as the Interim Resolution Professional. Subsequently, the Committee of Creditors (CoC) approved appointment of Mr. Dushyant C Dave as Resolution Professional (Erstwhile Resolution Professional).

Thereafter, separate applications were filed by State Bank of India (on behalf of Financial Creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon Group) for the consolidation of the Corporate Debtor along with other group companies(collectively referred as Videocon Group entities). The adjudicating Authority has passed an order on August 8,2019 approving consolidation of CIRP of 13 Videocon Group entities. Trend was kept out of Consolidation considering that business of Trend for Manufacturing set top boxes, is independent of other Videocon Group Entities business. The Adjudicating Authority appointed Mr. Divyesh Desai as the Interim Resolution Professional (IRP) of Trend effective from the date of consolidation order. Adjudicating Authority has granted a time 180 days, from order dated August 8,2019, to the IRP to complete CIRP of Trend.

Notes to financial statements for the year ended March 31, 2020 (Contd.)

Subsequently, the first meeting of the Committee of Creditors held on September 6, 2019, approved the appointment of IRP as Resolution Professional (RP). Therefore, the Management and operations of the Company are being managed by RP Mr. Divyesh Desai. On and from the date of publication of the aforesaid order, the powers of the board of directors of the Company stand vested in the RP.

Subsequently the adjudicating authority granted an extension of 90 days to complete CIRP of Trend Electronics Ltd. Due to COVID-19 pandemic, CIRP period of all companies undergoing CIRP is excluded for the period of lockdown in the state where registered office of the company is located.

Note 44

The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended, and there are persistent severe on the working Capital and there is considerable decline in level of operation of the Company and net worth of the Company as on the reporting date is negative and its continue to incur losses. The company has received invocation notices of corporate guarantee given by it and also the personal guarantees of the promoters have been invoked. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress. as per code, it is required that the Company be managed as going concern during the CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. The Company continues the process for the ascertaining the realisable value of the assets (including Inventories and Trade receivable) and necessary adjustments to the carrying value will be effected in due course, the impact of which is not ascertainable at this stage.

Note 45

The Company has made investments, given advances and has trade receivable aggregating to ₹ 2,932.98 million in group/affiliate companies, namely Videocon Industries Limited, Applicomp (India) Limited, VOVL Limited, Value Industries Limited, KAIL Limited, Sky Appliances Limited and Techno Electronics Limited, which have been referred to National Company Law Tribunal under the Insolvency and Bankruptcy code 2016 by their lenders and subsequently admitted to Corporate Insolvency Resolution Process (CIRP). The actual amount of loss on these investments, advances and trade receivable are not ascertainable till the completion of resolution process of these groups/entities.

Note 46

The Company has not been assessed or reviewed the Plant & Machinery and other fixed assets for impairment, not ascertaining of net realisable value of inventories and not ascertainment of the net realisable value of unquoted Investments. The RP has appointed two valuers for valuation of assets including inventories and investments. The RP continue the process for ascertaining the realisable value of assets and necessary adjustments to the carrying value will be effected in due course. The impact of which is not ascertainable at this stage.

Note 47

The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.

Note 48

Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and others creditors to RP. The overall obligations and liabilities including interest on loans and the principal amount of Loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short or non receipts of claims for operational and financial creditors.

Note 49

The Company has not submitted its financial results for the quarter/period ended March 31, 2018, and subsequent periods till date as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Note 50

The company did not have any outstanding long term contracts including derivative contracts as at March 31, 2020

Note 51

The Company has defaulted in transferring amount of ₹ 0.43 Million, required to be transferred to the Investor Education and Protection fund during the year ended March 31, 2020

Note 52

Previous year figures have been reclassified, restated, recasted to conform to the classification of the current year.

As per our report of even date.
For **S Z DESHMUKH & CO.**
Chartered Accountants

D. U. KADAM
Partner
ICAI Membership No: 125886
UDIN : 21125886AAAABJ6572
Place : Aurangabad
Date : 14th January, 2021

For **TREND ELECTRONICS LIMITED**

MILIND DESHPANDE
Chief Financial Officer

DIVYESH DESAI
Resolution Professional
IP No.: 10338

