



**28th ANNUALREPORT
2021-22**

AVASARA FINANCE LIMITED (Formerly known as TRC Financial Services Limited)
CIN: L74899MH1994PLC216417
BANDRA HILL VIEW CHS, 3RD FLOOR, 85 HILL ROAD,
OPP, YOKO SIZZLERS, BANDRA (WEST), MUMBAI - 400050

CONTENTS:

Corporate Information	
About us	
Notice of 28 th Annual General Meeting	
Directors Report	
Annexure to Directors Report	
Management Discussion and Analysis Report	
Annual Financial Statements	

CORPORATE INFORMATION:

Board of Directors:

Mr. Sabrinath Gopala Krishnan
Whole-Time Director

Mr. Sanjay Prabhu
Non-Executive Director

Mr. Naresh Gandhi
Independent Director

Mrs. Uma Prasad Bontha
Independent Director

Mr. Valmeekanathan Subramaiaam
Non-Executive Director

Chief Financial Officer:

Mr. Sabrinath Gopaa Krishnan

Company Secretary and Compliance Officer:

Ms. Charmi Gindra

Auditors:

NBS & Co,
Chartered Accountants
14/2, Western India House,
Sir PM Road,
Fort, Mumbai – 400001

Registered Office:

Bandra Hill View CHS,
(3rd Floor), 85, Hill Road,
Opp. Yoko Sizzlers,
Bandra (W), Mumbai – 400 050

Registrar & Share Transfer Agent:

Purva Sharegistry (India) Pvt. Ltd
No-9, Shiv Shakti Industrial Estate
Ground Floor, J R Boricha Marg, Opp.
Kasturba Hospital
Lower Parel, Mumbai – 400 011.

Bankers:

Union Bank of India

Internal Auditors:

M/s VMRS & Co,
Chartered Accountants

Secretarial Auditors:

M/s Priti J Sheth & Associates,
Company Secretaries,
Office No. 804, 8th Floor, G Square,
Jwahaar Road, Opp. Ghatkopar Station,
Ghatkopar (East), Mumbai – 400077

Website:- www.trcfin.in

Email:- cs@trcfin.in

Telephone: - 022-2641

About us:

Our Company Avasara Finance Limited was originally incorporated as TRC Financial and Management Services Pvt. Ltd vide Certificate of Incorporation dated 24th May, 1994 issued by Registrar of Companies, N.C.T of Delhi & Haryana.

The Company was converted into Public Limited Company during the year and accordingly its name was changed as TRC Financial and Management Services Limited.

The Company was listed on the Bombay Stock Exchange on 06th April, 1995.

On 8th November 1994, the name of the Company was changed to TRC Financial Services Limited.

The Company at present has its Registered Office situated at Bandra Hill View CHS,3rd Floor, 85, Hill Road, Opp. Yoko Sizzlers, Bandra (W), Mumbai-400050. The Corporate Identification Number (CIN) of the Company is L74899MH1994PLC216417.

Promoters of the Company is M/s Jupiter Capital Private Limited.

Avasara being a NBFC Company engaged in the business of Loan Finance etc.

Main Objects clause of Avasara , as per Memorandum of Association, includes inter-alia to "To provide comprehensive management, financial and project consultancy services, including arranging for loan syndications, preparation of project reports, preparation of viability and diagnostic studies, valuation of assets, business, capital, portfolio services, project implementation, project clearances from Government, institutions and Banks and to carry out the business of Merchant Banking, leasing, financial/loan business, deferred payment guarantees, hire purchase, credit rating services, securitization, bill marketing, bill discounting, factoring.

AVASARA FINANCE LIMITED
(Formerly known as TRC Financial Services Limited)

Regd. Office: Bandra Hill View CHS, (3rd Floor), 85, Hill Road, Opp. Yoko Sizzlers, Bandra (W), Mumbai – 400 050 Tel: +91 22 26414725, Email: trcfs ltd@gmail.com, Web:

www.trcfin.in

(CIN- L74899MH1994PLC216417)

Notice of 28th Annual General Meeting

Notice is hereby given that the 28th Annual General Meeting (“AGM”) of the members of AVASARA FINANCE LIMITED (FORMERLY KNOWN AS TRC FINANCIAL SERVICES LIMITED) will be held on Wednesday, September 28, 2022, at 12:00 Noon (IST) through Video Conferencing (VC)/ other Audio-Visual Means (OAVM), to transact the following business.

The venue of the meeting shall be deemed to be the Registered Office of the Company at Bandra Hill View CHS, (3rd Floor), 85, Hill Road, Opp. Yoko Sizzlers, Bandra (W), Mumbai – 400 050.

ORDINARY BUSINESS

- I. To Consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022, and the reports of the Board of Directors and Auditors thereon.
- II. To appoint Mr. Karodi Sanjay Prabhu (DIN: 00023196) as Director, who retires by Rotation and presented himself for the appointment.

SPECIAL BUSINESS

- III. **To approve appointment of Mr. Valmeekanathan Subramaniam as a Director of the Company.**

To consider, and if thought fit, to pass the following resolution as Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Company (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) [the Act]. Mr. Valmeekanathan Subramaniam (DIN: 05297798) who was appointed as the Additional Non-Executive Director by the Board on 10th November, 2021 on the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as a Non-Executive Director of the Company shall be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company is hereby authorised to file various e-forms, sign requisite documents to give effect to the above resolution.”

By Order of Board
For Avasara Finance Limited
(Formerly known as TRC Financial Services Limited)

Date: 02nd September, 2022
Place: Bangalore
Whole Time Director
DIN: 08479403

Sd/-
Sabrinath Gopala Krishnan

Notes:

a) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no.20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means(OAVM)”and Circular no. 02/2021 dated January 13, 2021 and General Circular no. 21/2021 dated December 14, 2021 and General Circular no. 3/2022 dated May 05, 2022 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic”(collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

b) In terms of the MCA Circulars, the physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

c) 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 MCA Circulars 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

d) 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 atleast 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.

e) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

f) 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.

g) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.trcfin.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 disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

h) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

i) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

j) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

k) The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed to this Notice.

l) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in

which Directors are interested under Section 189 of the Act shall be available for inspection upon request in electronic mode.

m) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar and Share Transfer Agents of the Company (RTA) i.e. M/s Purva Sharegistry (India) Private Limited in case the shares are held by them in physical form.

n) As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's R & T Agents for assistance in this regard.

o) Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations are requested to send their requests in Form SH 13 (which will be made available on request) to the RTA in case the shares are held in physical form and to their DP in case the shares are held by them in electronic form.

p) SEBI has mandated listed companies to issue securities in dematerialized form only, while processing service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates / folios; and transmission and transposition. In this regard, members are requested to make request in Form ISR - 4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

q) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2022 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Issuer/RTA.

r) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 22nd September, 2022 through email on cs@trcfin.in same will be replied by the Company suitably.

s) In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2021- 22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

t) Remote E-Voting

In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically,

through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in the Notice.

u) Voting Results

i. The voting rights of members shall be in proportion to their shares of the paid up Equity Share Capital of the Company (i.e. One Vote for Every One Share held).

ii. The Company has appointed M/s. Priti J Sheth & Associates, Practicing Company Secretaries, to act as the scrutinizer.

iii. The Scrutinizer shall, immediately after the conclusion of voting at AGM, count the votes cast at AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

iv. The result declared along with the scrutinizer's report shall be placed on the notice board at the registered office of the Company and on the website of the Company. The Company shall also forward the results to BSE Limited, where the shares of the Company are listed.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

i. The voting period begins on Sunday, 25th September, 2022 at 09:00 a.m. and ends on Tuesday, 27th September, 2022 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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 email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link</p>

	<p>available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLoginThe system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is 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</p> <p>3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be</p>

Depository Participants	redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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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. CDSL and NSDL

Login type	Helpdesk details
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 toll free no. 1800 22 55 33
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

v. Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

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

xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting Only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be de-link in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are mandatorily required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; priti.pjsassociates@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 8 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@trcfin.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 8 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@trcfin.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 email tosupport@purvashare.com
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

Explanatory Statement
Annexed to notice dated 26th August 2022
Pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)

Agenda No III

The Board of Directors (“the Board”) of the Company had appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Valmeekanathan Subramanian as an Additional Director of the Company with effect from November 10, 2021 who holds the office till the ensuing Annual General Meeting.

Mr.Valmeekanathan Subramanian being eligible offers himself for reappointment is proposed to be reappointed as Non-Executive Director of the Company.

It is proposed to seek members’ approval for the appointment of Mr. Valmeekanathan Subramanian as Director in terms of the provisions of Section 152 of the Act.

Mr. Valmeekanathan Subramanian holds Bachelor of Engineering (Mechanical Engineering) form Birla Institute of Technology and Science (BITS) Pilani.

Mr. Valmeekathan has over a period of 20 years led many listed entities like Infosys Limited, Trigyn Tehnologies Limited, Axiscades Technologies Limited in various capacities as Business Head, CEO and Board Member currently he is the Managing Director of Tayana Software Solutions Private Limited. He has vast experience in the field of Technology Software and Product Development.

Disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are provided in the “Annexure 1” to the Notice. Mr. Valmeekanathan Subramanian is not related to any other Director of the Company.

Mr. Valmekanathan Subramanian is interested in the Ordinary Resolution set out at Item No. III with respect to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. III of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. III of the Notice for approval by the members.

Accordingly, consent of the Members is sought for approval of appointment of Mr. Valmeekanathan Subramanian by way of Ordinary Resolution.

Details of the Directors seeking appointment/re-appointment at the Twenty Eighth(28th) Annual General Meeting as per Companies Act, 2013, Secretarial Standards and the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015:

A.

Name of Director	Mr. Valmeekanathan Subramanian
Date of Birth	02/05/1964
Age	58
Date of Appointment (Original)	10 th November, 2021
Brief Resume and Experience	<p>Mr. Valmeekathan has over a period of 20 years led many listed entities like Infosys Limited, TrigynTehnologies Limited, Axiscades Technologies Limited in various capacities as Business Head, CEO and Board Member currently he is the Managing Director of Tayana Software Solutions Private Limited. He has vast experience in the field of Technology Software and Product Development.</p> <p>Mr. Valmeekathan has done his BE in Mechanical Engineering from Birla Institute of Technology and Science (BITS) Pilani.</p>
Expertise in specific functional areas	Software Technology
Qualification	BE
Terms and condition of appointment/re-appointment	Non-Executive Director liable to retire by rotation
Remuneration to be paid	As approve by the Board and Nomination and Remuneration Committee
Remuneration last drawn	Nil
Directorships held in other companies (excluding section 8 and foreign companies)	1. Tayana Mobility Technologies Private Limited.
Memberships of committees across other companies (includes only Audit& Shareholders'/Stakeholder Relationship Committee)	Nil
Cessation from listed entities (in past three years)	Nil
Shares held in the Company	Nil
Relationship with Directors, Manager	None

and Key Managerial Personnel	
Number of Board Meetings attended during the Financial Year 2021-22	½

B.

Name of Director	Mr. KorodiSanjay Prabhu
Director Identification Number (DIN)	00023196
Age	59 Years
Date of Birth	November 12, 1962.
Date of Appointment (Original)	May 21, 2018.
Qualification	Diploma in Printing Technology (Lithography)
Brief Resume and Experience	Has over 25 years of experience in marketing, branding Etc.
Directorships held in other companies (excluding section 8 and foreign companies)	1. Asianet News Media & Entertainment Private Limited. 2. Asianxt Technologies Private Limited. 3. India Radio Ventures Private Limited 4. Strategic News International Agency Private Limited. 5. Lexicon Securities Limited 6. Lexicon Motion Pictures Private Limited
Memberships of committees across other companies (includes only Audit & Shareholders'/Stakeholder Relationship Committee)	Nil
Relationship between directors inter-se	None

Terms and condition of appointment/ re- appointment	Non-Executive Director liable to retire by rotation
Remuneration to be paid	Nil
Remuneration last drawn	Nil
Shareholding in the Company	Nil
No. of Board Meetings attended/ held during the year	6/6

AVASARA FINANCE LIMITED
(Formerly known as TRC Financial Services Limited)
DIRECTORS REPORT 2021-2022

To
The Members,
Avasara Finance Limited
(Formerly known as TRC Financial Services Limited)

Your Director's have pleasure to present the Twenty Eighth Annual Report of your Company, **Avasara Finance Limited (Formerly known as TRC Financial Services Limited)** for the financial year ended March 31, 2022. In line with the requirements of the Companies Act, 2013 and the rules framed thereunder, this report covers the financial results and other developments during the Financial Year 01st April, 2021 to 31st March, 2022

1. SUMMARY OF OPERATIONS/RESULTS

The financial results of the Company for the year ended March 31st, 2022 compared to the previous year are summarized below:

Particulars	(Rupees in Lacs)	
	March 31, 2022 (in lac)	March 31, 2021 (in lac)
Revenue from Operations	22.66	62.65
Other Income /Loss	0.82	-
Total Expenditure	58.80	35.43
Net Profit/(Loss) before tax	(35.32)	27.22
Current Tax	3.22	(3.20)
Tax Expense for earlier years	(4.87)	3.20
Net Profit/(loss) after Tax	(36.40)	26.62

2. COMPANY'S AFFAIRS

Your Company has earned total business revenue of Rs. 22.66 lacs and the net loss before tax of Rs. (35.32) lacs for the financial year 2021-22 as against the revenue of Rs. 62.65 lacs and net profit before tax of Rs. 27.22 lacs in the previous financial year 2020-2021.

3. PERFORMANCE AND FUTURE PROSPECTS

Your Company has prepared the Financial Statements in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted IND AS from 1st April, 2018 with effective transition date of 1st April, 2017 and accordingly, these Financial Statements together with the Financial Statements for the comparative reporting period have been prepared with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder and the other accounting principles generally accepted in India.

During the year 2021-22 the company had nil revenue from consulting services same as the previous financial year. Employee benefit cost during the year was 15.37 lacs as compared to 17.61 lacs in the previous financial year. Profit before tax for the financial year was at Rs. (35.32) lacs as against a profit before tax of Rs. 27.22 lacs for the financial year 2020-21

Further the management of the Company is looking at various opportunities for expanding the business including other area of lending and building a loan book.

4. CHANGE IN THE MANAGEMENT OF THE COMPANY

During the year under review there was no change in the management of the Company

5. DIVIDEND & TRANSFERS TO IEPF

Your Board does not recommend any dividend for the financial year ended March 31, 2022. The Company was not required to transfer the amount of any unclaimed/unpaid dividend to Investor Education Protection Fund.

6. TRANSFER TO RESERVE

The Board of Directors of your Company has transferred Rs. (7.28) lacs from Retained earnings to the statutory reserve as directed by RBI for the year 2021-22.

7. CORPORATE GOVERNANCE

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, provide threshold for applicability of corporate governance rules. Your company does not exceed such threshold. Hence, provision of corporate governance is not applicable on your company.

8. CHANGE IN THE NATURE OF BUSINESS

No changes occurred in the nature of business during the financial year ended March 31, 2022 and till the date of issue of this report.

9. MATERIAL CHANGES AND COMMITMENTS

The name of the company had been changed from "TRC FINANCIAL SERVICES LIMITED" to "AVASARA FINANCE LIMITED" with effect from 12th January, 2022

10. DEPOSITS

The Company has not accepted any deposits and, as such, no amount of principal or interest is outstanding as of the Balance Sheet date.

11. SUBSIDIARY, ASSOCIATE AND JOINT VENTURES COMPANIES

The Company does not have any subsidiary as per Clause 2(87) or associate as per Clause 2(6) of the Companies Act, 2013; also it has not entered into any joint venture agreements with any other entities.

12. SHARE CAPITAL

During the F.Y. 2021-22, there was no change in the Share Capital of the Company.

13. BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND COMMITTEES THEREOF

13.1 Board of Directors and Key Managerial personnel

The Current Composition of Board of Directors and Key Managerial Personnel of the Company is as follows:

Sr. no.	Name of Director and Key Managerial Personnel	DIN/ PAN	Category
1	Mr. Naresh Gandhi	08130774	Non – Executive, Independent Director
2	Mr. K. Sanjay Prabhu	00023196	Non- Executive, Non – Independent Director
3	Mrs. Uma Prasad Bontha	08406107	Non- Executive, Independent Director
4	Mr. Sabarinath Gopalakrishnan	08479403	Non- Executive, Non-Independent Director
5	Mr. Valmeekanathan	05297798	Non- Executive, Non-Independent Director
6	Ms. Charmi Kartik Gindra	AQAPC336 0K	Company Secretary and Compliance Officer

13.2 Board of Directors

• Details of Board Meetings/Committee Meetings

The Board of Directors met five times during the year. The details as per Standard 9 of the Secretarial Standards-1 on Board meetings / committee Meetings held during the financial year 2021-22 are furnished below:

Board Meeting Dates	29 th June 2021, 7 th August 2021 and 14 th August 2021, 30 th August 2021, 10 th November 2021, 14 th February 2022.
Audit Committee Meeting Dates	29 th June 2021, 14 th August 2021, 10 th November 2021 and 14 th February 2022
NRC Committee Meeting Dates	29 th June, 2021, 10 th November 2021
Stakeholders Relationship Committee	30 th August, 2021

Meeting Date	
--------------	--

• **Attendance of Directors at Meetings**

SI No.	Name of the Director	Board meeting attended	Audit Committee meetings attended	NRC Committee meetings attended	Stakeholders Relationship Committee Meeting Date
1	Mr. Naresh Gandhi	6	4	2	1
2	Mr. Sanjay Prabhu	6	4	2	-
3	Mrs. Uma Prasad	3	3	2	-
4	Mr. Sabarinath Gopalakrishnan	5	-	-	1
5	Mr. Valmeekanathan	1	-	-	-

• **Changes in Directors/ Key Managerial Personnel**

During the year under review and since the last Boards report, the following changes in the composition of Board of Directors and Key Managerial Personnel took place:

1. Mr. Sabarinath Gopalakrishnan appointed as Whole-Time Director and CFO on 29th June, 2021.
2. Mr. Valmeekanathan Subramaniam appointed as Additional Director on 10th November, 2021.

• **Retirement by Rotation**

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Company's Articles of Association, Mr. Sanjay Prabhu (DIN: 00023196) retires by rotation at 27th Annual General Meeting and being eligible has offered himself for re-appointment.

The Board of Directors recommends to the shareholders to re-appoint him at the 27th Annual General Meeting.

• **Committee Meeting Independent Directors**

During the year under review, the Independent Directors was held on 14th February 2022 inter alia, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluation of performance of the Chairman of the meetings of the Company, taking into account the views of Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

- **Declaration from Independent Directors**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

- **Familiarization program for independent directors**

All new independent directors appointed on the Board attend a familiarization program.

After appointment, a formal letter is issued to the independent directors outlining his/her roles, functions, duties and responsibilities.

- **Board evaluation**

The performance of the board was evaluated by the board after seeking inputs from all the directors based on the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors based on the criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors, and performance of the board was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

- **Policy on director's appointment and remuneration**

The current policy of the Company is to have an optimum combination of both executive and independent directors to maintain the independence of the Board and separate its functions of governance and management.

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, independence of director and other matters, as required under Section 178(3) of the Companies Act, 2013 is available on our website (www.trcfin.in). There has been no change in the policy since the last financial year. We avow that the remuneration paid to the

directors is as per the terms laid out in the nomination and remuneration policy of the Company.

- **Policies**

All our policies are available on our website (www.trcfin.in). The policies are reviewed periodically by the Board and updated based on need.

13.3 Committees of Board of Directors

- **Audit Committee**

The Audit Committee of Directors is constituted as per the provisions of Section 177 of the Companies Act, 2013. The Composition of Audit Committee is as follows:

Sr no	Name of Member	DIN	Category
1	Mr. Naresh Gandhi, Chairman	0813077 4	Non – Executive, Independent Director
2	Mr. K. Sanjay Prabhu	0002319 6	Non – Executive, Non- Independent Director
3	Mrs. Uma Prasad Bontha	0840610 7	Non – Executive, Independent Director

- **Nomination and Remuneration Committee**

The Nomination & Remuneration Committee of Directors is constituted in accordance with the requirements of Section 178 of the Companies Act, 2013. The Composition of Nomination and Remuneration Committee is as follows:

Sr no.	Name of Members	DIN	Category
1	Mr. Naresh Gandhi – Chairman	0813077 4	Non – Executive, Independent Director
2	Mr. K Sanjay Prabhu	0002319 6	Non – Executive, Non- Independent Director
3	Mrs. Uma Prasad Bontha	0840610 7	Non-Executive Independent Director

- **Stakeholders Relationship Committee**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors has constituted the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee is as follows:

Sr no.	Name of the Member	DIN	Category
1	Mr. Naresh Gandhi – Chairman	0813077 4	Non – Executive, Independent Director
2	Mr. Sabarinath Gopalakrishnan	08479403	Non – Executive, Independent Director

- **Investment Committee**

The Board of Directors has constituted the Investment Committee to co-ordinate and oversee the organizations investment portfolio as required under RBI's NBFC regulations. Composition of the

same is as follows

Sr no.	Name of Director	DIN	Category
1	Mr. Sabarinath Gopalakrishnan	08479403	Whole-time Director
2	Mr. Naresh Gandhi	08130774	Non – Executive, Independent
3	Mrs. Uma Prasad Bontha	08406107	Non – Executive, Independent

14. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Priti J Sheth of M/s Priti J Sheth & Associates practicing Company Secretaries has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **“Annexure A”**

15. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 in respect of Corporate Social Responsibility are not applicable to the Company.

16. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower mechanism for directors and employees to report concerns about unethical behavior. The said policy has been posted on the website of the Company-www.trcfn.in.

17. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators, courts or tribunals impacting the functioning of the Company.

18. STATUTORY AUDITORS

M/s. NBS & Co. Chartered Accountants, (ICAI Firm Registration No. 110100W) were appointed as the Auditors of the Company by the shareholders of the Company at the 26th Annual General Meeting of the Company held on September 30, 2020, and shall hold office for a period of 5 years till 2024-25.

19. STATUTORY AUDITORS' REPORT

The Statements made by the Auditors in their report are self-explanatory and doesn't require any comments by the Board of Directors.

20.INTERNAL FINANCIAL CONTROL (IFC)

Your Company's internal control system (including Internal Financial Controls with reference to financial statements) ensures efficiency, reliability and completeness of accounting records and timely preparations of reliable financial and management information, compliance with all applicable laws and regulations, optimum utilization and the protection of the Company's assets.

The Company has appointed M/s. VMRS & Co., Chartered Accountants as the Internal Auditors as mandated under Section 138 of the Companies Act, 2013 for conducting the Internal Audit of the Company.

21.REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

22.RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy which helps the Company in identification of risk, lays down procedure for risk assessment and procedure for risk mitigation.

23.PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Since the Company is a registered entity under the Reserve Bank of India to conduct the business of Non-Banking Financial Services, pursuant to the section of 186 (11) (a), (b) of the Companies Act, 2013, the company is exempted from complying with the provisions.

Further, details of Investments made by the Company during the year under review form a part of the financial statements.

24.PARTICULARS OF TRANSACTION BETWEEN THE COMPANY AND THE NON-EXECUTIVE DIRECTORS

During the year under review the company has not entered into any transaction with its Non-Executive Directors.

25.PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In order to prevent sexual harassment of women at workplace, your Company has adopted a Policy for prevention of Sexual Harassment of Women at Workplace. During the year under review, the Company has not received any complaints in this regard.

Further, the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable.

26.COMPLIANCE WITH THE ICSI SECRETARIAL STANDARDS

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meetings have been complied with by the Company.

27.DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March 2022, the Board of Directors state that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards had been followed.
- b. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors had prepared the Annual Accounts on a going concern basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual return for the financial year 2021-2022, once file shall be available on the on the website of the Company i.e. ["www.trcfin.in"](http://www.trcfin.in).

28.SECRETARIAL AUDITORS

As required under Section 204 of the Companies Act, 2013 and Rules made thereunder the Board has appointed M/s. Priti J. Sheth & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for the F Y 2021-22.

29.SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the financial year 2021-2022 forms part of Annual Report as "Annexure B" to the Boards Report.

30. DIRECTORS COMMENT ON QUALIFICATION OR OBSERVATION

The responses of your directors on the observations made by the Secretarial Auditor are as follows: -

- 1) The Company has not paid the Annual Listing fees to BSE.

There was a delay in payment of the listing fees, however, the same has been paid by the Company.

- 2) Delayed BSE submission of Shareholding Patterns, Statement of Investor Grievances and Reconciliation of Share Capital Audit Report in few instances

There were a few instances of delayed submissions, however the Company is compliant in all its filings.

- 3) The Company is yet to file Form SH-7 with Registrar of Companies, Mumbai for increase in Authorised Share Capital from 8,00,00,000 (Indian Eight Crores Rupees Only) to 306,00,00,000 (Indian Three Hundred and Six Crores Rupees Only)

The Company could not file the SH- 7 due to paucity of funds.

- 4) The Company had changed its name from TRC Financial Service Limited to Avasara Finance Limited w.e.f 12th January, 2022 however, is yet to apply to BSE for the change of name.

There has been a delay in filing of the application with BSE, however the Company has now filed the same with BSE for name change.

- 5) The Company has generally complied with the NBFC norms issued by Reserve Bank of India except for delay in few filings with RBI.

There were a few delays in the filings to be made to RBI as there were some software glitches with the regulators website.

- 6) Website of the Company is not working.

The website of the Company is under maintenance

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY

- i. The Steps Taken or Impact on Conservation of Energy: **The Company takes necessary measure to conserve energy at its offices.**
- ii. The Steps Taken by The Company for Utilizing Alternates Source of Energy: NIL
- iii. The Capital Investment on energy conservation equipment's: NIL

(B) TECHNOLOGY ABSORPTION

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. In case of imported technology (imported during last three years reckoned from beginning of financial year)
 - Details of technology imported: **Nil**
 - Year of Import: Nil
 - Whether technology has been fully absorbed: Nil
 - If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Nil
- iv. The expenditure incurred on Research and Development: Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo during the period under review is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

32. CEO / CFO CERTIFICATION

The company is exempted under Regulation 15(2) of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 from including CEO / CFO certificate as a part of Annual Report.

33. RELATED PARTY TRANSACTIONS

There were no transactions falling under the purview of Section 188 of the Companies Act, 2013 and the rules framed thereunder.

34. MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis report as per the SEBI (Listing Obligations and Disclosures) Regulations, 2015 forms integral part of this Annual Report.

35. RESERVE BANK OF INDIA REGULATIONS

The Reserve Bank of India has classified the Company as "Category 'B' Non-Banking Finance Company".

The Company continues to comply with all the applicable regulation prescribed by the Reserve Bank of India ("RBI") from time to time.

36.MAINTENANCE OF COST RECORDS:

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

37.PARTICULARS OF REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONS AND EMPLOYEES

The Company wishes to place on record their appreciation to the contribution made by the employees to the operations of the company during the period.

During the year under review, there were no employees who were in receipt of the remuneration beyond the limits prescribed under Rule 5 (2) of Companies (Appointment and Remuneration) Rules, 2014 and therefore no disclosures need to be made under the said section.

Further, the details of the top 10 employees in terms of remuneration drawn pursuant to rule 5(1) and 5(2) of Companies (Appointment and Remuneration) Rules, 2014 shall be available at the registered office of the Company during the business hours and the details ratios of the remuneration of each Director to the median remuneration to the employees of the Company for the financial year are enclosed as "*Annexure B*" to the Board's Report.

ACKNOWLEDGEMENT

Your Board wishes to place on record its sincere appreciation for the wholehearted support received from members, government authorities, bankers, consultants and all other business associates. We look forward to continued support of all these partners in progress.

For and on behalf of the Board of Directors

AVASARA FINANCE LIMITED
(Formerly known as TRC Financial Services Limited)

Sabarinath Gopalakrishnan
Whole Time Director
DIN: 08479403

Korodi Sanjay Prabhu
Director
DIN: 00023196

Place: Bangalore
Date: 02nd September, 2022

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE
CERTIFICATE
(Pursuant to Clause 10 of Part C of Schedule V of LODR)**

In pursuance of sub clause 10 of Part C of Schedule V of the Security Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 (LODR) in respect of **Avasara Finance Limited** (CIN: L74899MH1994PLC216417) I hereby certify that:

On the basis of the written representations / declarations received from the directors and taken on records by the Board of Directors, as on March 31, 2022 none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

For Priti J. Sheth & Associates
Company Secretaries

Priti J. Sheth
FCS.: 6833
C.P. 5518
Peer Review Certificate No:1888/2022

Place: Mumbai
UDIN: F006833D00907722

Annexure B
Form No. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended 31stMarch, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
Avasara Finance Limited
(Formerly known as TRC Financial Services Limited)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Avasara Finance Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Avasara Finance Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Avasara Finance Limited ("the Company") for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('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, 2018; (Not applicable to the Company during the audit period).
- d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit Period)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

(vi) Other Laws applicable to the Company namely:

- a. The Reserve Bank of India Act, 1934.
- b. Non-Banking Financial Regulations issued by Reserve Bank of India from time to time.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

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

- 1) Delayed BSE submission of Shareholding Patterns, Statement of Investor Grievances and Reconciliation of Share Capital Audit Report in few instances
- 2) The Company is yet to file Form SH-7 with Registrar of Companies, Mumbai for increase in Authorised Share Capital from 8,00,00,000 (Indian Eight Crores Rupees Only) to 306,00,00,000 (Indian Three Hundred and Six Crores Rupees Only)
- 3) The Company had changed its name from TRC Financial Service Limited to Avasara Finance Limited w.e.f 12th January, 2022 however, is yet to apply to BSE for the change of name.
- 4) The Company has generally complied with the NBFC norms issued by Reserve Bank of India except for delay in few filings with RBI.

5) Website of the Company is not working.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company was not involved in any activity which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Priti J. Sheth & Associates
Company Secretaries

Priti J. Sheth
FCS.: 6833
C.P. 5518
Peer Review Number 1888/2022

Date: 02nd September, 2022
Place: Mumbai
UDIN: F006833D000895809

Note: This Report is to be read with our letter of even date which is annexed as Annexure I and Forms an integral part of this report.

Annexure I to Secretarial Audit Report

**To,
The Members
Avasara Finance Limited
(Formerly known as TRC Financial Services Limited)**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedure on test basis.
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.

For Priti J. Sheth & Associates
Company Secretaries

Priti J. Sheth
FCS.: 6833
C.P. 5518

Date: 02nd September, 2022
Place: Mumbai

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Total Remuneration Paid in F. Y. 2021-22	Ratio to Median remuneration	% Increase in remuneration in the financial year
Executive Director			
Mr. Sabrinath G	-	-	-
Company Secretary			
Ms. Charmi Gindra	1.77	0.39	0.00 %

- b) The percentage increase in the median remuneration of employees in the financial year: N.A.
- c) The number of permanent employees on the rolls of Company: 5 (including Director and Company Secretary)
- d) Average percentiles 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: N.A.*
- e) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

AVASARA FINANCE LIMITED
(Formerly known as TRC Financial Services Limited)

Sabarinath Gopalakrishnan
Whole Time Director
DIN: 08479403

Korodi Sanjay Prabhu
Director
DIN: 00023196

Place: Bangalore
Date: 02nd September, 2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

INDIAN ECONOMY OVERVIEW

India to remain the fastest growing major economy in the world during 2021-24' – as per the projections by the World Bank and the International Monetary Fund. The FY 2021-22 has largely been a year of recovery from the impact of the Covid-19 pandemic, which had been a drag in the previous two fiscals. The Indian economy entered a technical recession in the previous fiscal year as a result of the Covid-19-induced slowdown. The policies of the Center supported the country's much-needed revival. During the initial waves of the Covid-19 pandemic, what started with reducing interest rates and stimulus measures gave a much-needed cushion to stabilize the economy. Furthermore, the development of various vaccines assisted not just in raising public morale but also in laying the groundwork for a reviving economy. With around 2 Billion inoculations successfully completed in India against the Covid-19 virus and low Covid-19 positive rates, the Indian economy is set to recuperate to its pre-pandemic levels.

India's GDP grew by 9.2% in FY 2021-22, supported by widespread vaccine coverage, gains from supply-side reforms, regulatory easing, robust export growth, and the availability of fiscal support to increase capital spending. (Source: Ministry of Health and Family Welfare, Economic Survey of India FY 2021-22)

NBFC

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, they are well-suited to bridge the financing gap in a large country like India. Systemically Important NBFCs have demonstrated agility, innovation, and frugality to provide formal financial services to millions of Indians.

The systemic importance of the NBFC sector can be gauged by the following facts:

- The NBFC sector (including HFCs) has assets worth more than ₹ 54 lakh crore as of 31 March 2021, equivalent to about 25% of the balance sheet size of the banking sector — up from 12% of the balance sheet size of banks in 2010.
- Over the last five years, NBFC's assets have grown at cumulative average growth rate of 17.9%.
- NBFCs were the largest net borrowers of funds from the financial system, with gross payables of ₹ 12.06 lakh crore and gross receivables of ₹ 1.65 lakh crore as of 30 September 2021. HFCs were the second largest net borrowers of funds from the financial system, with gross payables of ₹ 7.38 lakh crore and gross receivables of ₹ 0.61 lakh crore as of 30 September 2021.
- Credit delivery growth of NBFCs in terms of the share of GDP has grown from 8.6% in FY2013 to 13.7% in FY2021.

This is an enviable track record despite the business models of the NBFCs being severely tested by four large external events in the last few years, namely, (i) demonetisation, (ii) GST implementation, (iii) failure of few large NBFCs, and (iv) the pandemic. The fact that many NBFCs have managed to overcome these stresses without significant impact on financial position is a testimony to their resilience and agility.

Given the systemic risks that the sector poses, the RBI issued 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' on 22 October 2021 to make the financial sector sound and resilient while allowing a majority of NBFCs to continue under the regulation-light structure. The objective behind this scale-based approach is the principle of proportionality for regulating the non-banking financial companies. The purpose is to calibrate the degree of regulatory prescriptions based on the systemic importance of NBFCs and the contagion risk they pose to other entities in the financial system.

Outlook

Going forward, NBFCs would begin FY 2022-23 with enough capital buffers, consistent profitability, and considerable on-balance-sheet provisioning, as well as sufficient system liquidity to protect against additional Covid-19 outbreaks. These impacts would remain to be seen once the Financial Stability Report is released by the RBI for the full year. The NBFC sector's AUM is predicted to increase by 6% to 7% in FY 2021-22 and by 9% to 10% in FY 2022-23. The impacts of the pandemic are fading and Covid-19 limitations being relaxed internationally, putting NBFCs on a growth path. Furthermore, as the world's fastest-growing economy, India's rise across all sectors would create a large demand for loans.

Company Overview

Performance

The management continues to believe that this is the opportune time to enter the Digital Lending business as the addressable market is vast, advanced payment infrastructure and India Stack will enable quick roll-out, Digital-first approach will lower operations cost, enable quick disbursement and by using alternate credit appraisal systems powered by Machine Learning and Artificial Intelligence for risk management will yield in significant returns for the business.

Hence, the company has strategized to enter in the Micro, Small and Medium Enterprises (MSMEs) segment as there is an acute credit demand-supply gap.

Opportunities and Threats

Being a primarily investment company fluctuating markets and interest rate pose a threat to the business of the Company, however the same can be converted into opportunity proper planning and implementation.

Segment Wise / Product Wise Performance

As the company is only in one line of business, product wise disclosure of performance is not

required to be made.

Business Outlook

The Management of the Company is looking for a steady growth of the Company and aims at maximizing the shareholders wealth by way of earning maximum profits at low investment costs.

Risks & Concerns

Risk of market fluctuation shall always be a major risk associated with the Company, however the management is of the opinion that the Company can withstand through in any kind of market fluctuation as the investment and loan portfolio of the Company is relatively stable and less prone to market fluctuations

Internal Control Systems and Adequacy

The Internal Control systems with regards to financial and investment part are taken up by the Board of Directors themselves and it is also reviewed by the Audit Committee which comprises mainly of Independent Directors.

Financial Performance

During the year company's revenue are Rs 22.66 lacs as compared to 62.65 lacs in previous years. The Company has a profit after tax of Rs (36.40) Lacs as compared to Profit after tax of Rs. 26.62 lacs in the previous year.

In FY 2021-22 Trade receivables are Nil same as to previous financial year, Loans of Rs 143.19 lacs same as compared to Rs. Rs 143.19 in previous years, Investment of Nil as compared to Rs 7.49 lacs in previous year and Cash and cash equivalent of Rs 8.14 lacs as compared to Rs 3.78 lacs in previous years.

In FY 2021-22 other non-financial liabilities are Rs 1.08 lacs as compared to Rs. 5.10 lacs in previous year.

Human Resources / Industrial Relations

Currently the Company has five employees. The Competent of Board of Directors are very well connected to the NBFC sector.

Disclosure of Accounting Treatment

The company has followed all the relevant and applicable Accounting Standards while preparing the Financial Statements.

Significant Changes in Key Financial Ratios (25% or more)

	2021-22	2020-21
Debtors Turnover	0.00	0.00
Current Ratio	18.48	48.31

Net Profit Margin (%)	-160.63	42.49
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Changes in Return on Net Worth

	2021-22	2020-21
Return on Net worth	-16.47	10.34

**By Order of the Board
For AVASARA FINANCE LIMITED
(Formerly known as TRC Financial Services Limited)**

Sabarinath Goplalakrishnan
Whole-time Director
DIN: 08479403

Place: Bangalore
Date: 02nd September, 2022



NBS & CO. **Chartered Accountants**

14/2, Western India House, Sir P. M. Road, Fort, Mumbai - 400 001.

Tel. : (91-22) 2287 0588 / 0939 / 4140, 2288 5229 • Fax : (91-22) 2288 4910

E-mail : admin@nbsandco.in • Web : www.nbsandco.in

INDEPENDENT AUDITORS' REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

To,
The Board of Directors
Avasara Finance Limited

Opinion

We have audited the accompanying Statement of Audited Standalone Financial Results of **Avasara Finance Limited** (formerly known as **TRC Financial Services Limited**) (the "Company"), for the quarter and year to date results for the year ended March 31, 2022 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

- i. In our opinion and to the best of our information and according to explanations give to us, the Statement gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the quarter ended as well as the year to date results for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under sub-section (10) of Section 143 of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

As mentioned in Note 3 (a) of the standalone financial statements, the Company recorded a total comprehensive Income of (Rs. 36.40) lakhs during the year ended March 31, 2022 and, as of that date; the Company has accumulated losses of Rs. 279.09 Lakhs resulting in significant erosion of net worth of the Company. The financial statements of the Company have been prepared on a going concern basis for the reason stated in the note 3 (b) to the statement. The validity of going concern assumption would depend upon the performance of the company as per its future business plan.

Our opinion is not qualified in respect of this matter.

Management's Responsibilities for the Statement

The Statement has been prepared from the related audited standalone financial statements. The Company's Management under the direction of the Monitoring Committee are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Company's Management under the direction of the Monitoring Committee 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 Company's Management under the direction of the Monitoring Committee either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management under the Monitoring Committee is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the annual standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual standalone financial results made by the Monitoring Committee.
- Conclude on the appropriateness of Monitoring Committee' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the annual standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the annual standalone financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- a. The figures for the quarter ended March 31, 2022 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2022 and the published unaudited year-to-date figures up to December 31, 2021 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of above matter.

For **N B S & Co.**

Chartered Accountants

Firm Registration No. 110100W

Devdas V. Bhat

Partner

Membership No.: 048094

UDIN: 22048094AJWDDE3340

Place: - Mumbai

Date: - 30th May, 2022.

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Balance sheet as at March 31, 2022
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Financial Assets			
Cash and cash equivalents	3	8.14	3.78
Trade receivables	4	-	-
Loans	5	143.19	143.19
Other Financial Assets - current	7A	79.65	95.81
Investments - non-current	6	-	7.49
Non Financial Assets			
Property, Plant and Equipment	7C	0.22	0.10
Other Non Financial Assets	7B	4.72	13.29
Total Assets		235.92	263.66
Liabilities And Equity			
Liabilities			
Financial Liabilities			
Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises	8(i)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8(ii)	12.50	5.18
Non Financial Liabilities			
Deferred Tax Liability (Net)		0.03	0.60
Other Non Financial Liabilities	9	2.39	0.48
Total Liabilities		14.92	6.26
Equity			
Equity share capital	10	500.09	500.09
Other Equity	11	(279.09)	(242.69)
Total Equity		221.00	257.40
Total Liabilities and Equity		235.92	263.66

The accompanying notes form an integral part to financial statements

In terms of our report attached
For N B S & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Devdas V. Bhat
Partner
Membership No : 48094

Sd/-
Sabarinath G
Whole Time Director & CFO
DIN: 08479403

Sd/-
Korodi Sanjay Prabhu
Director
DIN: 00023196

Date: 30th Day of May, 2022
Place: Mumbai

Sd/-
Charmi Kartik Gindra
Company Secretary
A46913

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Statement of profit and loss for the year ended March 31, 2022
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
Consultancy services		-	-
Interest Income	12	17.23	14.45
Dividend Income		-	0.07
Net gain/(loss) on fair value changes/sale of investment	13	5.43	48.13
Total Revenue from Operations (I)		22.66	62.65
Other Income (II)	14	0.82	-
Total Income (I+II)		23.48	62.65
Expenses			
Depreciation and amortisation expenses	7C	0.08	0.06
Employee benefits expenses	15	15.37	17.61
Other Expenses	16	43.35	17.76
Total Expenses		58.80	35.43
Profit/(loss) before tax		(35.32)	27.22
Taxes Expense:			
Less : Current Tax		3.22	(3.20)
Add : MAT Credit		(4.87)	3.20
Less : Deferred Tax		0.57	(0.60)
Profit/(Loss) for the Period		(36.40)	26.62
Other Comprehensive Income			
(i) Items that will not be Reclassified to Profit or Loss		-	-
(ii) Income tax effect		-	-
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		(36.40)	26.62
Earnings Per Equity Share			
Basic and diluted (₹)		(0.73)	0.53

The accompanying notes form an integral part to financial statements

In terms of our report attached
For N B S & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Devdas V. Bhat
Partner
Membership No : 48094

Sd/-
Sabarinath G
Whole Time Director & CFO
DIN: 08479403

Sd/-
Korodi Sanjay Prabhu
Director
DIN: 00023196

Date: 30th Day of May, 2022
Place: Mumbai

Sd/-
Charmi Kartik Gindra
Company Secretary
A46913

Avasara Finance Limited
 (Formally known as TRC Financial Services Limited)
 Statement of cashflows for the year ended March 31, 2022
 (Amount mentioned in Rs lakhs, except for share data or otherwise stated)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	Cash Flow from Operating Activities		
	Profit/(loss) before tax	(35.32)	27.22
	Adjustments for :		
	Depreciation and amortisation expenses	0.08	0.06
	Operating Profit/(Loss) before Working Capital changes	(35.24)	27.28
	Adjustments for :		
	Financial		
	(Increase)/Decrease in trade receivables	-	88.50
	(Increase)/Decrease in Loans	-	(24.66)
	(Increase)/Decrease in Other Financial Assets - current	16.16	(81.54)
	(Increase) /Decrease in non-current investments	7.49	8.86
	(Increase)/Decrease in other non-financial Assets	3.91	(4.51)
	Increase/Decrease in trade payables	7.32	(7.09)
	Increase/Decrease in other financial liabilities	1.91	(4.62)
	Cash generated from/(used in) Operations	1.56	2.22
	Direct (Taxes paid) / refund received	3.00	1.33
	Net Cash generated from/(used) in Operating Activities (A)	4.56	3.55
B.	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment	(0.20)	-
	Net Cash generated from/(used) in Investing Activities (B)	(0.20)	-
C.	Cash Flow from Financing Activities		
	Net Cash generated from/(used) in Financing Activities (C)	-	-
	Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	4.36	3.55
	Cash and Cash Equivalents at the beginning of the year	3.78	0.23
	Cash and Cash Equivalents at the end of the year (Refer note 3 & 4)	8.14	3.78

The company is investment company. Investment in securities are considered part of "cash flow from operating activities". Returns on those securities are considered "cash flow from operating activities".

In terms of our report attached
 For N B S & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Devdas V. Bhat
 Partner
 Membership No : 48094

sd/-

Sabarinath G
 Whole Time Director & CFO
 DIN: 08479403

sd/-

Korodi Sanjay Prabhu
 Director
 DIN: 00023196

Date: 30th Day of May, 2022
 Place: Mumbai

sd/-

Charmi Kartik Gindra
 Company Secretary
 A46913

Avasara Finance Limited
 (Formally known as TRC Financial Services Limited)
 Statement of changes in equity for the year ended March 31, 2022
 (Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Statement of Changes in Equity

Particulars	Amount
Balance as at April 01, 2019	500.09
Issued during the year	-
Balance at March 31, 2020	500.09
Issued during the year	-
Balance at March 31, 2021	500.09

Other equity

Particulars	Statutory reserve	Retained earnings	Total
Balance as at March 31, 2019	32.90	(302.21)	(269.31)
Profit/(loss) for the year	-	26.62	26.62
Transfer to other statutory reserve	5.32	(5.32)	-
Balance as at March 31, 2020	38.22	(280.91)	(242.69)
Profit/(loss) for the year	-	(36.40)	(36.40)
Transfer to other statutory reserve	(7.28)	7.28	-
Other Comprehensive Income for the year	-	-	-
Balance as at March 31, 2021	30.94	(310.03)	(279.09)

In terms of our report attached
 For N B S & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

sd/-
 Devdas V. Bhat
 Partner
 Membership No : 48094

sd/-
 Sabarinath G
 Whole Time Director & CFO
 DIN: 08479403

sd/-
 Korodi Sanjay Prabhu
 Director
 DIN: 00023196

Date: 30th Day of May, 2022
 Place: Mumbai

sd/-
 Charmi Kartik Gindra
 Company Secretary
 A46913

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements

1 TRC Financial Services Ltd. (TRC) was originally incorporated as TRC Financial and Management Services Pvt. Ltd on May 24, 1994. The Company was converted into Public Limited Company during the year and accordingly its name was changed as TRC Financial and Management Services Limited. On 8th November 1994, the name of the Company was changed to TRC Financial Services Limited. The Company having registered office in Mumbai, India. The Company is predominantly an Investment Company.

2 **SIGNIFICANT ACCOUNTING POLICIES**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(I) **Basis of Accounting and Preparation of Financial Statements**

(i) **Compliance with Ind AS**

The financial statements ("financial statements") comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended, and other relevant provisions of the Act.

The Company follows the guidelines issued by the Reserve Bank of India (RBI) as applicable to a Non Banking Finance Company.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value

(I-A) **Current / Non-current classification of assets / liabilities**

The Company has classified all its assets / liabilities into current / noncurrent based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.

(II) **Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to insignificant risks of changes in value.

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn.

(III) **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

(IV) **Taxes on income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted and are applicable as at the end of the reporting period.

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(V) Revenue Recognition

The Company mainly derives income from consultancy services.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenue, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The method for recognizing revenues depends on the nature of the services rendered:

A. Fixed-price consultancy contracts

Revenue from fixed-price contracts, where the performance obligations are satisfied over time, are recognized ratably over the period since the Company has a stand ready obligation to provide service over the period of the contract.

B. Commission income:

The Company earns commission income as a percentage of loan sanctioned to the customers. The performance obligation is satisfied at the point in time when the customer derives benefit, hence the Company recognises commission income as revenue when the loan is sanctioned to the customer.

C. Interest income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

D. Dividend income:

Income from dividend is accounted as and when such dividend has been declared and the Company's right to receive payment is established.

(VI) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(VII) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

(VIII) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Subsequent measurement:

Financial assets at amortised cost-

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income ('FVTOCI') if these financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial Assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss ('FVTPL') unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Impairment- Financial assets

Expected Credit Loss (ECL) has been estimated on the loan commitments and investments measured at AC (Amortised Cost) & FVOCI (Fair Value through Other Comprehensive Income) portfolio of the Company. The portfolios have been divided into 3 stages based on the Staging rules defined subsequently. ECL has been separately estimated for each stage.

The loan portfolio of the Company consists of advances given to individuals and corporates. The tenure of the advance is 365 days or less. Staging rules set have been applied to the product categories to bucket them into either Stage 1, Stage 2 or Stage 3.

Stages	Days Past Due	ECL
Stage 1	Upto 30 Days	12- Month ECL
Stage 2	30- 90 Days	Lifetime ECL
Stage 3	90+ Days	Lifetime ECL

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)

Notes forming part of the financial statements

The primary risk components applied for estimation of ECL are Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). ECL is estimated as a multiple of PD, LGD and EAD for each of the product sub categories.

i. The PD provides an estimate of the likelihood that a borrower will be unable to meet his debt obligations. PD may be applied at a rating grade for corporate borrowers or for a pool of accounts showing similar behavioral and risk characteristics.

ii. The EAD is the total receivables that the Company is exposed to at the time of an account's default.

iii. LGD is usually shown as the percentage of EAD that the Company might lose in case the borrower defaults. It depends, among others, on the type and amount of collateral, collection mechanism existing in the Company and the expected proceeds from a work out (e.g. recovery from sale of collaterals/securities or otherwise) of the assets.

Definition of default

All accounts greater than 90 days past due are considered as default accounts.

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL. The Company's accounting policy is to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment including forward-looking information.

Write-off

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for financial assets measured at FVTOCI: no loss allowance is recognised in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve;
- for loan commitments as a provision.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets that are measured at amortised cost and FVTPL, the exchange difference are recognised in profit or loss.

Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

(IX) Impairment- Non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

(X) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

(XI) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors, has been identified as the chief operating decision maker ('CODM').

(XII) Critical judgments in applying the Company's accounting policies

The following are the critical judgments that the management have made in the process of applying the Company's accounting policies.

- Business model assessment: Classification and measurement of financial assets depends on the results of the Solely Payments of Principle and Interest (SPPI) and the business model test (please see financial assets sections of note 1). The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective.
- Significant increase of credit risk: Expected Credit Loss (ECL) are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.
- Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.
- Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Avasara Finance Limited
 (Formally known as TRC Financial Services Limited)
 Notes forming part of the financial statements
 (Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 3 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash in Hand	0.12	0.12
Balances with Banks		
(a) In Current Accounts	8.02	3.66
(b) In deposit accounts	-	-
Total	8.14	3.78

Note 4 - Trade receivables (Unsecured considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Other trade receivables	-	-
Total	-	-

The Company estimates the expected credit loss for trade receivables on a case to case basis.

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 5 - Loans

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised Cost	Others	Total	Amortised Cost	Others	Total
Loans						
Current						
Loans repayable on Demand						
i. Non performing assets	-	-	-	-	-	-
ii. Others	143.55	-	143.55	143.55	-	143.55
	143.55	-	143.55	143.55	-	143.55
Non-current						
Long term-loans and advances	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Total (Gross)	143.55	-	143.55	143.55	-	143.55
Less: Impairment loss allowance	(0.36)	-	(0.36)	(0.36)	-	(0.36)
Total (Net)	143.19	-	143.19	143.19	-	143.19
Secured by tangible assets	-	-	-	-	-	-
Unsecured	143.55	-	143.55	143.55	-	143.55
Total (Gross)	143.55	-	143.55	143.55	-	143.55
Less: Impairment loss allowance	(0.36)	-	(0.36)	(0.36)	-	(0.36)
Total (Net)	143.19	-	143.19	143.19	-	143.19
Advances in India						
Others	143.55	-	143.55	143.55	-	143.55
Total (Gross)	143.55	-	143.55	143.55	-	143.55
Less: Impairment loss allowance	(0.36)	-	(0.36)	(0.36)	-	(0.36)
Total (Net)	143.19	-	143.19	143.19	-	143.19

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 6 - Investments

Particulars	As at March 31, 2022					As at March 31, 2021				
	Amortised Cost	Fair Value			Total	Amortised Cost	Fair Value			Total
		FVTPL	Designated at FVTPL	Total			FVTPL	Designated at FVTPL	Total	
Non-current										
In Equity Instruments - Others										
Equity Share of Marksan Pharma Ltd	-	-	-	-	-	-	7.49	-	7.49	7.49
Unit of NIP ETF LIQUID BeES		-	-	-	-		-	-	-	-
	-	-	-	-	-	-	7.49	-	7.49	7.49
Total (Gross)	-	-	-	-	-	-	7.49	-	7.49	7.49
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	-	-	-	-	-	7.49	-	7.49	7.49
Less: Impairment loss allowance				-	-				-	-
Total (Net)	-	-	-	-	-	-	7.49	-	7.49	7.49

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 7A - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good -		
Current		
Interest accrued but not due on term deposit and loans given	20.84	3.61
Deposits	0.20	0.20
Other advances (receivable in cash or kind)	58.61	92.00
Total	79.65	95.81

Note 7B - Other non-financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good -		
Balance with government authorities	2.85	1.51
MAT credit entitlement	-	5.26
Advance income tax (net of provisions) see note (i) below	1.87	6.52
Total	4.72	13.29

Note (i)		
Advance income tax	1.87	11.87
Provision for tax	-	(5.35)
TOTAL	1.87	6.52

Note 7C - Property, plant and equipment

Particulars	Office Equipment	Total
Cost as at 1st April 2020	0.20	0.20
Additions	-	-
Disposals	-	-
Cost as at 31st March 2021	0.20	0.20
Additions	0.20	0.20
Disposals	-	-
Cost as at 31st March 2022 (A)	0.40	0.40
Accumulated depreciation as at 1st April 2020	0.04	0.04
Depreciation charged during the year	0.06	0.06
Disposals	-	-
Accumulated depreciation as at 31st March 2021	0.10	0.10
Depreciation charged during the year	0.08	0.08
Disposals	-	-
Accumulated depreciation as at 31st March 2022 (B)	0.18	0.18
Net Carrying Amount as at 31st March 2022 (A-B)	0.22	0.22
Net Carrying Amount as at 31st March 2021	0.10	0.10
Net Carrying Amount as at 1st April 2020	0.16	0.16

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 8 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Total outstanding dues of micro enterprises and small enterprises(refer note 18)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12.50	5.18
	12.50	5.18

Note 9 - Other Non Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non Financial Liabilities - current		
Other Current Liability	-	-
Duties and taxes payable	2.39	0.48
	2.39	0.48

Note 10 - Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 10 each	60,00,000	600.00	60,00,000	600.00
Preference Shares of Rs. 10 each	20,00,000	200.00	20,00,000	200.00
Total	80,00,000	800.00	80,00,000	800.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs 10 each fully paid	50,00,900	500.09	50,00,900	500.09
Total	50,00,900	500.09	50,00,900	500.09

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the Equity Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,00,900	500.09	50,00,900	500.09
Add : Shares issue	-	-	-	-
Shares outstanding at the end of the year	50,00,900	500.09	50,00,900	500.09

b) The Company has only one class of equity shares with voting rights (one vote per share). The distribution of dividend is in proportion to the number of equity shares held by the shareholders in the ensuing AGM. In the event of liquidation of the Company, the equity shareholder are entitled to receive only residual assets of the company.

c) Shares in the Company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jupiter Capital Private Limited	32,93,526	65.86%	32,93,526	65.86%

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 11 -Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory reserves This represents transfer of 20% of the profit after tax to the statutory reserve (rounded off upwards to the nearest lakh) in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.	30.94	38.22
Retained earnings/(deficit) Retained earnings/(deficit) comprise of the Company's current and prior years' undistributed earnings after taxes or accumulated losses and other items of other comprehensive income pertaining to re-measurement of net defined benefit liability/asset.	(310.03)	(280.91)
	(279.09)	(242.69)

Particulars	As at March 31, 2022	As at March 31, 2021
Others-Statutory Reserve		
Opening balance	38.22	32.90
Add: Transfer from retain earnings	(7.28)	5.32
Closing Balance	30.94	38.22
Retained earnings/(deficit)		
Opening balance	(280.91)	(302.21)
Add: Profit / (Loss) for the year	(36.40)	26.62
Less : Transfer to other statutory reserve	7.28	(5.32)
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-
Closing Balance	(310.03)	(280.91)

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Note 12 - Interest Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Loans and inter corporate deposits at amortised cost	17.23	14.45
Total	17.23	14.45

Note 13 - Net gain/(loss) on fair value changes/sale of investment

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A) Net Gain/(Loss) on financial instruments at fair value/sale through profit and loss account		
a) on trading portfolio		
- Investments	5.43	48.13
b) on financial instruments at fair value through profit and loss account	-	-
B) Others	-	-
Total net gain/(loss) on fair value changes	5.43	48.13
Fair value changes		
-Realised	4.75	42.72
-Unrealised	0.68	5.41
Total	5.43	48.13

Note 14 - Other Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on income tax refund	0.82	-
Total	0.82	-

Note 15 - Employee benefits

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	15.37	17.61
Total	15.37	17.61

Note 16 - Other Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	1.20	1.20
Listing Fees	3.12	3.27
Repairs and maintenance	1.12	-
Printing and stationery	0.07	-
Auditor's fees and expenses (Refer note i below)	0.60	0.60
Legal and Professional charges	24.28	9.70
Travelling and conveyance	1.38	-
Insurance Expenses	-	1.05
Provision for ECL	-	0.34
Business promotion exp	5.61	-
Other expenditure	5.97	1.60
Total	43.35	17.76

Note (i) Auditors' remuneration:

a) as auditor	0.50	0.50
b) for other certification services	0.10	0.10
SUB - TOTAL	0.60	0.60

Avasara Finance Limited
(Formally known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Additional information to the financial statements

17 Contingent liabilities and commitments (to the extent not provided for)

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Contingent liabilities: Claims against Company not acknowledged as debt	-	-

18 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

19 Segment information for the year ended March 31, 2021

The Company has identified a single reportable segment which is investment and relating consultancy services. The Company operates as single segment based on the nature of services, resource allocation, regulatory environment, customers and distribution methods, there are no additional disclosures to be provided in terms of Ind AS 108 on 'Operating Segments'.

20 Earnings per share:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit / (loss) after tax	(36.40)	26.62
The weighted average number of ordinary shares outstanding	50,00,900	50,00,900
Earnings Per Share (Rs.) – Basic and Diluted (Nominal value of Rs.10 per share)	(0.73)	0.53

21 Related parties

Related party and relationships

Name of the Related Parties	Relationship
Jupiter Capital Private Limited	Holding Company
Hindusthan Infrastructure Projects & Engineering Private Limited	Fellow Subsidiary
Giddaiah Koteswar	KMP - Whole-time Director
Sabrinath G.	KMP - Whole-time Director
Charmi Gindra	KMP - Company Secretary

Transactions with related parties and outstanding balances

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Transactions		
Expenses :		
Salary Paid - Giddaiah Koteswar - KMP	-	6.81
Salary Paid - Charmi Gindra - KMP	1.77	1.77
Outstanding balance	As at March 31, 2022	As at March 31, 2021
Assets :		
Other Advances - Holding Company	53.53	-
Liabilities:		
Salary Payable - KMP	0.43	0.14

1 Financial risk management

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, equity price risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

2 Credit risk

Credit risk in the Company is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the business function and approvers in the credit risk function. Board approved credit policies and procedures mitigate the Company's prime risk-default risk. There is a Credit Risk Management Committee in the Company for the review of the policies, process and products on an ongoing basis, with approval secured from the Board as and when required.

Significant increase in credit risk

The Company monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company measures the loss allowance based on lifetime rather than Stage 1 (12-month) Expected Credit Loss (ECL). Pending the adoption of scoring models to assess the change in credit status at an account level and at portfolio level, the Company has adopted SICR (Significant Increase in Credit risk) criteria based on Days Past Due (DPD). The following table lists the staging criteria used in the Company: Staging Criterion

Stage-1 : 0 – 30 days past due

Stage-2 : 31 – 89 days past due

Stage-3 : 90+ days past due

Stage 2 follows the rebuttable presumption of Ind AS 109, that credit risk has increased significantly since initial recognition no later than when contractual payments are more than 30 days past due.

Measurement of ECL

The key inputs used for measuring ECL are:

Probability of default (PD):

The PD is an estimate of the likelihood of default over a given time horizon (12 Month). It is estimated as at a point in time. To compute Expected Credit Loss (ECL) the portfolio is segregated into 3 stages viz. Stage 1, Stage 2 and Stage 3 on the basis of Days Past Dues. The Company uses 12 month PD for the stage 1 borrowers and lifetime PD for stage 2 and 3 to compute the ECL. The Company has used 0.03% PD for unsecured corporate loans

Loss given default (LGD):

LGD is an estimation of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from eligible collateral. The Company has computed LGD for Microfinance loans using empirical data and for other portfolios it used FIRB (Foundation Internal Rating Based) guidelines and Loan Loss Provisioning paper as given by Reserve Company of India. LGD for unsecured corporate loans is considered as 65%

Exposure at default (EAD):

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

EAD is the total outstanding balance at the reporting date including principal and accrued interests at the reporting date

The Company measures ECL as the product of PD , LGD and EAD estimates for its Ind AS 109 specified financial obligations

Avasara Finance Limited
(Formerly known as TRC Financial Services Limited)
Notes forming part of the financial statements
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

3 Equity price risk

The Company has investments in listed securities and mutual funds and thereby exposed to equity price risk.

The Company limits its risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, Companying facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	8.14	3.78
Total	8.14	3.78

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021, March 31, 2020

Particulars	As at	Less than 1 year	1-2 years	2 years and above
Trade payables and other				
financial liabilities	As at March 31, 2022	14.89		
	As at March 31, 2021	5.66		

5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any interest rate fluctuation since it does not have any borrowings

6 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	221.00	257.40
As percentage of total capital	100%	100%
Current borrowings	-	-
Non-current borrowings	-	-
Total borrowings	-	-
As a percentage of total capital	0%	0%
Total capital (borrowings and	221.00	257.40

The Company is predominantly equity financed which is evident from the capital structure table.

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23 As on 31st March, 2022, the company has accumulated losses of Rs.279.09 which has resulted in significant erosion of net worth of the Company. The management is hopeful of improving the performance of the Company by exploring various avenues of enhancing revenue. The said measures are expected to improve the performance of the Company and accordingly the financial statements continue to be prepared on a Going Concern Basis.

In terms of our report attached
For N B S & Co.
Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Devdas V. Bhat
Partner
Membership No : 48094

sd/-

Sabarinath G
Whole Time Director & CFO
DIN: 08479403

sd/-

Korodi Sanjay Prabhu
Director
DIN: 00023196

Date: 30th Day of May, 2022
Place: Mumbai

sd/-

Charmi Kartik Gindra
Company Secretary
A46913