

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

30th ANNUAL REPORT

2023-24

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CORPORATE INFORMATION:

Board of Directors

Mr. Sabarinath Gopala Krishnan
Whole-time Director

Mr. Korodi Sanjay Prabhu
Non-Executive Director

Mr. Valmeekanathan Subramanian
Non-Executive Director

Mr. Naresh Gandhi
Independent Director

Mrs. Uma Prasad Bontha
Independent Director
(upto 09th September, 2024)

**Company Secretary &
Compliance Officer**
Charmi Kartik Gindra

Chief Financial Officer

Mr. Sabarinath Gopala Krishnan

Registered Office

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

Website: www.trcf.in

Email: cs@trcf.in

Telephone: 022-26414725.

Registrar & Share Transfer Agent

Purva Shareregistry(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

Statutory Auditors

**P B Shetty & Co Chartered
Accountants**
106, Vidya Chambers
305 Tardeo Road
Nana Chowk
Mumbai 400 007

Internal Auditors

M/s. VMRS & Co.

Chartered Accountants

Secretarial

M/s. Priti J. Sheth & Associates
Company Secretaries
Office no 804, 8th floor, G Square,
Jawahar Road, Opp Ghatkopar
Station Ghatkopar (East), Mumbai-
400077

Auditors

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

Thereafter, on 12th January, 2022 the name of the Company was changed to Avasara Finance 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 are 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: trcfsLtd@gmail.com, Web: www.trcfin.in
(CIN- L74899MH1994PLC216417)

Notice of 30th Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting ("AGM") of the members of **AVASARA FINANCE LIMITED** (formerly known as TRC FINANCIAL SERVICES LIMITED) will be held on Friday, September 27, 2024, 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, 2024, and the reports of the Board of Directors and Auditors thereon.**
- II. To appoint a Director in place of Mr. Korodi Sanjay Prabhu (DIN: 00023196), who retires by rotation and being eligible has offered himself for re-appointment.**

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

Sd/-

Sabarinath Gopala Krishnan
Whole-Time Director & CFO
DIN: 08479403

Place: Bangalore
Date: 12th August, 2024

Notes:

- a) The Explanatory Statement pursuant to Section 102 of the Act relating to Items no. II of the Notice of the Thirtieth AGM, also contains the relevant details of the Director as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard - 2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as Annexure 1 to this Notice.
- b) 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, circular no.20/2020 dated May 5, 2020; Circular no. 02/2021 dated January 13, 2021; General Circular no. 21/2021 dated December 14, 2021; General Circular no. 2/2022 dated May 05, 2022; General Circular no. 10/2022 dated December 28, 2022 and General Circular no. 09/2023 dated 25th September, 2023 has allowed conducting of Annual General Meeting ("AGM") by Companies through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility up to September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020 (collectively referred to as "MCA Circulars").

Further, The 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; SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 5, 2023 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.

- c) 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.
- d) 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, May 05, 2020 and 28th December, 2022 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.

- e) 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.
- f) 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.
- g) 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.
- h) 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.trcf.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.
- i) 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.
- 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. 20th September, 2024 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 23rd September, 2024 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 2023- 24 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 Tuesday, September 24, 2024 at 09:00 a.m. and ends on Thursday, September 26, 2024 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 20th September, 2024 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	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

<p>securities in Demat mode with CDSL</p>	<p>www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <ol style="list-style-type: none"> 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The 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>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 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 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. 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 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 	

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 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
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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 atleast 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 to 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.

Details of the Directors seeking appointment/Reappointment at the 30th Annual General Meeting as per Companies Act, 2013 and pursuant to 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 mentioned under Item No. II

Annexure 1

Item II:

Name of Director	Mr. Korodi Sanjay Prabhu
Date of Birth	12/11/1962
Age	61 years
Date of Appointment (Original)	22/05/2018
Brief Resume and Experience	Mr. Korodi Sanjay Prabhu has over a period of 27 years of experience in marketing, branding etc.
Expertise in specific functional areas	Marketing and Branding
Qualification	Diploma in Printing Technology (Lithography)
Terms and condition of appointment/re-appointment	Non-Executive Director liable to retire by rotation
Remuneration to be paid	As approved by the Board and Nomination and Remuneration Committee
Remuneration last drawn	Nil
Directorships held in other companies (excluding section 8 and foreign companies)	1. Asianxt Technologies Private Limited 2. India Radio Ventures Private Limited 3. Strategic News International Agency Private Limited 4. Indigo music 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 and Key Managerial Personnel	-
Number of Board Meetings attended during the Financial Year 2023-24	2

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

Sd/-

**Sabarinath Gopala Krishnan
Whole-Time Director & CFO
DIN: 08479403
Place: Bangalore
Date: 12th August, 2024**

DIRECTORS' REPORT

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

Your Directors' have pleasure to present the Thirtieth Annual Report of your Company, TRC Financial Services Limited for the financial year ended March 31, 2024. 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 1st April 2023 to 31st March 2024.

1. SUMMARY OF OPERATIONS/RESULTS

The financial results of the Company for the year ended March 31, 2024 compared to the previous year are summarized below:

Particulars	(Rupees in Lacs)	
	March 31, 2024	March 31, 2023
Revenue from Operations	133.00	32.23
Other Income /Loss	-	-
Total Expenditure	111.32	29.38
Net Profit/(Loss) before tax	21.68	2.85
Current Tax	0	0
Tax Expense for earlier years	0	0
Net Profit/(loss) after Tax	21.68	2.85

2. COMPANY'S AFFAIRS

Your Company has earned total business revenue of Rs. 133 lacs and the net profit before tax of Rs. 21.68 lacs for the financial year 2023-24 as against the revenue of Rs. 32.23 lacs and net profit after tax of Rs. 2.85 lacs in the previous financial year 2022-2023.

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 2023-24 the company had revenue of Rs. 130 lacs from consulting services as compared to Rs. 15 Lacs in the previous financial year. Employee benefit cost during the year was 17.63 lacs as compared to 15.14 lacs in the previous financial year. Profit before tax for the financial year was at Rs. 21.68 lacs as against a Profit before tax of Rs. 2.85 lacs for the financial year 2022-23.

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. DIVIDEND & TRANSFERS TO IEPF

Your Board does not recommend any dividend for the financial year ended March 31, 2024. The Company was not required to transfer the amount of any unclaimed/unpaid dividend to Investor Education Protection Fund.

5. TRANSFER TO RESERVE

The Board of Directors of your Company has transferred Rs. 4.34 lacs from Retained earnings to the statutory reserve as directed by RBI for the year 2023-24.

6. 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.

7. CHANGE IN THE NATURE OF BUSINESS

No changes occurred in the nature of business during the financial year ended March 31, 2024, and till the date of issue of this report.

8. MATERIAL CHANGES AND COMMITMENTS

No material changes/ commitments occurred between the end of the financial year to which financial statements relate and the date of this report.

9. 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.

10. 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.

11. SHARE CAPITAL

During the F.Y. 2023-2024, there was no change in the Share Capital of the Company.

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

12.1 Board of Directors and Key Managerial Personnel

The Composition of Board of Directors and Key Managerial Personnel of the Company as on 31st March 2024 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	Whole Time Director & Chief Financial Officer
5	Mr. Valmeekanathan Subramanian	05297798	Non- Executive, Non-Independent Director
6	Ms. Charmi Kartik Gindra	AQAPC3360K	Company Secretary and Compliance Officer

12.2 Board of Directors

• Details of Board Meetings/Committee Meetings

The Board of Directors met four 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 2023-24 are furnished below:

Board Meeting Dates	29.05.2023, 14.08.2023, 08.11.2023 and 09.02.2024
Audit Committee Meeting Dates	29.05.2023, 14.08.2023, 08.11.2023 and 09.02.2024
NRC Committee Meeting Dates	14.08.2023
Stakeholders Relationship Committee Meeting Date	14.08.2023

• 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	4	4	1	1
2	Mr. Sanjay Prabhu	2	2	1	-
3	Mrs. Uma Prasad	4	4	1	1
4	Mr. Sabarinath Gopalakrishnan	4	-	-	1
5	Mr. Valmeekanathan Subramaniam	4	-	-	-

• Changes in Directors/ Key Managerial Personnel

There is following change in Directors during the year of review FY 2023-24

- 1) Mr. Valmeekanathan Subramaniam (DIN: 05297798), Non-Executive and Non-Independent

Director retired by rotation and was re-appointment at the 29th Annual General Meeting held on Wednesday, September 27, 2023.

- 2) Mr. Naresh Gandhi (DIN: 08130774), was re-appointed as an Independent Director of the Company for a second term of 5 consecutive years pursuant to the provision of Section 149, 152 read with Schedule IV of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (b) Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 at the 29th Annual General Meeting held on Wednesday, September 27, 2023.

- **Changes in composition between the end of the financial year and the date of this report**

Mrs. Uma Prasad Bontha has resigned from the post of Non-Executive, Independent Director w.e.f 09th August, 2024 due to pre-occupation, accordingly, she also ceased to be a Member of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Investment Committee of the Company.

- **Retirement by Rotation**

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Company's Articles of Association, Mr. Korodi Sanjay Prabhu (DIN: 00023196) retires by rotation at 30th 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 30th Annual General Meeting.

- **Committee Meeting Independent Directors**

During the year under review, the meeting of Independent Directors was held on 09th February 2024 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.

12.3 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	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

- 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	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

- 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 Director	DIN	Category
1.	Mr. Naresh Gandhi - Chairman	08479403	Whole-time Director
2.	Mr. Sabarinath Gopalakrishnan	08130774	Non - Executive, Independent Director
3.	Mrs. Uma Prasad Bontha*	08406107	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. Naresh Gandhi - Chairman	08479403	Whole-time Director
2.	Mr. Sabarinath Gopalakrishnan	08130774	Non - Executive, Independent Director
3.	Mrs. Uma Prasad Bontha*	08406107	Non - Executive, Independent Director

* Mrs. Uma Prasad Bontha, ceased to be the Member w.e.f 09th August, 2024.

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.trcfin.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. P.B. Shetty & Co., Chartered Accountants (FRN No. 110102W) were appointed as the Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 for a period of three consecutive years i.e. to hold the office till the conclusion of the 32nd Annual General Meeting to be held in the financial year 2026. The statutory auditors continue with their appointment.

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 2024, 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.

22. WEBLINK OF ANNUAL RETURN

As required under Section 134(3)(a) of the Act, the Annual Return for the financial year 2023-24 will be uploaded on the Company's website once filed with Registrar of Companies and can be accessed at [http:// www.trcf.in](http://www.trcf.in).

23. 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 2023-24.

24. SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the financial year 2023-24 forms part of Annual Report as "Annexure B" to the Boards Report.

25. 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 generally complied with the NBFC norms issued by Reserve Bank of India except for filings with RBI. - *Due to change in email id's and login issues in the new portal i.e. CIMS introduced by RBI.*
- 2) The Company has not maintained the Structured Digital Database (SDD) as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 nor has submitted the Compliance Certificate with respect to the same. - *The company is in the process of setting the same.*
- 3) Delayed BSE submission of Shareholding Patterns in few instances - *As there was paucity of funds, benpos was blocked due to non-payment of annual fees to CDSL.*
- 4) Delay in payment of Annual Listing fees. - *Due to paucity of funds*
- 5) Website is not updated as required under Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. - *The Company is in the process of updating the website*

26. 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**

(C) 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, 2024	As at March 31, 2023
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

27. 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.

28. RELATED PARTY TRANSACTIONS

Details of Related Party Transactions entered in to by the Company covered under the Provisions of Section 188 of the Companies Act 2013 are annexed to this report as "*Annexure C*"

29. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), is presented in a separate section forming part of this Annual Report.

30. 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.

31. 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.

32. 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 D*" to the Board's Report.

33. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

The Company has not entered in any of the agreements that it impacts management and control of the listed entity which are binding and not in normal course of business. Any other parties where listed entity is not a party has not been entered pursuant to Schedule V of SEBI (LODR), 2015

34. DISCLOSURE OF WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The Company shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable pursuant to Schedule V of SEBI (LODR), 2015:

- a. aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - **NIL**;
- b. number of shareholders who approached listed entity for transfer of shares from suspense account during the year- **NIL**;
- c. number of shareholders to whom shares were transferred from suspense account during the year- **NIL**;
- d. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- **NIL**;
- e. that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- **NIL**.

35. DISCLOSURE OF ACCOUNTING TREATMENT

The company is required to make disclosures pursuant to Schedule V of SEBI (LODR), 2015 but there was no instance during preparation of financial statement which is different from that

prescribed in an Accounting Standard and all the treatment gives true and fair view.

36. INSOLVENCY AND BANKRUPTCY CODE

No application has been made under the Insolvency and Bankruptcy Code.

The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable.

37. DETAILS OF VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

38. 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)

Sd/-

Sd/-

Sabarinath Gopalakrishnan
Wholetime Director
DIN: 08479403

Valmeekanathan S
Director
DIN: 05297798

Place: Bangalore

Date: 12th August, 2024

Annexures:

Annexure A : Certificate from Company Secretary in practice

Annexure B : Secretarial Audit Report

Annexure C : Disclosures of Related Party Transaction in Form AOC 2

Annexure D : Information as per Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

"Annexure A"

**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 (Formerly known as TRC Financial Services 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, 2024 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**

Sd/-

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

**Date: 02nd September, 2024
Place: Keil
UDIN: F006833F001102565**

"Annexure B"

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended 31st March, 2024
[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, 2024, 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, 2024 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) *The Company has generally complied with the NBFC norms issued by Reserve Bank of India except for filings with RBI.*
- 2) *The Company has not maintained the Structured Digital Database (SDD) as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 nor has submitted the Compliance Certificate with respect to the same.*
- 3) *Delayed submission of Shareholding Patterns to BSE in few instances.*
- 4) *Delay in payment of Annual Listing fees.*
- 5) *Website is not updated as required under Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.*

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**

Sd/-

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

**Date: 31st August, 2024
Place: Keil
UDIN: F006833F001090707**

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.

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

Sd/-

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

Date: 31st August, 2024
Place: Keil

"Annexure C"

Form No. AOC-2

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

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

I. Details of contracts or arrangements or transactions not at arm's length basis: NIL

The Company has not entered into any contract/transaction with related parties, which are not at arm's length basis. NIL

II. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	Hindusthan Infrastructure Projects & Engineering Private Limited Fellow Subsidiary
b)	Nature of contracts/ arrangements/ transactions	Consultancy Fees received
c)	Duration of the contracts / arrangements/ transactions	2023-24
d)	Salient terms of the contracts or arrangements or transactions	NA
e)	Amount of Contract or Arrangement	5,00,000/-
f)	Date(s) of approval by the Board*, if any	08/11/2023
g)	Amount paid as advances, if any	Nil

AVASARA FINANCE LIMITED
(FORMERLY KNOWN AS TRC FINANCIAL SERVICES LIMITED)

Sd/-
Sabarinath Goplalakrishnan
Whole-time Director
DIN: 08479403

Sd/-
Valmeekanathan S
Director
DIN: 05297798

Place: Bangalore
Date: 12th August, 2024

"Annexure D"

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

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. 2023-24	Ratio to Median remuneration	% Increase in remuneration in the financial year
Whole time Director			
Mr. Sabarinath Gopalakrishnan	-	-	-
Company Secretary			
Ms. Charmi Gindra	1.77	-	-

The percentage increase in the median remuneration of employees in the financial year: N.A.

The number of permanent employees on the rolls of Company: 6 (including Director and Company Secretary)

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.

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)**

Sd/-
Sabarinath Gopalakrishnan
Whole-time Director
DIN: 08479403

Sd/-
Valmeekanathan S
Director
DIN: 05297798

Place: Bangalore
Date: 12th August, 2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Macroeconomic Overview

Despite facing several global challenges, including a pandemic, supply chain disruptions, geopolitical conflicts, and high inflation, India has emerged as the world's fastest-growing major economy. Despite ongoing conflicts in Europe, Gaza, and West Asia, a widely predicted global recession has not materialized. Economic indicators have improved, with inflation declining across major countries, unemployment remaining stable, and central banks pausing their interest rate hikes.

According to the IMF's World Economic Outlook (April 2024), global inflation is decreasing more rapidly than anticipated in most regions. The IMF forecasts global headline inflation to drop to 5.9% in 2024 and further to 4.5% in 2025, with potential for further downward revisions.

In a global economic context where the IMF projects real GDP growth at 3.2% in 2024 and 2025, India's growth forecasts are exceptionally strong. The IMF predicts India's GDP to grow by 6.8% in 2024 and 6.5% in 2025, solidifying its position as the world's fastest-growing major economy.

With a fair degree of control over retail inflation despite high and growing domestic demand and significant government-led capital expenditure, India has recorded robust growth in FY2024. The second advance estimate of national income released by the national statistics office (NSO) on 29 February 2024 has pegged real GDP growth in FY2024 to be 7.6% versus 7% (first revised estimate) in FY2023.

India's economy has demonstrated impressive growth in the first three quarters of FY2024, with real GDP expanding by 8.2% in Q1, 8.1% in Q2, and 8.4% in Q3. If this trend continues, India's actual GDP growth for FY2024 is likely to surpass the second advanced estimate of 7.6%.

A key driver of this growth has been government-led capital expenditure, which has been significantly increased to stimulate demand and counteract the economic impact of the pandemic. This expenditure is expected to contribute over 34% of GDP in FY2024, a substantial ratio.

India's current account deficit (CAD) has narrowed in FY2024, primarily due to a decline in merchandise trade deficits, robust growth in service exports, and strong remittances. India remains the world's largest recipient of remittances.

Consumer price inflation (CPI) has moderated in the first three quarters of FY2024, with average retail inflation easing to 5.5%. This decline is primarily attributed to a decrease in core (non-food, non-fuel) inflation, which reached a four-year low of 3.8% in December 2023. While adverse weather conditions and geopolitical tensions pose risks, CPI is expected to further reduce to around 4.5% in FY2025.

NBFCs: An Industry Overview

NBFCs remain an important constituent of India's financial sector, and continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have differentiated NBFCs from banks.

Considering the reach and expanse of NBFCs, these entities 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 sector has undergone remarkable growth and has established itself as a significant player in the country's financial landscape. As of FY2023, the NBFC sector reached an impressive size of US\$ 326 billion, underscoring its influence in the financial domain. Growth in the business of NBFCs is primarily attributed to a substantial increase in the demand for specialised financial services, particularly from Micro, Small, and Medium Enterprises (MSMEs), which typically face challenges in obtaining loans from traditional banks. Moreover, the rise of digitisation has been a driving force behind the NBFC sector's growth. Adoption of digital platforms has enabled NBFCs to broaden their customer base, streamline operations, reduce costs and enhance overall customer experience. This transformation is further accentuated by the role of emerging technologies like artificial intelligence, machine learning, robotic process automation and big data.

The latest edition of the RBI's Financial Stability Report notes that aggregate lending by NBFCs rose by 20.8% (y-o-y) in September 2023 from 10.8% a year ago, primarily led by personal loans and loans to industry. The gross nonperforming assets (GNPA) and net non-performing assets (NNPA) ratios of NBFCs continued on their downward trajectory. The overall GNPA ratio in September 2023 was 4.6% versus 5.9% in September 2022; and NNPA ratio was 1.5% compared to 3.2% across the same period. Capital adequacy has also improved to 27.6% from 27.4% during this period. So too has the profitability-as evident from increase in the return on assets (RoA) to 2.9% from 2.5%.

Over the past two years, banks and NBFCs have seen rapid and persistent growth in retail loans, especially unsecured lending. Between September 2021 to September 2023, banks' retail loans grew at a compound annual growth rate (CAGR) of 25.5%, which exceeded the headline credit growth of 18.6%. Consequently, the share of retail lending in gross advances increased from 37.7% in September 2021 to 42.2% in September 2023. Alongside, unsecured retail lending grew by 27% during the same period, taking its share in total retail lending to 23.3% (or 9.8% of total gross advances of the banks).

Despite the sharp growth in retail lending, underlying asset quality has improved. The GNPA ratio of total retail advances improved to 1.6% in September 2023 from 2% in September 2022; and that of unsecured retail advances improved to 2% in September 2023 from 2.5% a year earlier.

A related development which has facilitated rapid growth in retail loans is bank lending to NBFCs, which constituted 9.9% of total bank credit at the end of June 2023. Bank lending to NBFCs increased at a CAGR of 26.3% during the past two years (i.e., from June 2021 to June 2023), which has been well above the growth of 14.8% in overall bank credit. However, such lending is mostly limited to top-rated NBFCs with close to 80% of credit given to those with AA-rating and above. Although there are no imminent signs of stress in the retail credit segment, its rapid growth amidst the disinflationary monetary policy stance raises concerns in terms of procyclicality of lending and higher debt servicing costs.

Recognising the importance of NBFCs, a series of measures have been implemented which have played an important role in strengthening the NBFCs. For instance, considering the growing size, complexity and interconnectedness of NBFCs, a revised scale-based regulatory framework has been implemented to harmonise the regulations of NBFCs with those of banks, wherever appropriate. In addition, the formal Prompt Corrective Action (PCA) framework was extended to NBFCs which enables supervisory intervention at appropriate times and requires the supervised entity to initiate and implement remedial measures in a timely manner.

As banks and NBFCs have entered into various co-lending models with divergent underwriting practices and banks have been the major lender to NBFCs, this rising interconnectedness raises risks emanating from cross sectional dimensions. Thus, on 16 November 2023, the RBI increased risk weight

on unsecured retail loans from 100% to 125% and also increased risk weight on bank exposures to NBFCs by 25% subject to a cap of 100%.

The RBI's Financial Stability Report states that "the Reserve Bank took proactive regulatory measures, such as increase in risk weights on certain segments of consumer credit by banks and NBFCs as well as bank credit to NBFCs, along with a strengthening of credit standards in respect of various sub-segments under consumer credit, to prevent build-up of risks and spill-over to the wider financial system."

This decision to increase risk weights is both stability enhancing and credit positive. First, banks and NBFCs will be required to allocate higher capital for unsecured retail loans, which will improve their loss-absorbing buffers; and second, it will dampen growth exuberance among lenders and improve credit quality

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 133 lacs as compared to Rs 32.23 lacs in previous years. The Company had a Net Profit after Tax of Rs 21.68 Lacs as compared to profit of Rs 2.85 Lacs in the previous year.

In FY 2023-24 Trade receivables are 147.50 lacs and 17.7 lacs in previous years, Loans of Rs 107.62 lacs and Rs. 143.19 lacs in previous years. The Company did not make any investments in current year and previous year and Cash and cash equivalent of Rs 1.92 lacs as compared to Rs 0.14 lacs in previous year.

In FY 2023-24 other non-financial liabilities are Rs 25.55 lacs as compared to Rs. 0.85 lacs in previous year.

Human Resources / Industrial Relations

Currently the Company has Six 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)

	2023-24	2022-23
Debtors Turnover	0.90	1.82
Current Ratio	3.29	4.97
Net Profit Margin (%)	16.30	8.85

Changes in Return on Net Worth

	2023-24	2022-23
Return on Net worth	8.83	1.27 %

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

Sd/-

**Sabarinath Goplalakrishnan
Whole-time Director
DIN:08479403**

**Place: Bangalore
Date: 12th August, 2024**

INDEPENDENT AUDITOR'S REPORT

To
The Members of Avasara Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Avasara Finance Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and Statement of Changes in equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit/loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 audit opinion.

Emphasis of Matter

As mentioned in Note 24 of the Ind AS financials statements, the Company has accumulated losses of Rs.254.55 lakhs resulting in significant erosion of the net worth of the Company. The financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note 24 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.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2023 included in these Ind AS financial statements, are based on previously issued statutory financial statements prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") audited by the predecessor auditor whose report for the year ended 31st March, 2023 dated 29-05-2023

expressed an unmodified opinion on those Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- i. Identify and assess the risks of material misstatement of the financial statements, 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.
- ii. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's 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 financial statements 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.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the afore said financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, during the year the Company has not paid any remuneration to its directors.
 - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No.26)

- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2024 for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
- iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in note 25 of the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 25 of the financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- d. No dividend has been declared or paid during the financial year.
- i) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

For P. B. Shetty & Co.
Chartered Accountants
Firm registration number - 110102W

Sd/-

Brijesh Shetty
Partner

Membership No. 131490

UDIN: 24131490BKBPDZ7950

Place: Mumbai

Date: May 30, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

As referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2024.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including the quantitative details and situation of the Property Plant and Equipment.
 - (B) According to the information and explanation given to us, there are no intangible assets in the name of the company.
 - (b) According to the information and explanation given to us and on the basis of our examination of the records of the company the Property, plant and equipment have been physically verified by the management at reasonable intervals during the year. No material discrepancies were found on such verification.
 - (c) According to the information and explanations given to us and on the basis of examination of the records of the company, the Company does not have any immovable property in its name and therefore the said clause is not applicable.
 - (d) During the year ended March 31, 2024, the company has not revalued its Property, Plant and Equipment.
 - (e) According to the information and explanations given to us by the Management of the company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- i. (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) is not applicable
- (b) According to the information and explanations given to us, the company has not been sanctioned any working capital at any point in time during the year ended 31st March, 2024, from banks or financial institutions on the basis of security of current assets and hence reporting under this clause is not applicable.
- ii. According to the information and explanations given to us, during the year Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the

nature of loans, secured or unsecured, to companies, firms, Limited Liability partnerships or any other parties. Accordingly, clause 3(iii)(a) to (f) are not applicable.

- iii. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not applicable.
- v. The maintenance of cost records has not been specified by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause (vi) of the order is not applicable to the Company.
- vi. According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.
 - (a) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Goods and Service Tax, Value Added Tax and Cess outstanding on account of any disputes as on March 31, 2024.
- vii. According to information and explanation given to us and based on examination of the records, there has been no such transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- viii. (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause (ix)(a) of the Order is not applicable.
 - (b) According to the information and explanation given to us, the company has not taken any loan or borrowings from any bank of financial institution and hence this clause is not applicable to the company.
 - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) According to the information and explanation given to us, the company has not raised any short-term loan.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - (f) According to the information and explanation given to us, during the year the company has not raised any loans hence reporting on clause 3(ix)(f) of the Order is not applicable.

ix. a. The Company has not raised money through initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.

b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

x. a. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

b. During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management no whistle-blower complaints has been received by the company.

xi. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3 (xii)(a), (b) and (c) of the Order are not applicable.

xii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiii. a. In our opinion and based on our examination, the company has an internal audit system which is commensurate with the size and nature of its business.

b. We have considered the internal audit reports of the company issued till date, for the period under audit.

xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.

xv. a. The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, ('RBI Act') and it has obtained the registration.

b. The Company has conducted the non-banking financial activities with a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

c. The Company is not Core Investment Company ('CIC') and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

d. The Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking

Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) does not have any CIC as part of the group.

xvi. The Company has not incurred any cash losses during the current financial year covered by our audit and during the immediately preceding financial year.

xvii. During the year, there have been no resignation by the Statutory Auditor of the company and accordingly this clause is not applicable.

xviii. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

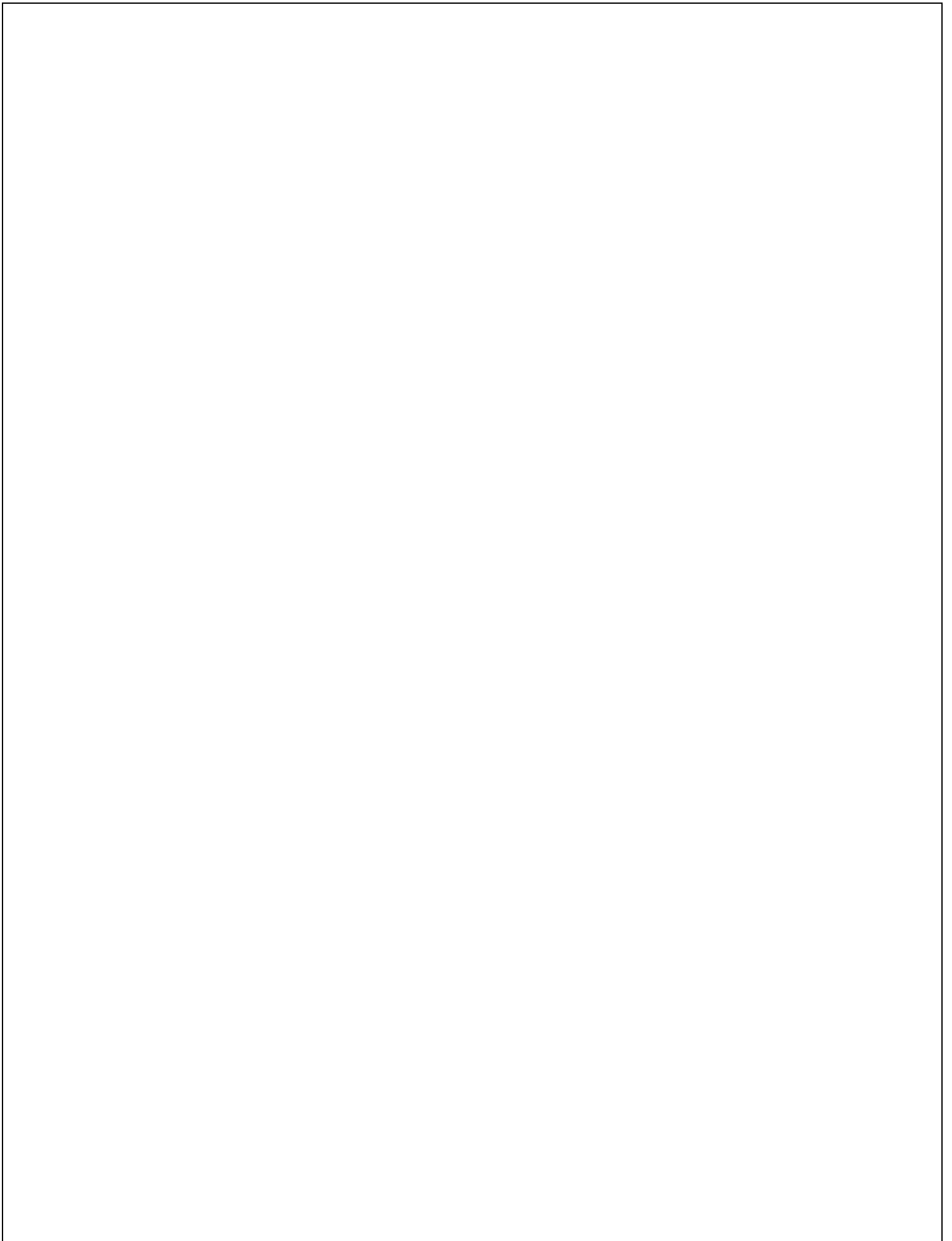
xix. The provision of Corporate Social Responsibility is not applicable as the company's net worth was not more than 500 crores nor the turnover of the company was more than 1000 crores nor the net profit was more than 5 crores. Accordingly, the provisions of paragraph 3 (xx) (a) and (b) of the Order are not applicable.

For P. B. Shetty & Co.
Chartered Accountants
Firm registration number - 110102W

Sd/-

Brijesh Shetty
Partner
Membership No.131490
UDIN: 24131490BKBPZ7950

Place: Mumbai
Date: May 30, 2024



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of Avasara Finance Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For P. B. Shetty & Co.
Chartered Accountants
Firm registration number - 110102W

Sd/-

Brijesh Shetty
Partner
Membership No.131490
UDIN: 24131490BKBPDZ7950

Place: Mumbai

Date: May 30, 2024

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

Balance sheet as at March 31, 2024

(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and cash equivalents	3	1.92	0.14
Receivables			
Trade receivables	4	147.50	17.70
Other receivables		-	-
Loans	5	107.62	143.19
Other Financial Assets - current	6	44.84	79.62
Non Financial Assets			
Property, Plant and Equipment	7A	0.07	0.13
Other Non Financial Assets	7B	3.93	3.36
Total Assets		305.88	244.14
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
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)	34.77	19.42
Other payables		-	-
Non Financial Liabilities			
Deferred Tax Liability (Net)		0.02	0.02
Other Non Financial Liabilities	9	25.55	0.85
Total Liabilities		60.34	20.29
EQUITY			
Equity share capital	10	500.09	500.09
Other Equity	11	(254.55)	(276.24)
Total Equity		245.54	223.85
Total Liabilities and Equity		305.88	244.14

The accompanying notes form an integral part to financial statements

In terms of our report attached

For P. B. Shetty & Co.

Chartered Accountants

Firm registration number - 110102W

For and on behalf of the Board of Directors

Brijesh Shetty

Partner

Membership No : 131490

Date: 30th Day of May, 2024

Place: Mumbai

Sabarinath G

Whole Time Director & CFO

DIN: 08479403

Valmeekanathan S

Director

DIN: 05297798

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, 2024
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations			
Consultancy services		130.00	15.00
Interest Income	12	3.00	17.23
Net gain/(loss) on fair value changes/sale of investment	13	-	-
Total Revenue from Operations (I)		133.00	32.23
Other Income (II)	14	-	-
Total Income (I+II)		133.00	32.23
Expenses			
Employee benefits expenses	15	17.63	15.14
Depreciation and amortisation expenses	7C	0.06	0.09
Other Expenses	16	93.63	14.15
Total Expenses		111.32	29.38
Profit/(loss) before tax		21.68	2.85
Taxes Expense:			
Less : Current Tax		-	-
Add : MAT Credit		-	-
Less : Deferred Tax		-	-
Profit/(Loss) for the Period		21.68	2.85
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		21.68	2.85
Earnings Per Equity Share			
Basic and diluted (₹)		0.43	0.06

The accompanying notes form an integral part to financial statements

In terms of our report attached

For P. B. Shetty & Co.

Chartered Accountants

Firm registration number - 110102W

For and on behalf of the Board of Directors

Brijesh Shetty

Partner

Membership No : 131490

Date: 30th Day of May, 2024

Place: Mumbai

Sabarinath G

Whole Time Director & CFO

DIN: 08479403

Valmeekanathan S

Director

DIN: 05297798

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, 2024
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash Flow from Operating Activities		
Profit/(loss) before tax	21.68	2.85
Adjustments for :		
Depreciation and amortisation expenses	0.06	0.09
Operating Profit/(Loss) before Working Capital changes	21.74	2.94
Adjustments for :		
Financial		
(Increase)/Decrease in trade receivables	(129.80)	(17.70)
(Increase)/Decrease in Loans	35.57	-
(Increase)/Decrease in Other Financial Assets - current	34.78	0.03
(Increase) /Decrease in non-current investments	-	-
(Increase)/Decrease in other non-financial Assets	1.43	1.36
Increase/Decrease in trade payables	15.36	6.92
Increase/Decrease in other financial liabilities	24.70	(1.55)
Cash generated from/(used in) Operations	3.78	(8.00)
Direct (Taxes paid) / refund received	(2.00)	-
Net Cash generated from/(used) in Operating Activities (A)	1.78	(8.00)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	-	-
Net Cash generated from/(used) in Investing Activities (B)	-	-
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)	1.78	(8.00)
Cash and Cash Equivalents at the beginning of the year	0.14	8.14
Cash and Cash Equivalents at the end of the year (Refer note 3 & 4)	1.92	0.14

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 P. B. Shetty & Co.

Chartered Accountants

Firm registration number - 110102W

For and on behalf of the Board of Directors

Brijesh Shetty

Partner

Membership No : 131490

Date: 30th Day of May, 2024

Place: Mumbai

Sabarinath G

Whole Time Director & CFO

DIN: 08479403

Valmeekanathan S

Director

DIN: 05297798

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, 2024**

(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

Statement of Changes in Equity**a. Equity Share Capital**

Particulars	Amount
(1) Current reporting period	
Balance at March 31, 2023	500.09
Issued during the year	-
Balance at March 31, 2024	500.09
(2) Previous reporting period	
Balance as at April 01, 2022	500.09
Issued during the year	-
Balance at March 31, 2023	500.09

b. Other equity

Particulars	Statutory reserve	Retained earnings	Total
(1) Current reporting period			
Balance as at March 31, 2023	38.80	(315.04)	(276.24)
Profit/(loss) for the year	-	21.68	21.68
Transfer to other statutory reserve	4.34	(4.34)	-
Other Comprehensive Income for the year	-	-	-
Balance as at March 31, 2024	43.14	(297.70)	(254.55)
(2) Previous reporting period			
Balance as at March 31, 2022	38.23	(317.32)	(279.09)
Profit/(loss) for the year	-	2.85	2.85
Transfer to other statutory reserve	0.57	(0.57)	-
Other Comprehensive Income for the year	-	-	-
Balance as at March 31, 2023	38.80	(315.04)	(276.24)

In terms of our report attached

For P. B. Shetty & Co.

Chartered Accountants

Firm registration number - 110102W

For and on behalf of the Board of Directors

Brijesh Shetty

Partner

Membership No : 131490

Sabarinath G

Whole Time Director & CFO

DIN: 08479403

Valmeekanathan S

Director

DIN: 05297798

Date: 30th Day of May, 2024

Place: Mumbai

Charmi Kartik Gindra

Company Secretary

A46913

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

1 Avasara Finance Limited (Formally known as TRC Financial Services Ltd.) (Avasara) 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, subsequently on 12th January 2022 the name of Company was changed to Avasara Finance Limited. The Company having registered office in Mumbai, India. The Company is

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.

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

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;

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
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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, 2024	As at March 31, 2023
Cash in Hand	0.12	0.12
Balances with Banks		
(a) In Current Accounts	1.80	0.02
(b) In deposit accounts	-	-
Total	1.92	0.14

Note 4 - Trade receivables (Unsecured considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Undisputed Trade receivables -considered good	147.50	17.70
(i) Undisputed Trade Receivables – which have significant increase in credit risk	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-
(iv) Disputed trade receivables - considered doubtful	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-
Total	147.50	17.70

Trade Receivables ageing schedule as at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	147.50	-	-	-	-	147.50
(i) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	17.70	-	-	-	-	-
(i) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

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

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Note 5 - Loans

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortised Cost	Others	Total	Amortised Cost	Others	Total
Loans						
Current						
Loans repayable on Demand						
i. Non performing assets	118.55	-	118.55	-	-	-
ii. Others	25.00	-	25.00	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	(35.93)	-	(35.93)	(0.36)	-	(0.36)
Total (Net)	107.62	-	107.62	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	(35.93)	-	(35.93)	(0.36)	-	(0.36)
Total (Net)	107.62	-	107.62	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	(35.93)	-	(35.93)	(0.36)	-	(0.36)
Total (Net)	107.62	-	107.62	143.19	-	143.19

During the year, loans outstanding to the following customers have been classified as non-performing assets as they have become over due as at 31st Mar 2024. Summary of the party wise non-performing assets and NPA provision against the same is tabulated as under:

Current reporting period:

Amount in Rs.

Name of the customer	Loan outstanding	NPA provision	ECL Provision	Total impairment loss
Fealty F&A Services Pvt Ltd	30,00,000	9,00,000	-	9,00,000
C&A Educators Pvt Ltd	25,00,000	7,50,000	-	7,50,000
Radhakrishnan	26,50,000	7,95,000	-	7,95,000
Astrabrand Solutions LLP	37,05,000	11,11,500	-	11,11,500
Gati Securities Pvt Ltd	25,00,000	-	36,388	36,388
Total	1,43,55,000	35,56,500	36,388	35,92,888

Previous reporting period:

Amount in Rs.

Name of the customer	Loan outstanding	NPA provision	ECL Provision	Total
Gati Securities Pvt Ltd	25,00,000	-	36,388	36,388
Total	25,00,000	-	36,388	36,388

The management has made a provision on the above stated NPA's at the rate of 30% of the amount due. The management has assessed this provision amount as adequate for the year ended March 31, 2024, and hence no further provision under ECL is required as per the said assessment on the abovementioned loans outstanding.

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 - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good -		
Current		
Interest accrued but not due on term deposit and loans given	9.23	38.06
Security Deposits	1.70	0.20
Other advances (receivable in cash or kind)	33.91	41.36
Total	44.84	79.62

Note 7A - Property, plant and equipment

Particulars	Office Equipment	Total
Cost as at 1st April 2022	0.40	0.40
Additions	-	-
Disposals	-	-
Cost as at 31st March 2023	0.40	0.40
Additions	-	-
Disposals	-	-
Cost as at 31st March 2024 (A)	0.40	0.40
Accumulated depreciation as at 1st April 2022	0.18	0.18
Depreciation charged during the year	0.09	0.09
Disposals	-	-
Accumulated depreciation as at 31st March 2023	0.27	0.27
Depreciation charged during the year	0.06	0.06
Disposals	-	-
Accumulated depreciation as at 31st March 2024 (B)	0.33	0.33
Net Carrying Amount as at 31st March 2024 (A-B)	0.07	0.07
Net Carrying Amount as at 31st March 2023	0.13	0.13
Net Carrying Amount as at 1st April 2022	0.22	0.22

Note 7B - Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good -		
Advance to vendors	-	-
Prepaid expenses	0.06	-
Balance with government authorities	-	1.49
MAT credit entitlement	-	-
MAT credit entitlement	-	-
Advance income tax (net of provisions) see note (i) below	3.87	1.87
Total	3.93	3.36

Note (i)

Advance income tax	3.87	1.87
Provision for tax	-	-
TOTAL	3.87	1.87

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Note 8(ii) - Trade payables (also refer note 18)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) MSME	-	-
(ii) Others	34.77	19.42
(iii) Disputed dues- MSME	-	-
(iv) Disputed dues - Others	-	-
Total	34.77	19.42

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	

Trade Payables ageing schedule: As at 31st March 2024:

(i) MSME	-	-	-	-	-
(ii) Others	23.31	8.08	2.88	0.50	34.77
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2023:

(i) MSME	-	-	-	-	-
(ii) Others	14.22	4.69	0.50	-	19.41
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note 9 - Other Non Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non Financial Liabilities - current		
Other Current Liability	2.54	-
Duties and taxes payable	23.01	0.85
	25.55	0.85

Note 10 - Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	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 reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,00,900	500.09	50,00,900	500.09
Add : Shares issued	-	-	-	-
Shares outstanding at the end of the year	50,00,900	500.09	50,00,900	500.09

b) The Company has issued 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 (read with note 23). 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, 2024		As at March 31, 2023	
	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%

d) Shares held by promoters :

Name of Shareholder	No. of Shares	% of Holding	% Change during the year
at the end of the year March 31, 2024			
1. Jupiter Capital Private Limited	32,93,526	65.86%	0.00%
at the end of the year March 31, 2023			
1. Jupiter Capital Private Limited	32,93,526	65.86%	0.00%

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, 2024	As at March 31, 2023
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.	43.15	38.79
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.	(297.70)	(315.03)
	(254.55)	(276.24)
Particulars	As at March 31, 2024	As at March 31, 2023
Others-Statutory Reserve		
Opening balance	38.79	38.22
Add: Transfer from retained earnings	4.34	0.57
Closing Balance	43.15	38.79
Retained earnings/(deficit)		
Opening balance	(315.04)	(317.32)
Add: Profit / (Loss) for the year	21.68	2.85
Less : Transfer to other statutory reserve	(4.34)	(0.57)
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-
Closing Balance	(297.70)	(315.04)

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Note 12 - Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Loans and inter corporate deposits at amortised cost	3.00	17.23
Total	3.00	17.23

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A) Net Gain/(Loss) on financial instruments at fair value/sale through profit and loss account		
a) on trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
b) on financial instruments at fair value through profit and loss account	-	-
B) Others	-	-
Total net gain/(loss) on fair value changes	-	-
Fair value changes		
-Realised	-	-
-Unrealised	-	-
Total	-	-

Note 14 - Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Others		
Provision/liabilities no longer required written back	-	-
Interest income on financial assets at amortised cost	-	-
Interest on income tax refund	-	-
Other miscellaneous income	-	-
Total	-	-

Note 15 - Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	17.63	15.14
Total	17.63	15.14

Note 16 - Other Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	3.00	1.20
Listing Fees	3.25	3.00
Auditor's fees and expenses (Refer note (i) below)	1.40	0.50
Legal and Professional charges	10.96	6.11
Travelling and conveyance	1.36	0.25
Insurance Expenses	1.76	-
Provision for NPA/ECL (Refer note 5)	35.57	-
Other expenditure	36.33	3.09
Total	93.63	14.15

Note (i) Auditors' remuneration:

a) as auditor	0.60	0.40
b) for other certification services	0.80	0.10
SUB - TOTAL	1.40	0.50

Avasara Finance Limited
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(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, 2024	As at March 31, 2023
(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, 2024	As at March 31, 2023
(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, 2024

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, 2024	Year ended March 31, 2023
Net profit / (loss) after tax	21.68	2.85
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)	0.43	0.06

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
Sabrinath G.	KMP - Whole-time Director
Charmi Gindra	KMP - Company Secretary

Transactions with related parties and outstanding balances

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Transactions		
Income :		
Consultancy Fee - Hindusthan Infrastructure Projects & Engineering Private Limited	5.00	-
Expenses :		
Salary Paid - Charmi Gindra - KMP	1.77	1.77
Advances Repaid		
Other Advances - Holding Company	7.39	17.40
Outstanding balance	As at March 31, 2024	As at March 31, 2023
Assets :		
Other Advances - Holding Company	28.74	36.13
Liabilities:		
Reimbursement Payable - KMP	1.97	1.02
Salary Payable - KMP	1.44	0.43

Avasara Finance Limited
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Notes forming part of the financial statements

(Amount mentioned in Rs lakhs, except for share data or otherwise stated)

22

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

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, 2024	As at March 31, 2023
Cash and cash equivalents	1.92	0.14
Total	1.92	0.14

The table below provides details regarding the contractual maturities of significant financial liabilities As at March 31, 2024, & As at March 31, 2023

Particulars	As at	Less than 1 year			1-2 years	2 years and above
Trade payables and other financial liabilities	As at March 31, 2024		60.32			
	As at March 31, 2023		20.27			

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, 2024	As at March 31, 2023
Total equity attributable to the equity share holders of the company	245.54	223.85
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)	245.54	223.85

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

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)

23 Dividend

During the year ended March 31, 2024, the Company has not paid any dividend. For the Financial year 2023-24, the company has not proposed any dividend.

24 Going Concern

As on 31st March, 2024, the company has accumulated losses of Rs.254.55 Lakhs 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.

25 Ultimate Beneficiary:

- a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- b) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

26 Other Disclosures:

- a There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- b The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.
- c The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- e The Company does not have any transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

27 Additional Regulatory Information

Ratios:

Particulars	FY 2023-24	FY 2022-23
Current Ratio (in times)	3.29	4.97
Current Assets/Current Liabilities		
Current Assets	198.19	100.82
Current Liabilities	60.32	20.27
Return on Equity Ratio (%)	4.34	0.57
Net Profit/(loss) After Tax/Average Shareholder's Equity		
Net Profit/(loss) After Tax	21.68	2.85
Average Shareholder's Equity	500.09	500.09
Trade Receivables Turnover Ratio (in times)	0.90	1.82
Revenue from Operation/Average Trade Receivables		
Revenue from operations	133.00	32.23
Trade Receivables	147.50	17.70
Trade Payable Turnover Ratio (in times)	3.20	1.51
Operating Expenses and Other expenses/Average Trade Payable		
Operating Expenses and Other expenses	111.26	29.29
Trade Payable	34.77	19.42
Net Capital Turnover Ratio (in times)	0.96	0.40
Revenue from operations/Working Capital		
Revenue from operations	133.00	32.23
Working Capital	137.87	80.55
Net Profit Ratio (%)	16.30	8.85
Net Profit After Tax/Revenue from operations * 100		
Net Profit/(loss) After Tax	21.68	2.85
Revenue from operations	133.00	32.23
Return on Capital employed (%)	8.83	1.27
Profit before Interest and Taxes/Capital Employed*100		
Profit before Interest and Taxes	21.68	2.85
Capital Employed	245.54	223.85

Note: In view of nature of business and various components of financial statements, other Ratios as mentioned in Schedule III are not applicable to the Company.

- 28** Previous year's figures are re-grouped and re-classified wherever necessary to make the same comparable with the figures of the current year.

In terms of our report attached
For P. B. Shetty & Co.
Chartered Accountants
Firm registration number - 110102W

For and on behalf of the Board of Directors

Brijesh Shetty
Partner
Membership No : 131490
Date: 30th Day of May, 2024
Place: Mumbai

Sabarinath G
Whole Time Director & CFO
DIN: 08479403

Valmeekanathan S
Director
DIN: 05297798

Charmi Kartik Gindra
Company Secretary
A46913