

TRC FINANCIAL SERVICES LIMITED



**TWENTY SIXTH
ANNUAL REPORT
2019-20**

TRC FINANCIAL SERVICES LIMITED



Contents

TRC Financial Services Limited Team.....	3
Notice of Annual General Meeting.....	4
Board's Report.....	12
Annexures to the Board's Report.....	22
Management's discussion and analysis.....	33
Annual Financial Statements.....	35

TRC FINANCIAL SERVICES LIMITED



BOARD OF DIRECTORS

Giddaiah Koteswar
Whole-time Director

Sanjay Prabhu
Non Executive Director

Naresh Gandhi
Independent Director

Uma Prasad Bontha
Independent Director

Company Secretary & Compliance Officer

Charmi Kartik Gindra

Statutory Auditors

Harish Hegde & Co.
Chartered Accountants

Internal Auditors

M/s. VMRS & Co.
Chartered Accountants

Registered Office

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

Bankers

Corporation Bank

Registrar & Share Transfer

Agent Purva Sharegistry
(India) Pvt. Ltd

No-9, Shiv Shakti Industrial Estate
Ground Floor, J R Boricha Marg,
Opp. Kasturba Hospital
Lower Parel, Mumbai – 400 011.

TRC FINANCIAL SERVICES LIMITED



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 26th Annual General Meeting

Notice is hereby given that the Twenty Sixth (26th) **Annual General Meeting (“AGM”)** of the members of **TRC FINANCIAL SERVICES LIMITED** will be held on Wednesday, 30th September 2020 at 12.00 Noon IST through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) to transact the following Businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for Financial Year ended 31st March 2020 along with Balance Sheet as on March 31st, 2020 and the Profit & Loss Account for the year ended as on that date and the reports of the Board of Directors’ & Auditors thereon.
2. To appoint a Director in place of Mr. Giddaiah Koteswar (DIN: 07121503), Whole-time Director who retires by rotation and being eligible has offered himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company and in terms of the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. NBS & Co., Chartered Accountants (Firm Registration No. 110100W), be and are hereby appointed the Auditors of the Company, in place of the retiring Auditors, M/s. Harish Hegde & Co., Chartered Accountants (Firm’s Registration No.128540W), to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting of the Company to be held in the calendar year 2025, at such remuneration plus applicable taxes and reimbursement of out- of pocket expenses in connection with the audit as may be mutually agreed between the Board of Directors of the Company and the Auditors;

RESOLVED FURTHER THAT Board of Directors are hereby authorized to revise the remuneration of the Auditors at their sole discretion and to do all such things as may be necessary to give effect to this resolution including filing all the necessary forms, documents with the Registrar of Companies;

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary be and is hereby authorised to issue a certified true copy of this resolution.”

By Order of the Board
For TRC FINANCIAL SERVICES LIMITED

Sd/-
GIDDAIAH KOTESWAR
WHOLE-TIME DIRECTOR DIN:
07121503
Place: Bangalore
Date: 1st September, 2020

TRC FINANCIAL SERVICES LIMITED



Notes:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- Explanatory Statement pursuant to Section 102 of the Act relating to Items nos. 2 and 3 of the Notice of the Twenty Sixth AGM, which are considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. The relevant details as required under Regulation 36(3) of 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, of the person seeking reappointment under Item No. 2 of the Notice, are also annexed.
- As required under -36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the provisions of Secretarial Standard-2 on General Meetings, the relevant information in respect of the Director’s seeking appointment and re-appointment forms an integral part of this Notice and Explanatory statement as Annexure I.
- A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself, and the proxy need not be a member of the Company. However, since this AGM is being held through VC/ OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (“said SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”), THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, hereinbelow).
- The shareholders 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 hereinbelow in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 shareholders on ‘first come first serve’ basis. This will not include large shareholders (i.e. shareholders holding 2% or more), 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 serve’ basis.
- The attendance of the shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- The shareholders, 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 24th September, 2020, 5:00 pm (IST), through email on cs@trcfin.in. The same will be replied by/ on behalf of the Company suitably.
- In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 26th AGM of the Company indicating the process and manner of e-voting is being sent only by Email, to all the shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 26th AGM of the Company will also be available on the website of the Company at www.trcfin.in. The same can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and 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).

TRC FINANCIAL SERVICES LIMITED



- Shareholders holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrars and Transfer Agent – M/s. Purva Shareregistry (India) Pvt. Ltd (“PSIPL”) to provide efficient and better services. Shareholders holding shares in physical form are requested to intimate such changes to PSIPL. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to PSIPL.
- Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders can contact the Company or PSIPL for assistance in this regard.
- Shareholders holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or PSIPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such shareholders after making requisite changes.
- SEBI had vide Notification Nos. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and SEBI/LAD-NRO/GN/2018/49 dated 30th November 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated 5th July 2018 directed that transfer of securities would be carried out in dematerialised form only with effect from 1st April 2019, except in case of transmission or transposition of securities. Accordingly, shareholders holding securities in physical form were separately communicated by the Registrar and Share Transfer Agent – M/s. Purva Shareregistry (India) Pvt. Ltd (“PSIPL”) at their registered address. In view of the above and to avail the benefits of dematerialisation, shareholders are requested to consider dematerialising shares held by them in physical form.
- In case of joint holders attending the Annual General Meeting (AGM), the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (i.e. except Saturday, Sunday and Public Holidays) during business hours up to the date of the meeting. The aforesaid documents will also be available for inspection by members during the meeting.
- To support the ‘Green Initiative’, members who have not registered their e-mail addresses are requested to register the same with DPs / Company's RTA.
- In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) (“remote e-voting”) as well as e-voting during the proceeding of the AGM (“e-voting at the AGM”).
- The cut-off date for the purpose of remote e-voting and e-voting at the AGM shall be Wednesday, September 23, 2020. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Wednesday, September 23, 2020, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM.
- Only those shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
- The Company has appointed Ms. Priti Sheth of M/s. Priti J. Sheth & Associates, Company Secretaries, (Membership No. FCS 6833, C.P. No. 5518) and failing her Ms. Rachana Maru of M/s. Priti J. Sheth & Associates, (Membership No. ACS - 41825, C.P. No. 16210) as the Scrutinizer to scrutinize remote e-voting or e-voting at the AGM in a fair and transparent manner.

TRC FINANCIAL SERVICES LIMITED



- The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or e-voting at the AGM through electronic voting system.
- The result of remote e-voting and e-voting at the AGM along with the Scrutinizer's Report shall be placed on the Company's website <http://www.trcfin.in> and on the website of CDSL www.evotingindia.com in due course. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

• THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Sunday, September 27, 2020 at 9.00 a.m. (IST) and ends on Tuesday, September 29, 2020 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the record / cut-off date i.e. September 23, 2020 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 during the meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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.

OR

Alternatively, if you are registered for CDSL's EASI/ EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

	For shareholders holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xii) Click on the EVSN for TRC Financial Services Limited.
 - (xiii) 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.
 - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xv) 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.
 - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
 - (xviii) 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.
 - (xix) Shareholders can also cast their vote using CDSL's mobile app "m-voting". The m-voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.
- **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**
 1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scan copy of the share certificate (front and back), PAN (self attested scan copy of PAN card), AADHAR (self attested scan copy of Aadhar Card) by email to the Company at cs@trcfin.in or the RTA at support@purvashare.com.
 2. For Demat shareholders - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID +CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scan copy of PAN card), AADHAR (self attested scan copy of Aadhar Card) to the Company at cs@trcfin.in or the RTA at support@purvashare.com.
 - **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
 1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholder/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
 2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that shareholders 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.
 5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from 22nd September, 2020 (9.00 a.m. IST) to 24th September, 2020 (5.00 p.m. IST) 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 by 24th September, 2020 (5.00 p.m. IST) mentioning their name, demat account number/folio number, email id, mobile number at

TRC FINANCIAL SERVICES LIMITED

cs@trcfin.in. These queries will be replied to by the Company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

• **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those 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.
3. 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 shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non Individual Shareholders and Custodians.

- 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 scan 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scan 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 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 and cs@trcfin.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-voting from the e-voting system, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, 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 on 022-23058542/43.

TRC FINANCIAL SERVICES LIMITED



Explanatory Statement

Annexed to notice dated 1st September, 2020

Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

As required by Section 102 of the Act, the following Explanatory statements sets out all the material facts relating to the businesses mentioned under Item No. 2 and 3. Details of the Directors seeking appointment/Reappointment at the 26th Annual General Meeting as per Companies Act, 2013 and pursuant to 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015:

Item No. 2

The Board of Directors ("the Board") of the Company had appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Giddaiah Koteswar as an Additional Director of the Company with effect from April 09, 2019.

Further, the Board at its meeting held on April 11, 2019 and members in the AGM held on 30th September 2019, approved the appointment of Mr. Giddaiah Koteswar as Whole-time Director for a period of 3 (three) years w.e.f April 11, 2019 based on the recommendation of recommended by the Nomination and Remuneration Committee of the Board.

Mr. G. Koteswar is interested in the Resolution set out at Item No. 2 with respect to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Name of Director	Mr. Giddaiah Koteswar
Director Identification Number (DIN)	07121503
Age	60 years
Date of Birth	28 July 1959
Date of Appointment (Original)	9 th April 2019
Qualification	B. Com, CAIIB- I
Brief Resume and Experience	Has worked with various banks such as Vysya Bank, Global trust Bank, Oriental Bank of Commerce as Branch head for about 26 years. He has also worked as the Deputy General Manager of Compliances of Jupiter capital for 11 years.
Directorships held in other companies (excluding section 8 and foreign companies)	1. Enertec Controls Limited 2. Indian Aero Infrastructure Private Limited 3. Indian Aero Ventures Private Limited
Memberships of committees across other companies (includes only Audit & Shareholders'/Stakeholder Relationship Committee)	Nil
Relationship between directors inter-se	None
Terms and condition of appointment/re- appointment	Re-appointment due to retirement by rotation.
Remuneration to be paid	Rs. 1,00,000/- per Month
Remuneration last drawn	Rs. 1,00,000/- per Month
Shareholding in the Company	Nil
No. of Board Meetings attended/ held during the year	5

TRC FINANCIAL SERVICES LIMITED



Item No. 3

M/s. Harish Hedge & Co., Chartered Accountants (Firm's Registration No. 128540W), has been the Auditors of the Company since the financial year 2015-16. M/s. Harish Hedge & Co., hold office till the conclusion of ensuing 26th Annual General Meeting ("AGM") of the Company. The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on September 1, 2020 proposed the appointment of M/s. NBS & Co., Chartered Accountants (Firm Registration No. 110100W) as the Statutory Auditors of the Company for a period of consecutive five years from the financial year 2020-21, to hold office from the conclusion of the 26th AGM till the conclusion of the 31st AGM of the Company to be held in the calendar year 2025. The appointment is made at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) per annum towards fees for Statutory Audit (including Limited Review) plus certification Charges of Rs. 10,000/- excluding applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

M/s. NBS & Co. was established in 1976. It has total team strength of 75 lead and 14 partners. M/s. NBS & Co. has its Head Office in Mumbai and two branches in Bangalore and Mangalore. It provides Various services under one Window such as Statutory Audit, Risk Assessment Assurance, Taxation, Business Processing Outsourcing, Forensic Audit & Fraud Detection, Information System Audit, Due Diligence and other services.

M/s. NBS & Co. have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Resolution set forth in Item No. 3 for approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the accompanying Notice.

**By Order of the Board
For TRC FINANCIAL SERVICES LIMITED**

Sd/-

**GIDDAIAH KOTESWAR
WHOLE-TIME DIRECTOR
DIN: 07121503**

Place: Bangalore

Date: 1st September, 2020

TRC FINANCIAL SERVICES LIMITED



BOARDS' REPORT

To
The Members,
TRC Financial Services Limited

Your Directors' have pleasure to present the Twenty Sixth Annual Report of your Company, **TRC Financial Services Limited** for the financial year ended March 31, 2020. 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 2019 to 31st March 2020.

1. SUMMARY OF OPERATIONS/RESULTS

The financial results of the Company for the year ended March 31st, 2020 compared to the previous year are summarized below:

Particulars	(Rupees in Lacs)	
	March 31, 2020	March 31, 2019
Revenue from Operations	104.70	62.59
Other Income /Loss	0.27	0.04
Total Expenditure	87.23	70.23
Net Profit/(Loss) before tax	17.74	(7.60)
Current Tax	(2.15)	-
MAT Credit	2.07	-
Net Profit/(loss) after Tax	17.66	(7.60)

2. COMPANY'S AFFAIRS

Your Company has earned a total business revenue of Rs. 104.70 Lacs and the net profit of Rs. 17.66 Lacs for the financial year 2019-20 as against the revenue of Rs. 62.59 lacs and net loss of Rs. 7.60 in the previous financial year 2018-2019.

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 2019-20 the company has earned Revenue of approximately Rs 100 lacs from consulting services. Employee benefit cost during the year was Rs 68.29 lacs as compared to Rs. 47.10 lacs in previous year. Profit before tax during the year 2019-20 was Rs 17.66 lacs as compared to Loss of 7.60 in previous year 2018-19.

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

4. CHANGE IN THE MANAGEMENT OF THE COMPANY

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

TRC FINANCIAL SERVICES LIMITED



5. DIVIDEND & TRANSFERS TO IEPF

Your Board does not recommend any dividend for the financial year ended March 31, 2020. The Company was not required to transfer the amount of any unclaimed/unpaid dividend to Investor Education Protection Fund.

6. TRANSFER TO RESERVE

The Board of Directors of your Company, has transferred Rs. 3.53 Lacs from Retained earnings to the Statutory reserve as directed by RBI for the year 2019-20.

7. CORPORATE GOVERNANCE

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

8. CHANGE IN THE NATURE OF BUSINESS

No changes occurred in the nature of business during the financial year ended March 31, 2020 and till the date of issue of this report.

9. 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.

10. DEPOSITS

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

11. SUBSIDIARY, ASSOCIATE AND JOINT VENTURES COMPANIES

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

12. SHARE CAPITAL

During the F.Y. 2019-2020, there was no change in the Share Capital of the Company.

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

13.1 Board of Directors and Key Managerial personnel

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

Sr. No.	Name of Director and Key Managerial Personnel	DIN/ PAN	Category
1.	Mr. Giddaiah Koteswar	07121503	Whole Time Director
2.	Mr. Naresh Gandhi	08130774	Non - Executive, Independent Director
3.	Mr. K. Sanjay Prabhu	00023196	Non- Executive, Non - Independent Director
4.	Mrs. Uma Prasad Bontha	08406107	Non- Executive, Independent Director
5.	Ms. Charmi Kartik Gindra	AQAPC3360K	Company Secretary and Compliance Officer

TRC FINANCIAL SERVICES LIMITED



13.2 Board of Directors

• Details of Board Meetings/Committee Meetings

The Board of Directors met five times during the year. The details as per Standard 9 of the Secretarial Standards-1 on Board meetings / committee Meetings held during the financial year 2019-20 are furnished below:

Board Meeting Dates	:	11 th April 2019, 25 th May 2019, 6 th August 2019, 11 th November 2019 and 5 th February 2020
Audit Committee Meeting Dates	:	11 th April 2019, 25 th May 2019, 6 th August 2019, 11 th November 2019 and 5 th February 2020
NRC Committee Meeting Dates	:	11 th April 2019 and 6 th August 2019
Stakeholders Relationship Committee Meeting Date	:	6 th August 2019

• Attendance of Directors at Meetings

SR. No	Name of the Director	Board meeting attended	Audit Committee meetings attended	NRC Committee meetings attended	Stakeholders Relationship Committee attended	Attendance at the last AGM
1.	Mr. Naresh Gandhi	5	5	2	1	Yes
2.	Mr. Sanjay Prabhu	5	5	2	-	Yes
3	Mrs. Uma Prasad	4	4	2	1	Yes
4	Mr. Giddaiah Koteswar	5	-	-	1	Yes
5	Mr. Chirag Meswani	1	-	-	-	NA
6	Mr. Siddhartha Mehra	1	1	1	-	NA

• Changes in Directors/ Key Managerial Personnel

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

1. Mr. Giddaiah Koteswar was appointed as Additional Non Executive Director w.e.f. 9th April 2019 and then was appointed as Whole Time Director w.e.f. 11th April 2019.
2. Mr. Chirag Meswani has resigned as Whole time Director and Director with effect from 11th April 2019.
3. Mrs. Uma Prasad Bontha was appointed as Additional Non Executive Independent Director w.e.f. 9th April 2019.
4. Mr. Sidhartha Mehra tendered his resignation as a director w.e.f. 15th May 2019.
5. Mr. Manoj Tulsani resigned as Chirf Financial Officer as w.e.f 8th November 2019.

• Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Company's Articles of Association, Mr. Giddaiah Koteswar, (DIN: 07121503) retires by rotation at 26th 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 26th Annual General Meeting.

TRC FINANCIAL SERVICES LIMITED



• Committee Meeting Independent Directors

During the year under review, the Independent Directors was held on 24th May, 2019 and 5th February 2020 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 on the basis of 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 on the basis of 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 on the basis of 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 as a whole 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.

TRC FINANCIAL SERVICES LIMITED



- **Policies**

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

13.3 Committees of Board of Directors

- **Audit Committee**

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

Sr. No.	Name of Member	DIN	Category
1.	Mr. Naresh Gandhi, Chairman	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 the Member	DIN	Category
1.	Mr. Naresh Gandhi – Chairman	08130774	Non – Executive, Independent Director
2.	Mr. Giddaiah Koteswar	07121503	Whole-time 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. Giddaiah Koteswar	08130774	Whole-time Director
2.	Mr. Naresh Gandhi	08130774	Non – Executive, Independent
3.	Mrs. Uma Prasad Bontha	08406107	Non – Executive, Independent

14.CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

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

TRC FINANCIAL SERVICES LIMITED



15. CORPORATE SOCIAL RESPONSIBILITY

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

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

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

17. SIGNIFICANT AND MATERIAL ORDERS

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

18. STATUTORY AUDITORS

M/s. Harish Hedge & Co., Chartered Accountants, (ICAI Firm Registration No. 128540W) were appointed as the Auditors of the Company by the shareholders of the Company at the 22nd Annual General Meeting of the Company held on September 29, 2016. In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Harish Hedge & Co., the Auditors of your Company shall hold office till the conclusion of the ensuing 26th AGM. Your Board places on record its deep appreciation for the valuable contributions of the Auditors during their long association with you your Company and wishes them success in the future.

Your Board has decided to recommend the appointment of M/s. NBS & Co., Chartered Accountants (ICAI Firm Registration No. 110100W) as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 for a period of five consecutive years i.e. to hold the office till the conclusion of the sixth Annual General Meeting to be held in the financial year 2025. The Board places on record its appreciation of the services of the retiring Auditors M/s. Harish Hedge & Co. who have been Auditors of the Company since the financial year 2016-17.

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 WORK PLACE

In order to prevent sexual harassment of women at work place, 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 2020, 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 so as 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.

TRC FINANCIAL SERVICES LIMITED



28.EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is enclosed as "**Annexure A**" to this report.

Further, Annual return for the financial year 2019-20, once file shall be available on the on the website of the Company i.e. www.trcfin.in.

29.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 2019-20.

30.SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the financial year 2019-20 forms part of Annual Report as "**Annexure C**" to the Boards Report.

31.DIRECTORS COMMENT ON QUALIFICATION OR OBSERVATION

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

Response to point No.1 The terms of M/s. Harish hedge & Co Expires at this ensuing Annual General Meeting and the Company proposes to appoint M/s. NBS & Co. in place existing Statutory Auditors.

Response to point No.2 The Companies endeavor is to comply with all the NBFC norms of Reserve Bank of India. The Company has submitted various documents required from time to time and has been in continuously following up with RBI for obtaining the CKYC registration.

32.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**

TRC FINANCIAL SERVICES LIMITED



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, 2020	As at March 31, 2019
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

33. 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.

34. RELATED PARTY TRANSACTIONS

During the year under review, there were no transactions falling under the purview of Section 188 of the Companies Act, 2013 and the rules framed thereunder.

35. MANAGEMENT DISCUSSION AND ANALYSIS

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

36. 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.

37. 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.

38. 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. The Company has 4 permanent employees during the year 2019-20.

TRC FINANCIAL SERVICES LIMITED



39.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
TRC FINANCIAL SERVICES LIMITED

Sd/-
Giddaiah Koteswar
Whole Time Director
DIN: 07121503

Sd/-
Korodi Sanjay Prabhu
Director
DIN: 00023196

Place: Bangalore
Date: 1st September 2020

Annexures:

Annexure A : Form No. MGT 9
Annexure B : Certificate from Company Secretary in Practice
Annexure C : Secretarial Audit Report
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

TRC FINANCIAL SERVICES LIMITED



Annexure A
Form No. MGT 9

EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I		Registration & other details:
i	CIN	L74899MH1994PLC216417
ii	Registration Date	24/05/1994
iii	Name of the Company	TRC Financial Services Limited
iv	Category/Sub-category of the Company	Listed Company Limited by Shares Indian Non- Government Company
v	Address of the Registered office & contact details	Bandra Hill View CHS, 03 rd Floor, 85 Hill road, Opp. Yoko Sizzlers, Bandra (W), Mumbai – 400 050
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha Marg, Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai 400 011 Contact No. - 91-22-2301 6761 / 8261

II		Principal Business activities of the Company	
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
Sr. No.	Name & Description of main products / services.	NIC Code of the Product /service	% to total turnover of the Company
1.	NBFC	64990	100%

III					Particulars of Holding, Subsidiary & Associate Companies				
Name and Address of the Company		CIN / GLN		Holding / Subsidiary / Associate		% of Shares held		Applicable Section	
Jupiter Capital Private Limited		U67120KA2004PTC033653		Holding Co		65.88		2(87)(ii)	

IV											Shareholding Pattern (Equity Share capital Break up as % to total Equity)	
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				change during the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Number of Shares	Change in (%)		
A. Promoters												
(1) Indian												
a) Individual/HUF (including Directors)	-	-	-	-	-	-	-	-	-	-		
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-		
c) Bodies Corporate	3293526	900	3294426	65.88	3293526	900	3294426	65.88	0	0		
d) Bank/FI	0	0	0	0	0	0	0	0	0	0		
e) Any other	0	0	0	0	0	0	0	0	0	0		
SUB TOTAL:(A)	3293526	900	3294426	65.88	3293526	900	3294426	65.88	0	0		
(2) Foreign												
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-		
b) Other Individuals	-	-	-	-	-	-	-	-	-	-		
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-		
d) Banks/FI	-	-	-	-	-	-	-	-	-	-		
e) Any other...	-	-	-	-	-	-	-	-	-	-		
SUB TOTAL	-	-	-	-	-	-	-	-	-	-		

TRC FINANCIAL SERVICES LIMITED



(2)										
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	3294426	0	3294426	65.88	3294426	0	3294426	65.88	0	0
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds	83200	2900	86100	1.72	83200	2900	86100	1.72	0.00	0.00
b) Banks/FI	10600	0	10600	0.21	10600	0	10600	0.21	0.00	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds / Portfolio Investors	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	93800	2900	96700	1.93	93800	2900	96700	1.93	0.00	0.00
(2) Non Institutions										
a) Bodies Corporate										
i) Indian	204855	36100	240955	4.82	201870	36100	237970	4.76	-2985	-0.06
ii) Overseas	0	12500	12500	0.25	0	12500	12500	0.25	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	325805	211015	536820	10.73	328040	209815	537855	10.76	1035	0.02
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	677156	58600	735756	14.71	683456	58600	742056	14.84	6300	0.13
Clearing Member	2449	0	2449	0.05	2200	0	2200	0.04	-249	0.00
NRI	11603	0	11603	0.23	11603	0	11603	0.23	11003	0.22
Hindu Undivided Family	69591	0	69591	1.39	65490	0	65490	1.31	4101	-0.08
SUB TOTAL (B)(2):	1291559	318215	1609774	32.19	1292759	317015	1609774	32.19	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	1385359	321115	1706474	34.12	1386559	319915	1706474	34.12	0	0
C. Shares held by Custodian for GDRs & ADRs										
	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4679785	321115	5000900	100	4680985	319915	5000900	100	0	0

TRC FINANCIAL SERVICES LIMITED



(ii) Share holding of Promoters								
Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Jupiter Capital Private Limited*	3294426	65.87	-	3294426	65.87	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)					
Sr. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Jupiter Capital Private limited	3294426	65.87	3294426	65.87

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)							
Sr. No.	For Each of the Top 10 Shareholders	Date	Reason	Share holding at the beginning of the Year		Cumulative Share holding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	SANGITA SECURITIES PVT. LTD.						
	At the beginning of the year	01-April-2019	-	137320	10.00	137320	2.75
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	137320	10.00	137320	2.75
2.	SHAILESH GHISULAL HINGARH						
	At the beginning of the year	01-April-2019	-	113075	2.26	113075	2.26
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	113075	2.26	113075	2.26
3.	SUMANT CHADHA						
	At the beginning of the year	01-April-2019	-	100000	2.00	100000	2.00
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	100000	2.00	100000	2.00
4.	MANU CHADHA						
	At the beginning of the year	01-April-2019	-	100000	2.00	100000	2.00
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	100000	2.00	100000	2.00

TRC FINANCIAL SERVICES LIMITED



5.	CANARA ROBECO MUTUAL FUND A/C GAD	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	83200	1.66	83200	1.66
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	83200	1.66	83200	1.66
6.	AARTI BHUPAT SHAH	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	72549	1.45	72549	1.45
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	72549	1.45	72549	1.45
7.	BOSCO ARMANDO MENEZES	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	50000	1.00	50000	1.00
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	50000	1.00	50000	1.00
8.	MONA KETAN SHAH	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	47050	0.94	47050	0.94
	Changes during the year	5 April 2019	Purchase	200	0.00	47250	0.94
	Changes during the year	12-April-2019	Purchase	143	0.00	47393	0.95
	Changes during the year	19-April-2019	Purchase	807	0.02	48200	0.96
	At the end of the year	31-March-2020	-	48200	0.96	48200	0.96
9.	SEEMA YOGESH ASHER	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	34202	0.68	34202	0.68
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	34202	0.68	34202	0.68
10.	KAPIL SIBAL	-	-	-	-	-	-
	At the beginning of the year	01-April-2019	-	32800	0.66	32800	0.66
	Changes during the year	-	-	-	-	-	-
	At the end of the year	31-March-2020	-	32800	0.66	32800	0.66
(V)	Shareholding Pattern of each of Directors, KMP's						
Sr.No.	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year			
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Chirag Meswani	0	0.00	0	0.00		
2	Giddaiah Koteswar	0	0.00	0	0.00		
3	Uma Prasad Bontha	0	0.00	0	0.00		
4	Korodi Sanjay Prabhu	0	0.00	0	0.00		
5	Naresh Gandhi	0	0.00	0	0.00		
6	Charmi Gindra	0	0.00	0	0.00		
7	Manoj Tulsani	0	0.00	0	0.00		
8	Sidhartha Mehra	0	0.00	0	0.00		

TRC FINANCIAL SERVICES LIMITED



INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid			Nil	
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Additions				
Reduction			Nil	
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid			Nil	
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:				
A. Remuneration to Managing Director, Whole time director and/or Manager:				
Sl. No.	Particulars of Remuneration	Name of the Director	Name of the Director	Total Amount
1.	Gross salary	Mr. Chirag Meswani	Mr. Giddaiah Koteswar	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961	10,79,806	11,76,912	22,36,896
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission as % of profit	0	0	0
5.	Others, please specify (leave encashment)	0	0	0
Total (A)		10,79,806	11,76,912	22,36,896
Ceiling as per the Act		As approved by Members		

B. Remuneration to Other Directors:				
Sr. No.	Particulars of Remuneration			
1.	Independent Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify			
	Total (1)			
2.	Other Non Executive Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)	Nil		
	Total Managerial Remuneration			
	Overall Ceiling as per the Act.			

TRC FINANCIAL SERVICES LIMITED



C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD				
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross Salary	0		0
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		1,76,532	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
5	Others, (leave encashment)	0	0	0
Total		0	1,76,532	0

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			Nil		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			Nil		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Nil		
Compounding					

For and on behalf of the Board of Directors
TRC FINANCIAL SERVICES LIMITED

Sd/-

Giddaiah Koteswar
 Whole-time Director
 DIN: 07121503

Sd/-

K. Sanjay Prabhu
 Director
 DIN: 0023196

Place: Bangalore

Date: 1st September, 2020

TRC FINANCIAL SERVICES LIMITED



ANNEXURE B

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 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, 2020 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
CP No.: 5518
Date: 1st September 2020
Place: Mumbai
UDIN: F006833B000659980**

TRC FINANCIAL SERVICES LIMITED



ANNEXURE D
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

To,
The Members,
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 TRC FINANCIAL SERVICES 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 TRC FINANCIAL SERVICES 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, 2020, 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 TRC FINANCIAL SERVICES LIMITED ("the Company") for the financial year ended on 31st March, 2020 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.

TRC FINANCIAL SERVICES LIMITED



I 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 except:

- 1) Statutory Auditors appointed during the year are under the process of peer review.
- 2) The Company has generally complied with the NBFC norms issued by Reserve Bank of India except for minor delays in CKYC compliance.

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.

I 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.

I 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**

Date: 1st September 2020
Place: Mumbai
UDIN: F006833B000659991

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

Annexure-I

**To,
The Members
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 is 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**

Date: 1st September 2020
Place: Mumbai

TRC FINANCIAL SERVICES LIMITED



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:

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

Name	Total Remuneration Paid in F. Y. 2019-20	Ratio to Median remuneration	% increase in remuneration in the financial year
Executive Director			
Mr. Chirag Meswani	10,79,806	1.01	N.A.*
Mr. G Koteswar	11,76,912	1.10	N.A.*
Company Secretary			
Ms. Charmi Gindra	1,76,532	0.16	N.A.*

- b) The percentage increase in the median remuneration of employees in the financial year: There was no Increase in remuneration during the year.
- c) The number of permanent employees on the rolls of Company: 6 (including Director and Company Secretary)
- d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: N.A., as there is no increase in remuneration during the year.
- e) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors
TRC FINANCIAL SERVICES LIMITED

Sd/-

Sd/-

Giddaiah Koteswar K. Sanjay Prabhu
Whole-time Director Director
DIN: 07121503 DIN: 0023196

Place: Bangalore
Date: 1st September, 2020

TRC FINANCIAL SERVICES LIMITED



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The Indian economy retained its tag of the fastest growing major economy in the world in 2018-19. However, overall growth for 2018-19 slumped to a five-year low of 6.8% compared with 7% projected in the second advance estimates released in February. RBI in its monetary policy statement has projected a GDP growth of 7% for FY 20.

Retail inflation considering the Consumer Price Index (CPI) remained controlled at 2.86% in March 2019 compared to 4.28% in the previous year. In February 2019, the RBI retained policy rates and maintained a neutral stance while highlighting the prevalent and imminent inflation risks.

Taking into cognizance poll outcomes and the market's reactions to the same, the overall outlook remains positive as the current government returns to power with a clear mandate. Political stability, high capacity utilisation, uptick in business expectations in Q2 of FY20, buoyant stock market conditions and higher financial flows to the commercial sector will prove to be favourable for investment activity.

COVID-19 further accentuated ALM challenges of the NBFC sector. The RBI's moratorium measures for customers is likely to put additional stress on many NBFCs. There is an asymmetry. On one hand, NBFCs have to offer such moratoriums to their customers; while on the other, their market borrowings must be repaid on due dates.

To ease liquidity pressure on NBFCs, the RBI has taken multiple actions including a Targeted Long-Term Repo Operation (TLTRO) for the sector of Rs. 50,000 crore and a special financing window through SIDBI, NABARD and National Housing Bank (NHB) of another Rs. 50,000 crore to enable financing NBFCs. It remains to be seen whether the RBI will open a direct window to support the NBFC sector.

The COVID-19 pandemic is also expected to result in a deterioration in the asset quality of the financial sector. NBFCs too will face similar pressures. Early indicators of non-delinquent customers opting for moratoriums reflect a considerable level of anxiety from customers.

It remains to be seen how this anxiety eases when economic activities resume. A long-drawn lockdown or frequent lockdowns of economic activities may require the RBI to frame forbearance policies for impacted borrowers like a comprehensive one-time restructuring of loans without impacting asset classification. Such a one-time restructuring framework would enable financial sector to continue to lend and also provide customers adequate time to recover from the economic crisis and honour their obligations.

Opportunities and Threats

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

Segment Wise / Product Wise Performance

As the company is only in one line of business, product wise disclosure of performance is not required to be made.

Business Outlook

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

Risks & Concerns

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

TRC FINANCIAL SERVICES LIMITED



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 104.97 lacs as compared to 62.63 lacs in previous years. The Company has a profit of Rs 17.66 Lacs as compared to loss of Rs. 7.60 lacs in the previous year.

In FY 2019-20 Trade receivables are Rs 88.50 lacs as compared to previous Rs. 60.75 lacs, Loans of Rs 118.53 as compared to Rs. 114.98 lacs in previous years, Investment of Rs 16.35 lacs as compared to Rs 25.84 lacs in previous year and Cash and cash equivalent of Rs 0.23 lacs as compared to Rs 12.62 lacs in previous years.

In FY 2019-20 other non-financial liabilities are Rs 5.10 lacs as compared to 11.25 lacs in previous year.

Human Resources / Industrial Relations

Currently the Company has four employees (including KMP). The Competent of Board of Directors are very well connected to the NBFC sector as a whole.

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)

	2019-20	2018-19
Debtors Turnover	84.31	98.77
Current Ratio	13.33	16.10
Net Profit Margin (%)	16.87%	(12.14)%

Changes in Return on Net Worth

	2019-20	2018-19
Return on Net worth	7.65%	(3.57)%

**By Order of the Board
For TRC FINANCIAL SERVICES LIMITED**

Sd/-
GIDDAIAH KOTESWAR
WHOLE TIME
DIRECTOR DIN:
07121503
Place: Bangalore
Date: 1st September 2020

TRC FINANCIAL SERVICES LIMITED



INDEPENDENT AUDITOR'S REPORT

To,
The Members of TRC Financial Services Limited,

Report on the Standalone Ind AS Financial Statements:

We have audited the accompanying standalone Ind AS financial statements of TRC Financial Services Limited, which comprise the Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 with respect to the preparation and presentation of these standalone 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 read with relevant rules issued thereunder.

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the Company's preparation and fair presentation of the standalone Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statement.



Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2020**;
- b) In the case of the Profit and Loss Account including other comprehensive income, of the Profit for the year ended on that date;
- c) In the case of the Cash Flow Statement, of the cash flows for the year;
- d) In the case of the Statement of Changes in Equity, of the Change in Equity for the year;

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we enclose in the "**Annexure - A**", a statement on the matters specified in paragraphs 3 and 4 of the said 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 purpose 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, Statement of Profit and Loss, the Cash Flow statement and the statement of changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the statement of changes in Equity comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the Directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2020, from being appointed as a Director in terms of sub - section (2) of section 164 of the Companies Act, 2013.
- 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"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies [Audit and Auditors] Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not hold any pending litigations that would otherwise have an impact on its financial position as at **31st March, 2020**.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.

TRC FINANCIAL SERVICES LIMITED



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Harish Hegde & Co.
Chartered Accountants
Registration No.: 128540W**

**Sd/-
CA Harshada R. Padwal
(Partner)
Membership No : 135491
Mumbai, Dated : 29th Day of June, 2020.
UDIN: 20135491AAAACJ7424**

TRC FINANCIAL SERVICES LIMITED



The **Annexure -A** referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of **TRC Financial Services Limited** on the standalone Ind AS financial statement of the company for the year ended **31st March, 2020**.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) In our opinion and according to the information and explanations given to us by the Management, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) This clause is not applicable to the Company as it does not hold any Immovable Properties.
2. (a) There were no inventory lying as on **31.03.2020**. Accordingly, the provisions of clause 2 of the Order are not applicable to the company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3(a), 3(b) and 3(c) of the order are not applicable to the Company.
4. In respect of loans, investments, guarantees, and security, the Company has duly complied with the provisions of section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits during the year from the public covered under section 73, 74, 75 and 76 of the Companies Act, 2013. Accordingly, the provisions of Clause 5 of the Order are not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013. Accordingly, the provisions of Clause 6 of the Order are not applicable to the Company.
7. (a) According to the records of the company, undisputed statutory dues such as Income Tax and any other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities during the year.

(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. The Company has not borrowed any loans and hence the provisions of Clause 8 of the Order are not applicable to the Company.
9. No moneys were raised by the Company by way of initial public offer or further public offer (including debt instruments) and no term loans were borrowed during the year. Hence, the provisions of Clause 9 of the Order are not applicable to the Company.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

TRC FINANCIAL SERVICES LIMITED



11. Limits prescribed under section 197 of the companies act, 2013 has been complied with the approval in general meeting of the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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 standalone Ind AS financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the provisions of this Clause are not applicable to the Company.
15. The company has not entered into any Non-Cash Transactions with the Directors or any other persons connected with them and hence the provisions of this Clause are not applicable to the Company.
16. The company is duly registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Harish Hegde & Co.
Chartered Accountants
Registration No.: 128540W

Sd/-
CA Harshada R. Padwal
(Partner)
Membership No : 135491
Mumbai, Dated : 29th Day of June, 2020.



Annexure - B to the Auditors' Report

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 **TRC Financial Services Limited** as of **31st March 2020** in conjunction with our audit of the standalone Ind AS 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 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 Companies Act, 2013.

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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 our 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



TRC FINANCIAL SERVICES LIMITED

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 **31st March 2020**, 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 Harish Hegde & Co.
Chartered Accountants
Registration No.: 128540W

Sd/-

CA Harshada R. Padwal
(Partner)
Membership No : 135491
Mumbai, Dated : 29th Day of June, 2020.

TRC FINANCIAL SERVICES LIMITED



Balance sheet as at March 31, 2020

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

Particulars	Note	As at March 31, 2020	As at March 31, 2019
Financial Assets			-
Cash and cash equivalents	3	0.23	12.62
Trade receivables	4	88.50	60.75
Loans	5	118.53	114.98
Other Financial Assets - current	7	14.27	3.67
Investments - non-current	6	16.35	25.84
Non Financial Assets			
Property, Plant and Equipment	7C	0.16	-
Other Non Financial Assets	7B	10.11	7.62
Total Assets		248.15	225.48
Liabilities And Equity			
Liabilities			
Financial Liabilities			
Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises	8(i)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8(ii)	12.27	1.11
Non Financial Liabilities			
Other Non Financial Liabilities	9	5.10	11.25
Total Liabilities		17.37	12.36
Equity			
Equity share capital	10	500.09	500.09
Other Equity	11	(269.31)	(286.97)
Total Equity		230.78	213.12
Total Liabilities and Equity		248.15	225.48

The accompanying notes form an integral part to financial statements

In terms of our report attached

For Harish Hegde & Co.

Chartered Accountants

Sd/-

Harshada Padwal

Partner

Membership No : 135491

Date: 29th Day of June, 2020

Place: Mumbai

**For and on behalf of the
Board of Directors**

Sd/-

Giddaiah Koteswar

Whole Time Director

DIN: 07121503

Date: 29th June 2020

Sd/-

Charmi Kartik Gindra

Company Secretary

A46913

Sd/-

Korodi Sanjay Prabhu

Director

DIN: 00023196

Place: Bangalore



TRC FINANCIAL SERVICES LIMITED

Statement of profit and loss for the year ended March 31, 2020

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

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations			
Consultancy services		100.00	60.00
Interest Income	12	14.15	4.32
Dividend Income		0.04	0.21
Net gain/(loss) on fair value changes	13	(9.49)	(1.94)
Total Revenue from Operations (I)		104.70	62.59
Other Income (II)	14	0.27	0.04
Total Income (I+II)		104.97	62.63
Expenses			
Depreciation and amortisation expenses	7C	0.04	-
Employee benefits expenses	15	68.29	47.10
Other Expenses	16	18.90	23.13
Total Expenses		87.23	70.23
Profit / (loss) before exceptional items and tax		17.74	(7.60)
Exceptional Items			
Profit/(loss) before tax		17.74	(7.60)
Taxes Expense:			
Less: Current Tax		(2.15)	-
Add: MAT Credit		2.07	-
Profit/(Loss) for the Period		17.66	(7.60)
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		17.66	(17.57)
Earnings Per Equity Share			
Basic and diluted (₹)		0.35	(0.15)

The accompanying notes form an integral part to financial statements

In terms of our report attached

For Harish Hegde & Co.

Chartered Accountants

Sd/-
Harshada Padwal
Partner
Membership No : 135491

Date: 29th Day of June, 2020

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-
Giddaiah Koteswar
Whole Time Director
DIN: 07121503
Date: 29th June 2020
Sd/-
Charmi Kartik Gindra
Company Secretary
A46913

Sd/-
Korodi Sanjay Prabhu
Director
DIN: 00023196
Place: Bangalore

TRC FINANCIAL SERVICES LIMITED

Statement of cashflows for the year ended March 31, 2020

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

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A.	Cash Flow from Operating Activities		
	Profit/(loss) before tax	17.74	(7.60)
	Adjustments for :		
	Depreciation and amortisation expenses	0.04	-
	Operating Profit/(Loss) before Working Capital changes	17.78	(7.60)
	Adjustments for :		
	Financial		
	(Increase)/Decrease in trade receivables	(27.75)	(60.75)
	(Increase)/Decrease in Loans	(3.55)	(114.98)
	(Increase)/Decrease in Other Financial Assets - current	(10.60)	2.97
	(Increase) /Decrease in non-current investments	9.49	43.05
	(Increase)/Decrease in other non-financial Assets	(0.73)	(1.51)
	Increase/Decrease in trade payables	11.16	(0.16)
	Increase/Decrease in other financial liabilities	(6.15)	11.11
	Cash generated from/(used in) Operations	(10.35)	(127.87)
	Direct (Taxes paid) / refund received	(1.84)	(5.32)
	Net Cash generated from/(used) in Operating Activities (A)	(12.19)	(133.19)
B.	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment	(0.20)	-
	Net Cash generated from/(used) in Investing Activities (B)	(0.20)	-
C.	Cash Flow from Financing Activities		
	Net Cash generated from/(used) in Financing Activities (C)	-	-
	Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(12.39)	(133.19)
	Cash and Cash Equivalents at the beginning of the year	12.62	145.81
	Cash and Cash Equivalents at the end of the year (Refer note 3 & 4)	0.23	12.62

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 Harish Hegde & Co.

Chartered Accountants

Sd/-

Harshada Padwal

Partner

Membership No : 135491

Date: 29th Day of June, 2020

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Giddaiah Koteswar

Whole Time Director

DIN: 07121503

Date: 29th June 202

Sd/-

Charmi Kartik Gindra

Company Secretary

A46913

Sd/-

Korodi Sanjay Prabhu

Director

DIN: 00023196

Place: Bangalore

TRC FINANCIAL SERVICES LIMITED

Statement of changes in equity for the year ended March 31, 2020

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

Statement of Changes in Equity

Particulars	Amount
Balance at March 31, 2018	500.09
Issued during the year	-
Balance at March 31, 2019	500.09
Issued during the year	-
Balance at March 31, 2020	500.09

Other equity

Particulars	Statutory reserve	Retained earnings	Total
Balance as at April 01, 2018	29.37	(308.74)	(279.37)
Profit/(loss) for the year	-	(7.60)	(7.60)
Transfer to other statutory reserve	-	-	-
Balance as at March 31, 2019	29.37	(316.34)	(286.97)
Profit/(loss) for the year	-	17.66	17.66
Transfer to other statutory reserve	3.53	(3.53)	-
Other Comprehensive Income for the year	-	-	-
Balance as at March 31, 2020	32.90	(302.21)	(269.31)

In terms of our report attached

For Harish Hegde & Co.

Chartered Accountants

Sd/-
Harshada Padwal
Partner
Membership No : 135491

Date: 26th Day of June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Sd/-
Giddaiah Koteswar
Whole Time Director
DIN: 07121503
Date: 29th June 2020

Sd/-
Korodi Sanjay Prabhu
Director
DIN: 00023196
Place: Bangalore

Sd/-
Charmi Kartik Gindra
Company Secretary
A46913

TRC FINANCIAL SERVICES LIMITED

Notes forming part of the financial statements

- 1 TRC Financial Services Ltd. (TRC) was originally incorporated as TRC Financial and Management Services Pvt. Ltd on May 24, 1994. The Company was converted into Public Limited Company during the year and accordingly its name was changed as TRC Financial and Management Services Limited. On 8th November 1994, the name of the Company was changed to TRC Financial Services Limited. The Company having registered office in Mumbai, India. The Company is predominantly an Investment Company.
- 2 **SIGNIFICANT ACCOUNTING POLICIES**
This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.
- (I) Basis of Accounting and Preparation of Financial Statements**
- (i) Compliance with Ind AS**
"The financial statements ("financial statements") comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended, and other relevant provisions of the Act.

The Company follows the guidelines issued by the Reserve Bank of India (RBI) as applicable to a Non Banking Finance Company."
- (ii) Historical cost convention**
The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value
- (I-A) Current / Non-current classification of assets / liabilities**
The Company has classified all its assets / liabilities into current / noncurrent based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.
- (II) Cash and cash equivalents**
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to insignificant risks of changes in value.

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn.
- (III) Cash flow statement**
Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.
- (IV) Taxes on income**
Income tax expense represents the sum of the tax currently payable and deferred tax.
- a) Current tax**
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted and are applicable as at the end of the reporting period.



Notes forming part of the financial statements

b) Deferred tax

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

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

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

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

c) Current and deferred tax for the year

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

(V) Revenue Recognition

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

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

A. Fixed-price consultancy contracts

Revenue from fixed-price contracts, where the performance obligations are satisfied over time, are recognized rateably 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.

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

(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



Notes forming part of the financial statements

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

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

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

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

Definition of default

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

Significant increase in credit risk

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

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

Write-off

Presentation of allowance for ECL in the statement of financial position

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

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

Derecognition of financial assets

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

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

Foreign exchange gains and losses

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

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

Equity Instrument

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



Notes forming part of the financial statements

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').

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

(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.

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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

Note 3 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash in Hand	0.12	0.12
Balances with Banks		
(a) In Current Accounts	0.11	12.50
(b) In deposit accounts	-	-
Total	0.23	12.62

Note 4 - Trade receivables (Unsecured considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Other trade receivables	88.50	60.75
Total	88.50	60.75

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

Note 5 - Loans

Particulars	As at March 31, 2020			As at March 31, 2019		
	Amortised Cost	Others	Total	Amortised Cost	Others	Total
Loans						
Current						
Loans repayable on Demand						
i. Non performing assets	-		-	-		-
ii. Others	118.55		118.55	115.00		115.00
	118.55	-	118.55	115.00	-	115.00
Non-current						
Long term-loans and advances	-	-	-	-	-	-
	-	-	-	-	-	-
Total (Gross)	118.55	-	118.55	115.00	-	115.00
Less: Impairment loss allowance	(0.02)	-	(0.02)	(0.02)	-	(0.02)
Total (Net)	118.53	-	118.53	114.98	-	114.98
Secured by tangible assets	-	-	-	-	-	-
Unsecured	118.55	-	118.55	115.00	-	115.00
Total (Gross)	118.55	-	118.55	115.00	-	115.00
Less: Impairment loss allowance	(0.02)	-	(0.02)	(0.02)	-	(0.02)
Total (Net)	118.53	-	118.53	114.98	-	114.98
Advances in India						
Others	118.55	-	118.55	115.00	-	115.00
Total (Gross)	118.55	-	118.55	115.00	-	115.00
Less: Impairment loss allowance	(0.02)	-	(0.02)	(0.02)	-	(0.02)
Total (Net)	118.53	-	118.53	114.98	-	114.98

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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

Note 6 - Investments

Particulars	As at March 31, 2020					As at March 31, 2019				
	Amortised Cost	Fair Value			Total	Amortised Cost	Fair Value			Total
		FVTPL	Designated at FVTPL	Total			FVTPL	Designated at FVTPL	Total	
Non-current										
In Equity Instruments - Others										
Equity Share of Alok Insutries Ltd.	-	5.93	-	5.93	5.93	-	7.13	-	7.13	7.13
Equity Share of Marksan Pharma Ltd	-	10.42	-	10.42	10.42	-	18.71	-	18.71	18.71
	-	16.35	-	16.35	16.35	-	25.84	-	25.84	25.84
Total (Gross)	-	16.35	-	16.35	16.35	-	25.84	-	25.84	25.84
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	16.35	-	16.35	16.35	-	25.84	-	25.84	25.84
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (Net)	-	16.35	-	16.35	16.35	-	25.84	-	25.84	25.84

TRC FINANCIAL SERVICES LIMITED

Notes forming part of the financial statements

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

Note 7A - Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good - Current		
Interest accrued but not due on term deposit and loans given	14.07	3.47
Security Deposits	0.20	0.20
Total	14.27	3.67

Note 7B - Other non-financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good -		
Prepaid expenses	-	1.53
Balance with government authorities	0.19	-
MAT credit entitlement	2.07	-
Advance income tax (net of provisions) see note (i) below	7.85	6.09
Total	10.11	7.62

Note (i)

Advance income tax	10.00	6.09
Provision for tax	(2.15)	-
TOTAL	7.85	6.09

Note 7C - Property, plant and equipment

Particulars	Office Equipment	Total
Deemed Cost as at 1st April 2018	-	-
Additions	-	-
Disposals	-	-
Cost as at 31st March 2019	-	-
Additions	0.20	0.20
Disposals	-	-
Cost as at 31st March 2020 (A)	0.20	0.20
Accumulated depreciation as at 1st April 2018	-	-
Depreciation charged during the year	-	-
Disposals	-	-
Accumulated depreciation as at 31st March 2019	-	-
Depreciation charged during the year	0.04	0.04
Disposals	-	-
Accumulated depreciation as at 31st March 2020 (B)	0.04	0.04
Net Carrying Amount as at 31st March 2020 (A-B)	0.16	0.16
Net Carrying Amount as at 31st March 2019	-	-
Net Carrying Amount as at 1st April 2018	-	-

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements				
(Amount mentioned in Rs lakhs, except for share data or otherwise stated)				
Note 8 - Trade payables				
Particulars	As at March 31, 2020		As at March 31, 2019	
(i) Total outstanding dues of micro enterprises and small enterprises (refer note 19)	-		-	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12.27		1.11	
	12.27		1.11	
Note 9 - Other Non Financial Liabilities				
Particulars	As at March 31, 2020		As at March 31, 2019	
Non Financial Liabilities - current				
Duties and taxes payable	5.10		11.25	
	5.10		11.25	
Note 10 - Equity share capital				
	As at March 31, 2020		As at March 31, 2019	
	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				
Equity Shares				
	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,00,900	500.09	50,00,900	500.09
Add : Shares issue	-	-	-	-
Shares outstanding at the end of the year	50,00,900	500.09	50,00,900	500.09
b) The Company has only one class of equity shares with voting rights (one vote per share). The distribution of dividend is in proportion to the number of equity shares held by the shareholders in the ensuing AGM. In the event of liquidation of the Company, the equity shareholder are entitled to receive only residual assets of the company.				
c) Shares in the Company held by each shareholder holding more than 5 percent shares				
Equity Shares				
Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	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%

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, 2020	As at March 31, 2019
Statutory reserves	32.90	29.37
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.		
Retained earnings/(deficit)	(302.21)	(316.34)
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.		
	(269.31)	(286.97)

Particulars	As at March 31, 2020	As at March 31, 2019
Others-Statutory Reserve		
Opening balance	29.37	29.37
Add: Transfer from retain earnings	3.53	-
Closing Balance	32.90	29.37
Retained earnings/(deficit)		
Opening balance	(316.34)	(308.74)
Add: Profit / (Loss) for the year	17.66	(7.60)
Less : Transfer to other statutory reserve	(3.53)	-
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-
Closing Balance	(302.21)	(316.34)

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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

Note 12 - Interest Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Loans and inter corporate deposits at amortised cost	14.15	3.47
Interest on deposits with banks	-	0.85
Total	14.15	4.32

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A) Net Gain/(Loss) on financial instruments at fair value through profit and loss account		
a) on trading portfolio		
- Investments	(9.49)	(1.94)
b) on financial instruments at fair value through profit and loss account	-	-
B) Others	-	-
Total net gain/(loss) on fair value changes	(9.49)	(1.94)
Fair value changes		
-Realised	-	0.45
-Unrealised	(9.49)	(2.39)
Total	(9.49)	(1.94)

Note 14 - Other Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on income tax refund	0.27	0.04
Total	0.27	0.04

Note 15 - Employee benefits

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	68.29	47.10
Total	68.29	47.10

Note 16 - Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	1.20	0.40
Listing Fees	3.27	3.81
Repairs and maintenance	-	6.02
Communication Costs	1.08	1.45
Printing and stationery	1.13	0.98
Auditor's fees and expenses (Refer note 1 below)	0.45	0.47
Legal and Professional charges	4.89	4.43
Travelling and conveyance	3.04	1.57
Insurance Expenses	1.30	-
Other expenditure	2.54	4.00
Total	18.90	23.13

Note 1 Auditors' remuneration:

a) as auditor	0.35	0.35
b) for other certification services	0.10	0.12
c) out of pocket expense	-	-
SUB - TOTAL	0.45	0.47

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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

Additional information to the financial statements

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

S.No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	Contingent liabilities: Claims against Company not acknowledged as debt 1.Guarantees issued for sales tax	- -	- -

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

Particulars	As at March 31, 2020	As at March 31, 2019
(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, 2019

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, 2020	Year ended March 31, 2019
Net profit / (loss) after tax	17.66	(7.60)
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)	0.35	(0.15)

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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
Chirag Meswani	KMP - Whole-time Director
Giddaiah Koteswar	KMP - Whole-time Director
Charmi Gindra	KMP - Company Secretary

Transactions with related parties and outstanding balances

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Transactions		
Consulting services - Fellow subsidiary	-	10.00
Expenses :		
Salary Paid - Chirag Meswani - KMP	10.80	22.39
Salary Paid - Giddaiah Koteswar - KMP	11.77	-
Salary Paid - Charmi Gindra - KMP	1.77	0.67
Outstanding balance	As at March 31, 2020	As at March 31, 2019
Assets :		
Trade receivables - Fellow subsidiary	-	6.75
Liabilities:		
Payable	2.17	-

TRC FINANCIAL SERVICES LIMITED



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

TRC FINANCIAL SERVICES LIMITED



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, 2020	As at March 31, 2019
Cash and cash equivalents	0.23	12.62
Total	0.23	12.62

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020, March 31, 2019

Particulars	As at	Contractual maturities		
		Less than 1 year	1-2 years	2 years and above
Trade payables and other financial liabilities	As at March 31, 2020	17.37		
	As at March 31, 2019	12.36		

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, 2020	As at March 31, 2019
Total equity attributable to the equity share holders of the company	230.78	213.12
As percentage of total capital	100%	100%
Current borrowings	-	-
Non-current borrowings	-	-
Total borrowings	-	-
As a percentage of total capital	0%	0%
Total capital (borrowings and equity)	230.78	213.12

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

TRC FINANCIAL SERVICES LIMITED



Notes forming part of the financial statements

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

23 Impact of COVID on the Company

COVID-19, a pandemic caused by the novel Coronavirus, has emerged as an unprecedented challenge globally and to the NBFC companies in particular, due to unstable market conditions. The Reserve Bank of India as a part of its measures to support and boost the economy has vide its notifications titled "COVID-19 Regulatory Package "dated 27 March 2020 and 17 April 2020 directed all Banks, NBFCs and other financial institutions to grant moratorium of three months on the payment of all instalments and/or interest as applicable to all eligible borrowers. This moratorium has now been further extended for another three months until 31 August 2020.

The Company transitioned into a full Work From Home model and several measures were put in place for communications, technology and productivity improvements to help employees cope with this change.

There has been no significant adverse operational impact on the Company's operations during March 2020 due to the Nationwide lockdown imposed by the Government of India in view of COVID-19, a pandemic caused by the Novel Coronavirus. The Company has monitored the impact of COVID-19 on all aspects of its business. The management has exercised due care, in concluding on significant accounting judgements and estimates, recoverability of receivables, assessment for impairment of goodwill, intangible assets, inventory based on the information available as on date, while preparing the financial results as of and for the year ended 31 March 2020.

The final impact of the global health pandemic is very uncertain and the actual impact on these financial results may be different than that estimated based on the conditions prevailing as at the date of approval of these financial statements. The Company currently is unable to predict any future impact on its business operations.

In terms of our report attached

For Harish Hegde & Co.

Chartered Accountants

Sd/-

CA Harshada Hegde

Partner

Membership No : 135491

Date: 29th Day of June, 2020

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Giddaiah Koteswar

Whole Time Director

DIN: 07121503

Date: 29 June 2020

Sd/-

Korodi Sanjay Prabhu

Director

DIN: 00023196

Place: Bangalore

Sd/-

Charmi Kartik Gindra

Company Secretary

A46913