

**SIXTEENTH
ANNUAL REPORT
2009- 2010**



TRC Financial Services Ltd.

TRC FINANCIAL SERVICES LIMITED
SIXTEENTH ANNUAL REPORT 2009-2010.

Board of Directors

Ajay Sarupria
Vijay M. S. Misquitta
Harshad Dholakia
Bhupendra Avasthi
Bhavesh Bhatt

Chairman
Managing Director

Auditors

Johar & Kathpalia
Chartered Accountants
J-92, (2nd Floor) Saket
New Delhi – 110017.

Bankers

HDFC Bank Limited
Central Bank of India
Corporation Bank
ICICI Bank
Bank of India

Registered Office

A-45, Radial Road,
Inner Circle, Connaught Place,
New Delhi – 110001.

Stock Exchange Listing

Bombay Stock Exchange

Compliance Officer

Mr. Vijay M. S. Misquitta

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NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of TRC Financial Services Limited will be held on Thursday, the 30th September 2010 at 11.00 A.M. at ARJUN FARMS, (Khasra No.11/16) Village Pindwala Khurd, Jhatikra Road, New Delhi-110071, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors' & Auditors thereon.
2. To appoint a Director in place of Mr. Harshad Dholakia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bhavesh Bhatt, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s. Johar & Kathpalia, Chartered Accountants, New Delhi, be and are hereby re-appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at remuneration, mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

5. To consider and pass the following resolution, with or without modifications as Special Resolution:
"RESOLVED THAT in accordance with the provisions of section 198, 269, 386, 387 and 388 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification or enactment thereof for the time being in force,) the consent of the Company be and is hereby given to the appointment of Mr. Vijay M. S. Misquitta to act as Managing Director of the Company in terms of section 2(26) of the Companies Act, 1956 for a period of 5 (Five) years w.e.f. 30.01.2010 on honorary basis."
"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For TRC FINANCIAL SERVICES LIMITED

(VIJAY M. S. MISQUITTA)
MANAGING DIRECTOR

Place: New Delhi
Date : 28.08.2010

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN HIS/HER STEAD. A PROXY NEED NOT BE MEMBER OF THE COMPANY.
2. PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the company shall remain closed from Friday 24th September 2010 to Thursday 30th September 2010 (both days inclusive).
4. Members are requested to notify immediately any change in their address to the company quoting folio no.
5. Members are requested to bring their copy of the Annual Report to the meeting, since additional copy will not be available.
6. As required under the listing agreement, the particulars of Directors who are proposed to be appointed/ reappointed are as follows:

1.	Name	Mr. Harshad Dholakia	Mr. Vijay M. S. Misquitta
	Designation	Director	Managing Director
	Status	Non executive Independent Director	Executive Promoter
	Date of Birth	30-05-1963	10-05-1963
	Director in Company since	30-01-2009	15-11-2008

Other Directorship

Name of the Company	Compusys Systems Ltd	Online Management Services Pvt. Ltd.
		MVS Business Solution Pvt. Ltd.
		Online Support & Services Pvt. Ltd.

2.	Name	Mr. Bhavesh Bhatt
	Designation	Director
	Status	Non executive Independent Director
	Date of Birth	10-06-1963
	Director in Company since	30-01-2009
	Other Directorship	
	Name of the Company	Status
	Compusys Systems Ltd.	Director

7. As required under Section 173 (2) of the Companies Act, 1956 the explanatory statement is annexed hereto.

By Order of the Board
For TRC FINANCIAL SERVICES LIMITED

Place: New Delhi
Date: 28.08.2010

(VIJAY M. S. MISQUITTA)
MANAGING DIRECTOR

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

Having regard to the valuable services rendered by Mr. Vijay M. S. Misquitta to the Company, the Board of Directors of the Company had appointed him as a Managing Director of the Company for a period of Five years w.e.f. 30.01.2010, subject to approval of the members and as per the terms and conditions as are given in the aforesaid resolution and as per applicable provisions of the Companies Act, 1956. Mr. Vijay M. S. Misquitta has even his consent to act as Managing Director.

Seek your approval for the aforesaid appointment of Mr. Vijay M. S. Misquitta as a Managing Director of the Company.

The given resolution to be passed as a Special Resolution

Except Mr. Vijay M. S. Misquitta, none of the other directors are interested in the resolution.

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

**(VIJAY M. S. MISQUITTA)
MANAGING DIRECTOR**

Place: New Delhi
Date : 28.08.2010

DIRECTORS' REPORT

To The Members of
TRC Financial Services Limited

Your Directors' have pleasure in submitting the Sixteenth Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

The financial results of the company for the year ended 31st March, 2010 compared to the previous year are summarized below:

(Rs. in lakhs)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Total Income	13.13	17.04
Profit (Loss) before interest & depreciation	4.67	5.86
Interest	---	---
Profit (Loss) after interest but before depreciation	4.67	5.86
Depreciation	1.12	1.84
Profit (Loss) Before Tax	3.55	4.02
Provision for Tax	0.66	0.63
Profit (Loss) After Tax	2.89	3.39

OPERATIONS

Due to Global recessionary phenomenon and the adverse market conditions, the profits of the Company have reduced from 3.39 Lacs to 2.89 Lacs. However your Directors are hopeful that the strategies and Business Plans made by the Management will reap positive yields in the time to come. The company is now only doing Loan financing activities.

DIVIDEND

Due to inadequate profit during the year under review and with purpose to retain profit for strengthening capital base of the company, the Board of Directors do not recommend, declaration of any dividend for the year ended 31.03.2010.

PUBLIC DEPOSITS

During the year the company has neither accepted nor renewed any deposit. As on 31.03.2010, the outstanding public deposits amounted to Rs. NIL. Further the company has resolved not to accept public deposits in future.

RBI CLASSIFICATION

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

CORPORATE GOVERNANCE

Your Company and its' Board, have taken adequate steps towards implementation of the provisions of Clause 49 of the listing agreement and it is committed to achieve the highest standards of the Corporate Governance.

For the matters concerning Corporate Governance, you are requested to refer to the separate segment on the same, forming part of the Annual Report.

DIRECTORS

During the year under review, following were the changes in the Composition of Board of Directors:

Mr. Harshad Dholakia & Mr. Bhavesh Bhatt who retire by rotation at the ensuring Annual General Meeting are proposed to be re-appointed.

Mr. Vijay M. S. Misquitta whose term for Managing Director ends on 29.01.2010 was re-appointed by the Board as the Managing Director for a period of Five years w.e.f. 30.01.2010, subject to member's approval at the ensuring Annual General Meeting.

AUDITORS

M/s. Johar & Kathpalia, Chartered Accountants retire and being eligible, offer themselves for re-appointment.

PARTICULARS ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO.

The Company is not engaged in any manufacturing activity and therefore there are no particulars to be disclosed under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earnings	:	Nil
Foreign Exchange outgo	:	Nil

PARTICULARS OF EMPLOYEES

There is no employee covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirms:

1. That in the preparation of annual accounts, the applicable accounting standards have been followed.
2. That 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 or loss of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGMENTS

Your Directors' place on record their deep appreciation to the Bankers, Shareholders and Customers for their co-operation and support and to the staff members for their contribution towards the performance of the Company.

For TRC FINANCIAL SERVICES LIMITED

Place: New Delhi
Date : 28.08.2010

**(VIJAY M. S. MISQUITTA)
MANAGING DIRECTOR**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**BUSINESS OUTLOOK & OVERVIEW**

While the outlook for the Indian economy continues to remain positive, the growth trajectory is likely to moderate. Rising food and commodity prices across the world, volatile financial markets and a diminished risk appetite among international investors are bound to have their impact on the Indian economy. With inflation hovering above the 10% mark, liquidity is likely to be constrained and interest rates are unlikely to ease. Your Company's strategy, will be to focus on profitable growth, leveraging its intimate knowledge of the market and customer relationships.

RISK MANAGEMENT

Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The Risk Management Committee, constituted in accordance with the Guidelines on Corporate Governance issued by the Reserve Bank of India, monitors the risk management framework on an ongoing basis with a view to ensuring that risk parameters are within defined limits.

HUMAN RESOURCES

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the rapidly growing customer base of your Company.

SEGMENT WISE / PRODUCT WISE PERFORMANCE

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

INTERNAL CONTROL SYSTEMS AND ADEQUACY

As part of the effort to evaluate the effectiveness of the internal control systems, all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. Additionally, an Information Security Assurance Service is also provided by independent qualified professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

FINANCIAL PERFORMANCE

The company's profit was reduced to Rs. 2.89 Lacs from Rs. 3.39 Lacs during last year.

RESOURCES / INDUSTRIAL RELATIONS

The Company recognizes the importance of Human resource development and the management has taken various initiatives for in-house and external training opportunities covering areas in risk management, research analysis, computer training, development in derivatives market, etc. The Company has an adequate pool of professionally qualified and trained employees and recruitment are made as and when required.

For TRC Financial Services Limited

Sd/-
Vijay M. S. Misquitta
Managing Director

Place: New Delhi
Date: 28.08.2010

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

This Report on Corporate Governance forms part of the Directors Report. This section, besides being in compliance with the mandatory requirement of the listing agreement, gives an insight into the process of the Company's Philosophy on code of governance.

The Company believes in values of Transparency, Professionalism and Accountability in its dealings with its Employees, Shareholders, Government and Clients. The company is committed to achieving the high standards of Corporate Governance.

2. BOARD OF DIRECTORS

The Boards presently comprises 5 Directors. As required by Clause 49(I)(A)(i) of Listing Agreement more than 50% of the directors are non - executive. And as per Clause 49(I)(A)(ii) more than 1/3rd Directors are Independent directors. The composition of the Board in detail is a follows:

Sr.No	Name Of The Directors	Category	*No. of Other Directorships	Membership of Committees
1	Mr. Ajay Sarupia (Chairman)	Non-executive & Promoter	12	Nil
2	Mr. Vijay Misquitta (Managing Director)	Executive & Promoter	3	Nil
3	Mr. Harshad Dholakia	Non-executive & Independent	1	Nil
4	Mr. Bhupendra Avasthi	Non-executive & Independent	3	Nil
5	Mr. Bhavesh Bhatt	Non-executive & Independent	1	Nil

*Directorship includes Pvt. Ltd. Companies.

Attendance:

In the financial year 2009-2010, the Board met seven times on 29.04.2009, 30.07.2009, 26.08.2009, 30.10.2009, 02.01.2010, 29.01.2010 & 30.03.2010 with clearly defined agenda, circulated well in advance before each meeting.

Attendance record of the participating Directors for the year ended 31.03.2010 are as follows:

Sr.No.	Name Of The Directors	Meetings held during the tenure of the Director from 01-04-2008 to 31-03-2009	No of Meetings attended	Attendance Of Last AGM
1.	Mr. Ajay Sarupria	7	7	Yes
2.	Mr. Vijay M. S. Misquitta	7	7	Yes
3.	Mr. Harshad Dholakia	7	6	No
4.	Mr. Bhupendra Avasthi	7	7	No
5.	Mr. Bhavesh Bhatt	7	6	No

Changes in Directors

During the year under review, following were the changes in the Companies of Board of Directors:

Mr. Harshad Dholakia & Mr. Bhavesh Bhatt who retire by rotation at the ensuing Annual General Meeting are proposed to be re-appointed.

Mr. Vijay M. S. Misquitta whose term for Managing Director ends on 29.01.2010 shall be re-appointed subject to member's approval at the ensuing Annual General Meeting.

Responsibilities of the Boards:

The Board discharges the duties responsibilities as required under the applicable statute (s) including the Companies Act, 1956, Guidelines issued by SEBI and other regularities bodies from time to time. The Board of Directors ensures that other responsibilities do not have any material impact on their responsibilities as Directors of the company .

Role of the Independent Directors:

The independent directors play an important role & participate in all the deliberation of the Board and contribute to the decision making process with their knowledge and expertise in the areas of Account, Financial, Law, & other professional areas.

During the financial year 2009 - 2010, no commission was paid to any director of the Company.

3 BOARD COMMITTEES**A) AUDIT COMMITTEE**

The Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee are given below:-

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Harshad Dholakia, Chairman	Non-executive & Independent	5	5
Mr. Bhupendra Avasthi	Non-executive & Independent	5	5
Mr. Bhavesh Bhatt	Non-executive & Independent	5	5

The Audit Committee is responsible for the areas specified by Clause 49 of the Listing Agreement and Section 292-A of the Companies Act, 1956.

During the financial year Five Audit Committee meetings were held i.e. on 27.04.2009, 28.07.2009, 24.08.2009, 28.10.2009 & 27.01.2010.

Role of Audit Committee

The role of the Audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

B) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE

The Composition of the Shareholders/Investors Grievance Committee and details of Meetings attended by the Directors are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Harshad Dholakia, Chairman	Non-executive & Independent	8	8
Mr. Vijay M. S. Misquitta	Executive & Promoter	8	8

The main function of the Share Transfer and Investor Grievance Committee is to supervise and ensure efficient transfer of shares, dematerialisation of shares and timely attendance of investor's complaints. The committee meets to review the Transfers/Remat /Demat/Duplicate shares issue, executed by the RTAM/s. Purva Sharegistry (India) Pvt. Ltd. Mr. Vijay M. S. Misquitta is the Compliance Officer of the Company. 4 Complaints were received & resolved during the financial year and no complaints were pending as on 31st March 2010. Half-yearly Transfer Audit and Quarterly Secretarial Audit in terms of the Listing Agreement are regularly carried out by an Independent Practicing Company Secretary.

During the financial year Eight Share Transfer and Investor Grievance Committee meetings were held i.e. on 15.04.2009, 08.07.2009, 15.10.2009, 15.01.2010, 29.01.2010, 30.01.2010, 27.02.2010 & 15.03.2010.

C) INVESTMENT COMMITTEE

The Composition of the Investment Committee and details of Meetings attended by the Directors are given below:

TRC FINANCIAL SERVICES LIMITED

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Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Vijay M. S. Misquitta	Executive & Promoter	1	1
Mr. Harshad Dholakia,	Non-executive & Independent	1	1

The Committee is responsible for decision of sale and purchase of shares of other companies held in stock. During the financial year One Investment Committee meeting were held i.e. on 01.01.2010.

D) REMUNERATION COMMITTEE

The Composition of the Investment Committee and details of Meetings attended by the Directors are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Harshad Dholakia, Chairman	Non-executive & Independent	1	1
Mr. Bhupendra Avasthi	Non-executive & Independent	1	1

The Committee approves the remuneration of Directors and Manager. However, no remuneration has been paid to any Directors in the year under review.

During the financial year One Remuneration Committee meeting was held on 27.01.2010.

4. REMUNERATION OF DIRECTORS FOR 2009-2010

Name of Director	Sitting Fee	Salaries & Perquisites	Commission	Total
Mr. Vijay Misquitta	NIL	NIL	NIL	NIL
Mr. Ajay Sarupria	NIL	NIL	NIL	NIL
Mr. Harshad Dholakia	NIL	NIL	NIL	NIL
Mr. Bhupendra Avasthi	NIL	NIL	NIL	NIL
Mr. Bhavesh Bhatt	NIL	NIL	NIL	NIL

The Company does not have any stock option scheme and No Commission was paid to any Director during the year 2009-2010.

5. GENERAL BODY MEETING (HELD IN LAST THREE YEARS)

Year	Venue	Date	Time
2009	Arjun Farms, (Khasra No. 11/16), Village Pindwala Khurd, Jhatkra Road, New Delhi-110 071.	30.09.2009	11.00 a.m.
2008	Arjun Farms, (Khasra No. 11/16), Village Pindwala Khurd, Jhatkra Road, New Delhi-110 071.	16.12.2008	11.00 a.m.
2007	Arjun Farms, (Khasra No. 11/16), Village Pindwala Khurd, Jhatkra Road, New Delhi-110 071.	28.09.2007	11.00 a.m.

Special resolution : On 30.09.2009, Mr. Vijay M. S. Misquitta was appointed as the Managing Director of the Company for a period of One year w.e.f. 30.01.2009.

No special resolution was passed through postal ballot during the financial year ending 31st March 2010.

6. DISCLOSURES

- The disclosure of related party transactions has been made in the Schedule XIV (A) Point No. 7 of the Notes to Accounts annexed to the Balance sheet as on 31st March 2010.
- There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to any of capital market, during the last three years.
- The person heading the finance of the companies have certified the specified matters to the Board, as required under Clause 49 V.

7. MEANS OF COMMUNICATION

The main source of the information to the Shareholder is the Annual Reports, which include, interalia, the Director's Report, the report of Board of Directors on Corporate Governance, Management Discussion and analysis Report and the auditor's financial results. The unaudited quarterly/Audited results, notices of General Meetings are published for the information of the Shareholders in leading national and regional daily newspapers and intimation to the Stock Exchanges as required under the Listing Agreements.

8. MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion Analysis report forms a part of the Annual Report.

9. CODE OF CONDUCT

All the Directors and Senior Management personnel have affirmed Compliance with the code of conduct.

Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding adherence to Code of Conduct:

In accordance with Clause 49 (1) (D) of the listing agreement all the Directors and Senior Management personnel have affirmed compliance with the code of conduct for the year ended on 31st March 2010.

Sd/-
Vijay M. S. Misquitta
MANAGING DIRECTOR
DIN NO. 00993141

10. SHAREHOLDERS INFORMATION

1. Annual General Meeting Date Day and Time, Venue	30 th September 2010 Thursday at 11.00 a.m. Arjun Farms, (Khasra no. 11/16), Village Pindwala Khurd, Jhatikra Road, New Delhi – 110 071.
2. Financial Calendar (Tentative) for 2010-2011. a) Financial reporting for the Quarter Ending June 30, 2010, Quarter and Half year ended Sept. 30, 2010 Quarter ending December 31, 2010 and Quarter ended 31 st March 2011.	Within 45 days from the end of the quarter as stipulated under the Listing Agreement.
b) Financial reporting for the year ending March 31, 2011 (audited)	Within three months from the end of the last quarter as stipulated under the Listing Agreement or before 31 st August 2011.
3. Date of Book closure	24 th September 2010 to 30 th September 2010
4. Unclaimed/unpaid Dividend for the Previous years	NIL
5. Listing of Equity Shares	Bombay Stock Exchange
6. Stock Code No. –	BSE – 511730
7. Registered Office	A-45, Radial Road, Connaught Place, New Delhi – 110001.
8. For dealing in shares in the dematerialisation form, code No. (ISIN - INE759D01017) has been allotted to the securities of our Company by Central Depository Services (India) Limited and National Securities Depository Limited.	

11. STOCK MARKET DATA

Stock Market Price Data for the year 2009-2010

Month	BSE Price	
	High (Rs.)	Low (Rs.)
April 2009	12.23	9.80
May, 2009	10.20	7.15
June, 2009	10.97	7.80
July, 2009	11.50	9.88
August, 2009	11.00	8.96
September, 2009	12.46	8.52
October, 2009	12.54	11.00
November, 2009	11.88	8.75
December, 2009	10.41	7.00
January, 2010	13.33	9.61

February, 2010	11.02	8.62
March, 2010	10.81	8.18

(Source-bseindia.com)

12. SHARE TRANSFER AGENT

M/s. Purva Sharegistry (India) Pvt. Ltd., Mumbai has been appointed as a common agency for both Physical and Electronic Connectivity for dematerialisation of shares.

To supplement to the prompt services given by the Registrar & Transfer Agent the Share Transfer and Investors grievance Committee meets as and when there are transfers/transmission of shares for the approvals of periodical transfers, issue of share certificates, splitting of shares etc.

All requests for dematerialisation of shares are processed and confirmation thereof is sent to the shareholders within 21 days of the receipt thereof.

13. Distribution of Shareholding of the company as on 31st March, 2010 is as follows:

Share Holding of Nominal Value of	Folios		Shares	
	Numbers	%	In Rs.	%
Upto 5000	2103	89.49	2739550	5.48
5001 - 10000	98	4.17	812460	1.62
10001 - 20000	47	2.00	673880	1.35
20001 - 30000	28	1.19	726310	1.45
30001 - 40000	9	0.38	339000	0.68
40001 - 50000	10	0.43	462940	0.93
50001 - 100000	19	0.81	1471140	2.94
100001 & Above	36	1.53	42783720	85.55
Total	2350	100.00	50009000	100.00

14. The shareholding pattern of the company as on 31st March, 2010 is as follows:

	CATEGORY	No. Of Equity Shares	Total %
A	Shareholding of Promoter & Promoter Group		
	(1) Indian		
	Individuals / Hindu Undivided Family	2938874	58.77
	Sub Total	2938874	58.77
	(2) Foreign	—	—
	Total shareholding of Promoter and Promoter Group (A)	2938874	58.77
B	Public Shareholding		
	(1) Institutions	109200	2.18
	(2) Non-Institutions	—	—
	Bodies Corporate	445912	8.92
	Individuals		
	Individual shareholders holding nominal share capital up to Rs. 1 lakh	609616	12.19
	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	896798	17.93

	CATEGORY	No. Of Equity Shares	Total %
	Any Others (Specify)		
	Non Resident Indians	500	0.01
	Sub Total	1952826	39.05
	Total Public shareholding (B)	2062026	41.23
	Total (A)+(B)	5000900	100.00
C	Shares held by Custodians and against which Depository Receipts have been issued		
	Total (A)+(B)+(C)	5000900	100.00

15. DEMATERIALISATION OF SHARES

The equity shares of the Company are available for dematerialisation under the Depository System operated by Central Depository Services (India) Limited as well as National Securities Depository Limited. The percentage of shares in demat form as on 31.03.2010 is 91.99%.

16. ADDRESS FOR CORRESPONDENCE - INVESTOR SERVICES

For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialisation of shares, Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to M/s Purva Sharegistry (India) Pvt. Limited, at the following address:

M/s. Purva Sharegistry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Ind. Estt., J. R. Boricha Marg,
Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai - 400011.
Email: busicomp@vsnl.com

OR

Regd. Office: A-45, Radial Road, Connaught Place, New Delhi - 110001.

For TRC Financial Services Limited

Sd/-
Vijay M. S. Misquitta
Managing Director

Place: New Delhi
Date: 28.08.2010

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
TRC Financial Services Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by M/s. TRC Financial Services Limited for the year ended 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and progressive implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending as at 31st March, 2010, for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investor Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Priti J. Sheth & Associates
Companies Secretaries

Priti J. Sheth
M. No.: 17178

Place: Mumbai
Date: 28.08.2010

AUDITORS' REPORT

To,

The Members of
M/s TRC Financial Services Limited
A-45, Radial Road, Connaught Place, New Delhi-110 001

1. We have audited the attached Balance Sheet of TRC Financial Services Limited, as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further, to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards, referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, 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 2010;
 - b) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and

- c) in the case of the Cash Flow Statement, of the cash flow of the Company for the year ended on that date

For M/s Johar & Kathpalia
Chartered Accountants
(Firm Regn No. 005500N)

PLACE : New Delhi
DATED : 28.08.2010

(M.S. Johar)
Partner
M.No. 84151

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF TRC FINANCIAL SERVICES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010)

- I In respect of the fixed assets of the Company:-
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancy has been noticed on such verification.
 - (c) The company has not disposed off a substantial part of fixed assets during the year.
- II The Company does not have any stocks of finished goods, stores, spare parts and raw materials and, therefore, Clauses (ii) of Paragraph 4 of Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- III During the year, the company has neither granted, nor taken any loans, secured or unsecured to/from companies, firms, or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provision of clause (iii) of paragraph 4 of Companies (Auditor Report) Order, 2003 are not applicable to the company.
- IV In our opinion and according to the information and explanations given to us, there are adequate internal control systems, commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of the audit no continuing major weakness has been noticed in the internal control system.
- V According to the information and explanations given to us, the company has not entered into any contracts or arrangements, which are required to be listed in the register maintained under Section 301 of the Companies Act, 1956.
- VI The Company has not accepted any deposit from public during the year, and has resolved not to accept public deposits in future. In our opinion, the company has complied with the directives issued by the Reserve Bank of India and the provisions of the Section 58A and 58AA or any other relevant provisions of the act and the rules framed there under, where ever applicable.
- VII The internal audit of the company has been conducted by an independent firm of Chartered Accountants and in our opinion the company has an internal audit system commensurate, with the size and nature of its business.
- VIII In our opinion, and according to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- IX (a) The Provisions of Provident Fund Act and the Employees State Insurance Act are not applicable to the Company.
 - (b) According to the records of the company, it is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and other statutory dues with the appropriate authorities.
 - (c) According to the information and explanations given to us, there is no undisputed amounts payable

in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom duty and Cess were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.

- X In our opinion, accumulated losses of the company are more than 50% of its net worth. The Company has incurred cash profit in the financial year under report and in the immediate preceding financial year.
- XI The company has not defaulted in repayment of any dues to a financial institution or bank or debenture holders.
- XII The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- XIII The company is not a chit fund, nidhi or mutual benefit fund / society therefore the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XIV It has maintained proper records in respect of shares held as long-term investments and are held in the name of the company.
- XV According to the information and explanations given to us, the company has not given any guarantee during the year, for loans taken by others from banks or financial institutions.
- XVI The company has neither raised any term loan during the year nor any unutilised amount was left on this account, as at the beginning of the year. Therefore the provisions of Clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XVII According to the information and explanations given to us and on overall examination of the Balance sheet of the company, we report that the funds raised on short-term basis have not been used for long term investments.
- XVIII The company has not made any preferential allotment of equity shares to any party during the year.
- XIX The company has not made any preferential allotment of equity shares to any party during the year. Neither any debentures were issued during the year nor any creation of security nor charge is pending in respect of debentures raised.
- XX The company has not raised any money by public issue during the year.
- XXI To the best of our knowledge and belief and according to the information and explanations given to us, no frauds on or by the company was noticed or reported during the year.

For M/s Johar & Kathpalia
Chartered Accountants
(Firm Regn No. 005500N)

PLACE : New Delhi
DATED : 28.08.2010

(M.S. Johar)
Partner
M.No. 84151

AUDITORS' REPORT

To,

The Board of Directors
M/s TRC Financial Services Limited
A-45, Radial Road, Connaught Place,
New Delhi-110 001

Dear Sirs,

Pursuant to "Non Banking Financial Companies Audit Reports (RBI) Directions 1998", and further circular DNBS (PD) C.C.No.79 / 03.05.2002 / 2006-07, Dated.-21-09-2006, of RBI Act, 1934. We report that:

- A. The company has been granted registration vide Certificate of Registration No. B-14.01353 dated 25.10.2004 by the Reserve Bank of India. The company has also been classified as "Category B, Non Banking Finance Company" by the Reserve Bank of India, vide their letter No. DNBS.ND.NO.164/MSB/05.04.07.342/2004-05 Dated 25.10.2004.
- B. (i) The Board of Directors of the Company has passed a resolution for the non-acceptance of any public deposit.
- (ii) The Company has not accepted any Public Deposit during the current financial year (2009-10) under report.
- (iii) The company has complied with the prudential norms of Income Recognition, Accounting Standards, Asset Classification, provisioning for bad and doubtful debts as applicable to it.
- (iv) The Company was engaged in the business of NBFC during the year ended 31st March, 2010, requiring holding of COR under section 45-1A of the RBI Act, 1934.

For M/s Johar & Kathpalia
Chartered Accountants
Firm Regd. No. 005500N

PLACE : NEW DELHI
DATED : 28.08.2010

(M.S. Johar)
Partner
M.No. 84151

TRC FINANCIAL SERVICES LIMITED

SIXTEENTH ANNUAL REPORT 2009-2010.

Particulars	Balance Sheet as at 31st March, 2010			
	Schedule	As at 31-03-2010 (Rs.)	As at 31-03-09 (Rs.)	
SOURCE OF FUNDS				
Shareholder's Funds				
Share Capital	I	50,009,000.00		50,009,000.00
Reserves & Surplus	II	2,153,868.00		2,096,000.00
Secured Loans (Under Hypothecation of Car)				1,009,666.00
Total		<u>52,162,868.00</u>		<u>53,114,666.00</u>
APPLICATION OF FUNDS				
Fixed Assets :				
Gross Block	III	259,683.00	2,093,017.00	
Less : Depreciation		<u>192,589.80</u>	<u>232,925.83</u>	1,860,091.17
Investments	IV		6,526,329.91	86,599.58
Current Assets, Loans & Advances				
Current Assets:				
Cash & Bank Balances		14,140,596.04	19,736,018.82	
Other Current Assets		1,551,980.03	617,090.41	
Loans & Advances		<u>718,787.42</u>	<u>1,488,584.39</u>	
		16,411,363.49	21,841,693.62	
Less : Current Liabilities & Provisions				
Current Liabilities				
Provisions	VI	35,963.00	56,575.00	
		<u>101,046.00</u>	<u>143,706.00</u>	
		137,009.00	200,281.00	
Net Current Assets		16,274,354.49		21,641,412.62
Debit Balance in Profit & Loss Account		29,295,090.40		29,526,562.63
Total		<u>52,162,868.00</u>		<u>53,114,666.00</u>
Significant Accounting Policies & Notes to Accounts				
	XI			

Schedule I to XI form an integral part of Accounts

 As per our Report of even date
 For Johar & Kathpalia
 Chartered Accountants
 (Firm Regn No. 005500N)

 Sd/-
 Ajay Dilkush Sarupria
 Chairman
 DIN No.00233245

 Sd/-
 Vijay M. S. Misquitta
 Managing Director
 DIN No.00993141

 Sd/-
 M.S. Johar
 Partner
 M. No.84151

 Place : New Delhi
 Date : 28.08.2010

TRC FINANCIAL SERVICES LIMITED

SIXTEENTH ANNUAL REPORT 2009-2010.

Particulars	Schedule	Profit & Loss Account for the period ended 31st March, 2010	
		For the Period ended 31-03-10	For the Period ended 31-03-09
INCOME			
Interest Income	VII	1,279,431.31	1,590,702.22
Other Income	VIII	33,531.22	5,120.00
Profit on sale of owned assets		-	107,969.86
Total (A)		1,312,962.53	1,703,792.08
B) EXPENDITURE			
Establishment, Administration and other Expenses	IX	845,418.00	838,168.75
Bank Charges & Interest	X	303.33	533.71
Provision of Bad Debts Written Off		---	278,838.00
Total (B)		845,721.33	1,117,540.46
Gross Profit (A-B)		467,241.20	586,251.62
Depreciation		111,880.97	183,860.13
Profit /(Loss) Before Taxation		355,360.23	402,391.49
Provision for Taxation :			
Income Tax		30,500.00	-
Prov. For Fringe Benefit Tax		---	63,156.00
Earlier year Tax Adjustments		35,520.00	---
Profit /(Loss) after Taxation		289,340.23	339,235.49
APPROPRIATIONS			
Surplus - Opening Balance		(29,526,562.63)	(29,624,799.12)
Current Year Profit /(Loss) after Tax		231,472.23	98,235.49
Profit transferred to Special Reserve Fund		57,868.00	241,000.00
Surplus /(Shortfall) Carried to Balance Sheet		(29,295,090.40)	(29,526,562.63)
Earning Per Share		0.06	0.07
Significant Accounting Policies & Notes to Accounts			
XI			
Schedule I to XI form an integral part of Accounts			

As per our Report of even date
For Johar & Kathpalia
Chartered Accountants
(Firm Regn No. 005500N)

Sd/-
Ajay Dilkush Sarupria
Chairman
DIN No.00233245

Sd/-
Vijay M. S. Misquitta
Managing Director
DIN No.00993141

Sd/-
M.S. Johar
Partner
M. No.84151

Place : New Delhi
Date : 28.08.2010

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	As at 31-03-2010 (Rs.)	As at 31-03-09 (Rs.)
SCHEDULE - I		
SHARE CAPITAL		
Authorised :		
60,00,000 Equity Shares of Rs. 10/- each	60,000,000.00	60,000,000.00
20,00,000 Preference Shares of Rs. 10/- each	20,000,000.00	20,000,000.00
Issued, Subscribed & Paid-up :		
50,00,900 Equity Shares of Rs. 10/- each Fully paid-up	50,009,000.00	50,009,000.00
SCHEDULE - II		
RESERVES & SURPLUS		
Special Reserve Fund (As per Section 45-1C of RBI Act 1934)		
As at the beginning of the Year	2,096,000.00	1,855,000.00
Additions during the year	57,868.00	241,000.00
	2,153,868.00	2,096,000.00
Total	2,153,868.00	2,096,000.00

TRC FINANCIAL SERVICES LIMITED

SIXTEENTH ANNUAL REPORT 2009-2010.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS (CONTD.)

SCHEDULE III
FIXED ASSETS

Amount (Rs.)

Nature Of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Total Cost 1-04-2009	Additions	Sale / Adjustment	Total Cost 31-03-2010	Total Dep 1-04-2009	Current Dep.	Adjustment / Sale	Total Dep. 31-03-2010	Net Block 31-03-2010	Net Block 31-03-2009		
Vehicles	183334.00	00	183334.00	00	72523.75	79687.25	152217.00	0.00	0.00	1760804.25		
Computers	175480.00	-	-	175480.00	112485.31	28445.31	0.00	140930.62	34549.38	62594.69		
Office Equipments	73663.00	-	-	73663.00	38978.66	3081.23	0.00	42059.89	31603.11	34684.34		
Furniture & Fixtures	10540.00	-	-	10540.00	8932.11	667.16	0.00	9599.29	940.71	1507.89		
Total	2093017.00	00	183334.00	299633.00	232925.83	111880.97	152217.00	192589.80	67093.20	1860091.17		
Previous Year	3404917.00	1866967.00	3178862.00	2093017.00	2625897.56	183860.13	2576831.68	232926.00	1860091.00			

TRC FINANCIAL SERVICES LIMITED

SIXTEENTH ANNUAL REPORT 2009-2010.

 SCHEDULE IV
 Non Trade : (At Cost)

INVESTMENTS : LONG TERM

S.No.	Name of the Company	As at 31-03-2010		As at 31-03-2009	
		No. of Shares/ Units	Investment (Rs.)	No. of Shares/ Unit	Investment (Rs.)
(A) Quoted :					
(Fully paid-up Equity Shares of Rs. 10/- each)					
1	BPL Engineering Ltd.	1000	---	1000	-
2	IDFC	---	---	1000	66,600
Total (A)					66,600
(B) Mutual Funds :					
1	Canara Robeco Mutual Fund	194971.710	2,001,442	---	---
	LIC M.F. Saving Plus Fund	250124.187	2,502,567	---	---
	UTI Floating Rate Fund	1894.172	2,002,321	---	---
Total (B)			6,506,330		
(C) Unquoted :					
1	National Saving Certificate		20,000		20,000
Total (C)			20,000		20,000
Total (A+B+C)			6,526,330		86,600

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	As at 31-03-10 (Rs.)	As at 31-03-09 (Rs.)
SCHEDULE - V		
CURRENT ASSETS, LOANS & ADVANCES		
CURRENT ASSETS		
Sundry Debtors:		
Cash & Bank Balances :		
a) Cash in hand	22,586.27	6,328.27
b) Balance with Scheduled Banks		
- in Current Account	3,998,009.77	5,457,479.60
- in Fixed Deposits Accounts	10,120,000.00	14,272,210.95
		19,736,018.82
Other Current Assets		
Interest Accrued on Investment in Securities and Fixed Deposits with Banks	611,595.03	694,080.41
Others	940,385.00	1,561,980.33
		23,010.00
		617,090.41
Loans & Advances :		
(Unsecured, Considered good)		
Loans		53,985.00
Security Deposits	17,500.00	17,500.00
Tax Deducted at Source/Advance Tax Staff / Other Advance	701,287.42	1,417,099.39
		718,787.42
		1,488,584.39
Total		16,411,363.49
		21,841,693.62
SCHEDULE VI		
CURRENT LIABILITIES AND PROVISIONS		
1. Current Liabilities		
Other Liabilities	35,963.00	55,575.00
Total	35,963.00	55,575.00
2. Provisions		
Wealth Tax	7,550.00	7,550.00
Fringe Benefit Tax AY 2007-08	--	44,000.00
Fringe Benefit Tax AY 2008-09	--	29,000.00
Fringe Benefit Tax AY 2009-10	62,996.00	63,156.00
Income Tax A.Y. 2010-11	30,500.00	--
Total	101,046.00	143,706.00

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	For the Period ended 31-03-10 (Rs.)	For the year ended 31-03-09 (Rs.)
SCHEDULE VII		
INTEREST AND BILL DISCOUNTING INCOME		
Interest on Loans (Gross)	---	23,513.00
[TDS Rs.0/- (Previous year Rs. 0/-)]		
Interest on Fixed Deposits (Gross)	1,194,723.87	1,563,185.22
[TDS Rs. 1,25,811/- (Previous year Rs. 2,55,214/-)]		
Interest from Others (Gross)	84,707.44	4,004.00
TDS NIL (Previous year NIL)		
Total	1,279,431.31	1,590,702.22
SCHEDULE VIII		
OTHER INCOME		
Dividend	6,329.91	1,200.00
Recovery of Bad Debts	5,081.38	---
Miscellaneous Income	615.00	300.00
Income from Sales of Investment	21,304.93	3,620.00
Total	33,531.22	5,120.00
SCHEDULE IX		
ESTABLISHMENT, ADMINISTRATION & OTHER EXPENSES		
Establishment	---	237,064.00
Staff Welfare	---	1,398.00
Rent	33,000.00	90,832.00
Conveyance & Travelling	35,294.00	23,958.00
Telephone, Postage, Fax & Courier	23,641.00	23,735.00
Repair & Maintenance	---	1,018.00
Advertisement Expenses	---	38,473.00
Insurance Expenses	23,440.00	17,589.00
Printing & Stationery	63,560.00	37,388.00
Computer Software Expenses	28,080.00	---
Vehicle Maintenance	5,000.00	22,784.00
Listing & Other fees	23,830.00	14,425.00
Legal & Professional Charges	421,318.00	143,200.00
Auditor's Remuneration	13,236.00	14,359.00
Registrar & Share Transfer Agent Exp.	---	16,854.00
AGM Expenses	70,028.00	43,370.00
Depository Charges	16,545.00	27,509.00
Other Expenses	205.00	4,146.75
Bad Debts	4,735.00	---
Interest on Car Loan	83,506.00	80,065.00
Total	845,418.00	838,168.75

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	For the Period ended 31-03-10 (Rs.)	For the year ended 31-03-09 (Rs.)
<u>SCHEDULE X</u>		
<u>BANK CHARGES & INTEREST</u>		
Bank Charges	303.33	533.71
Total	<u>303.33</u>	<u>533.71</u>

TRC FINANCIAL SERVICES LIMITED**SCHEDULE XI**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010.

A. SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the generally accepted accounting principles applicable in India and to comply with the applicable Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 and issued by the central government in exercise of the power conferred under sub - section (1) (a) of section 642 of the Companies Act, 1956 and relevant presentational requirements and are based on historical cost convention. In preparing these financial statements, accrual basis of accounting has been followed unless otherwise stated. The Company has followed the prudential norms of the Reserve Bank of India (RBI) for Non-banking Finance Companies (NBFC's) with regard to asset classification, revenue recognition, Investments and provisioning.

1. Fixed Assets

Fixed Assets have been valued at original cost less depreciation & Impairment Loss if any.

2. Depreciation**(i) Owned Assets**

Depreciation has been provided on assets, on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 on pro-rata basis.

(ii) Leased Assets

In respect of leased assets, in addition to statutory depreciation on straight-line method, as per sub clause (i) above, the lease equalisation on leased assets is computed as per the method recommended by the Institute of Chartered Accountants of India (ICAI) by charging the cost of asset over the primary lease period through lease equalisation account.

3. Stock on Hire

Stock on Hire has been valued at cost as reduced by the principal amount included in installments, which have matured during the year, except for the installments, the income for which has not been booked, in compliance with the RBI guidelines.

4. Investments**(i) Investments are classified as long-term or short-term, depending upon the intention to hold the same.**

Generally investments, which are readily realisable and are intended to be held for not more than one year from the date of investment, are regarded as short term Investments.

(ii) In terms of RBI Guidelines, short-term investments are valued at cost or market value whichever is lower. Long-term investments are valued as per the Accounting Standard of Institute of Chartered Accountants of India (ICAI).**5. Lease Rentals & Hire Purchase Finance Charges**

These are being accounted for on the due dates as per lease/hire purchase contracts. Hire Purchase finance charges are being recognised on the basis of Sum of Digits method. Income is not recognised in respect of Non-Performing Assets, as per the guidelines for prudential norms prescribed by the Reserve Bank of India.

B. NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010:

1. Following disclosures are made for Contingent Liabilities not provided for in accordance with AS - 29, on provisions, contingent liabilities and contingent assets: -

Particulars	Estimated Financial Effect as on 31-03-2010	Estimated Financial Effect as on 31-03-2009
	(Rs.)	(Rs.)
Guarantees issued for Sales Tax	1,20,000	1,20,000

Note: a) There is very less likelihood of any outflow, in respect of any of above Contingent Liability.
 b) There is no possibility of any reimbursement in respect of any of above Contingent Liability.
 c) These guarantees are fully backed by Fixed Deposit Receipts pledged with the Sales Tax authorities.

2. Investments:
 All scrips are held in the name of the Company, except those sent for transfer in the normal course.
3. Fixed Deposits include Rs. 1,20,000/- pledged to the bank against the bank guarantees issued by the bank.
4. Deferred Tax Asset/ Liability
 The management has considered it prudent to not to recognize deferred Tax Asset as per Accounting Standard (AS)22 "Accounting for Taxes on Income" on accumulated taxable losses/ unabsorbed depreciation (under Income Tax Act), owing to uncertain future of the business.
5. Provision for retirements' benefits have not been made under the relevant Acts, i.e. Gratuity Act, P.F. Act are not applicable to company since the company have no employees.
6. Segment Accounting
 Segment reporting, as defined in Accounting Standard 17 is not applicable, as the business of the company falls in one segment.

7. AUDITOR'S REMUNERATION INCLUDE:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Statutory Audit fees*	13,236	14,359
Certification & other charges	--	--
Total	13,236	14,359

* Including service tax

8. RELATED PARTY DISCLOSURES:

Mr. Vijay Misquitta, Mr. Ajay Sarupria, Mr. Harshad Dholakia, Mr. Bhupendra Avasthi & Mr. Bhavesh Bhatt, are related parties, though there is no transaction during the year & previous year

9. MANAGERIAL REMUNERATION

Remuneration to Manager

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Salary	NIL	60,900
House Rent Allowance	NIL	22,400
Reimbursement of Medical Expenses	NIL	4,130
Transportation Allowance	NIL	2,800
Bonus	NIL	90,834
Leave Encashment	NIL	56,000
Total	NIL	2,37,064

10 EARNING PER SHARE

The following disclosure is made as required by Accounting Standard-20 (AS-20) on "Earning Per Share" issues by the Institute of Chartered Accountants of India :

	Current Year	Previous Year
A) Profit / (Loss) for the year after adjustments (viz; Numerator) (Rs. in lacs) (without any extra-ordinary item)	2.89	3.39
B) Opening balance (same as closing balance) of Equity Shares	5000900	5000900
C) Nominal value Per Share	Rs. 10/-	Rs. 10/-
D) Basic & Diluted Earning / (Loss) Per Share	0.06	0.07

11 There are no outstanding dues to any Micro, Small and Medium Enterprises as defined by the Micro, Small and Medium Enterprises Development Act, 2006. Therefore Prescribed disclosures under Section 22 of the act have not been provided.

12. Previous Financial Year figures have been regrouped or rearranged wherever considered necessary.

As per our report of even date
For Johar & Kathpalia
Chartered Accountants
Firm Regn No. 005500N

Sd/-
Ajay Dilkush Sarupria
Chairman
DIN No.00233245

Sd/-
Vijay M. S. Misquitta
Managing Director
DIN No.00993141

Sd/-
M.S. Johar
Partner
M. No.84151

Place: New Delhi
Dated : 28.08.2010.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	2009-10		(Rupees in Lacs) 2008-09	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before Tax, Interest and Dividends		3.21		6.13
Adjusted for :				
Depreciation/Termination/Diminution etc.	1.12		1.84	
Dividend	<u>0.06</u>	<u>1.18</u>	<u>0.01</u>	<u>1.85</u>
Operating Profit before Working Capital Changes		4.39		7.98
Adjusted for :				
Trade & Other Receivables	(8.08)		19.49	
Trade Payables	<u>(0.94)</u>	<u>(9.01)</u>	<u>2.00</u>	<u>21.49</u>
Cash Generated from Operations		(4.62)		29.47
Tax Provision	(0.36)			
Receipt/(Payment) of Income tax	<u>6.44</u>	<u>6.08</u>	<u>(2.60)</u>	<u>(2.60)</u>
Net Cash from Operating Activities		1.46		26.87
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	0.00		(18.67)	
Sale of Fixed Assets	16.81		7.10	
Purchase of Investments	(65.06)		0.00	
Sale of Investments	0.88		2.00	
Dividend Received	0.06		0.01	
Fixed Deposits	41.52		15.70	
Net Cash Used in Investing Activities		(5.79)		6.14
C) CASH FLOW FROM FINANCING ACTIVITIES				
Net Cash Generated from Financing Activities		(10.10)		10.09
Net Increase (Decrease) in Cash and Cash Equivalents		(14.43)		43.11
Cash and Cash Equivalents as at the beginning of the Year		54.64		11.54
Cash and Cash Equivalents as at the End of the Year		40.21		54.64

As per our Report of even date
For Johar & Kathpalia
Chartered Accountants

Sd/-
Ajay Dilkush Sarupria
Chairman
DIN No.00233245

Sd/-
Vijay M. S. Misquitta
Managing Director
DIN No.00993141

Sd/-
M.S. Johar
Partner
M. No.84151

Place : New Delhi
Date : 26.08.2009

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details	Registration No.	59212	State Code	55	
	Balance Sheet Date	3 1 Date	0 3 Month	2 0 10 Year	
II Capital Raised during the period (Amount in Rs. Thousands)	Public Issue	NIL	Rights Issue	NIL	
	Bonus Issue	NIL	Private Placement	NIL	
III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)	Total Liabilities	52163	Total Assets	52163	
	Sources of Funds				
	Paid-up Capital	50009	Reserves & Surplus	2154	
	Secured Loans	NIL	Unsecured Loans	NIL	
	Application of Funds				
	Net Fixed Assets	67	Investments	6526	
	Net Current Assets	16274	Misc. Expenditure	NIL	
	Accumulated Losses	29295			
	IV. Performance of Company (Amount in Rs. Thousands)	Turnover	1313	Total Expenditure	958
		+ -Profit/Loss before Tax	355	+ -Profit/Loss after Tax	289
Earning per Share in Rs.		0.06	Dividend Rate %	NIL	
V. Generic Names of Three Principal Products/ Services of Company	Item Code No.	N . A .			
	Service Description	FINANCIAL SERVICES			

As per our Report of Even date
For Johar & Kathpalia
Chartered Accountants
(Firm Regn. No. 005500N)

Sd/-
Ajay Dilkush Sarupria
Chairman
DIN No.00233245

Sd/-
Vijay M. S. Misquitta
Managing Director
DIN No.00993141

Sd/-
M.S. Johar
Partner
M. No.84151

Place : New Delhi
Dated : 28-08-2010

Schedule to the Balance sheet of TRC Financial Services Limited
(as required in terms of Paragraph 9BB of Non-Banking Financial Companies
Prudential Norms (Reserve Bank) Directions, 1998)

(Rs. in lakhs)

Particulars		Amount Out - - Standing	Amount Overdue
Liabilities Side :			
(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
(a) Debentures	: Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
(b) Deferred Credits		NIL	NIL
(c) Term Loans		NIL	NIL
(d) Inter- corporate loans and borrowing		NIL	NIL
(e) Commercial Paper		NIL	NIL
(f) Public Deposits*		NIL	NIL
(g) Other Loans - Security Deposits from Lessees		NIL	NIL

*Please see Note 1 Below:

(2) Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
(a)	In the form of Unsecured debentures	NIL	NIL
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c)	Other public deposits	NIL	NIL

* Please see Note 1 below

Assets Side :		Amount Outstanding
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a)	Secured	NIL
(b)	Unsecured	NIL

(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities Amount Outstanding

(i) Lease assets including lease rental under sundry debtors :	
(a) Financial lease	NIL
(b) Operating lease	NIL
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Hypothecation loans counting towards EL/HP activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL

(5) Break-up of Investments :

Current Investments:

1	Quoted	
	(i) Shares :	
	(a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
2	Unquoted	
	(i) Shares :	
	(a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others - NSC	NIL

Long Term investments:

1	Quoted	
	(i) Shares :	
	(a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	65.06
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
2	Unquoted :	
	(i) Shares :	
	(a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	0.20

(6) Borrower group-wise classification of all leased assets, stock-on hire and loans and advances :
Please see Note 2 below

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties **			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	NIL	NIL
Total	NIL	NIL	NIL

(7) Investor group-wise classification of all investments (current and long term) in shares and securities(both quoted and unquoted) :
Please see note 3 below

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of provisions)
1. Related Parties **		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	65.26**	65.26**
Total	65.26**	65.26**

** As per Accounting Standard of ICAI (Please see Note 3 & 4)

(8) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties #	NIL
(ii) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

In the books the company carry the figure of NPA at net values, under various respective heads.

Notes:

1. As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
3. All Accounting Standard and Guidance Notes issued by ICAI are applicable including investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break-up/ fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.
4. Reduction in cost of Investment.
 - a. In case of shares which are not quoted at any stock exchange, the value of the investment has been reduced to NIL.
 - b. In case of shares which are quoted, the value of the investment has been reduced to the market value as at 31.03.2010.

TRC FINANCIAL SERVICES LIMITED
 Regd. Office : A-45, Radial Road, Connaught Place, New Delhi 110001.

**SIXTEENTH ANNUAL GENERAL MEETING
 PROXY FORM**

I/We.....of.....
in the district of.....being a
 Member/Members of TRC Financial Services Ltd. hereby appoint Mr./Miss/Mrs.....
 of.....or failing him/her, Mr./Miss/Mrs. as my/our
 proxy to attend and vote for me/our behalf at the Sixteenth Annual General Meeting of the Company to be held on
 30th September 2010, at 11.00 a. m. or at any adjournment thereof.
 Signed this.....day of September, 2010.
 Regd. Folio No.....No. of Shares.....
 DP ID* No.....Proxy No.....Client ID* No.....

Affix
 1 Rupee
 Revenue
 Stamp

- NOTE: 1. The Form should be Signed across the stamp as per specimen.
 2. The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
 *Applicable for members holding shares in electronic forms.

TRC FINANCIAL SERVICES LIMITED
 Regd. Office : A-45, Radial Road, Connaught Place, New Delhi 110001.
**SIXTEENTH ANNUAL GENERAL MEETING
 ATTENDANCE SLIP**

I/We hereby record my/our presence at the Sixteenth Annual General Meeting of the Company to be held at ARJUN FARMS, (Khasra No. 11/16) Village Pindwala Khurd, Jhatikra Road, New Delhi-110 071 on Thursday the 30th September 2010.

Full Name of Member (in Block Letters)	
Regd. Folio No.	
DP ID* No.	
Client ID* No.	
No. of Shares Held	
Full Name of Proxy (in Block Letters)	
Signature of the Member(s) or Proxy/Proxies present	

- NOTE: 1. A Proxy attending on behalf of a member should also write the name of the Member from whom he/she holds the Proxy.
 2. Please complete and sign this attendance slip and hand over at the entrance of the meeting hall. Only Member(s) or their Proxies with this attendance slip will be allowed entry to meeting. No attendance slip will be issued at the time of meeting.

MEMBERS PLEASE NOTE THAT NO GIFT / COUPON SHALL BE DISTRIBUTED AT THE MEETING

BOOK - POST



MEMBERS PLEASE NOTE THAT NO GIFT / COUPON SHALL BE
DISTRIBUTED AT THE MEETING.

If undelivered, please return to :
TRC FINANCIAL SERVICES LTD.
Regd. Office : A-45, Radial Road, Connaught Place, New Delhi 110001.