

TRANWAY TECHNOLOGIES LIMITED

ANNUAL REPORT

2019-20



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Bharat	Executive and Managing Director
Mrs. Kalavathy Bylappa	Whole Time Director
Mr. Gangisetty Srinivasulu Prashanth	Independent Director
Mr. Dakshinamoorthy Amanalingam Pillai	Independent Director
Mr. Arul Kumar	Independent Director

Key Managerial Persons

Mrs. Preeti Sandeep Byse	Chief Financial Officer
Mrs. Anitha R Officer	Company Secretary and Compliance

AUDITORS

Statutory Auditors

M/s. Luharuka & Co.,
Chartered Accountants,
18 Rabindra Sarani
Poddar Court (Gate No.1), Suite No. 530
Kolkatta- 700 001

Secretarial Auditors

M/s Arpan Sengupta and Associates,
Practicing Company Secretaries
Kishori Villa, Bf 35, Flat 5c, D B Nagar,
Sahapara, Baguiati,
Kolkatta -700059

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited

C-101, 1st Floor, 247 Park,
L B S Marg Vikhroli (West),
Mumbai - 400083
SEBI Registration No. INR000004058

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NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the members of M/s Tranway Technologies Limited will be held on Saturday the 26th Day of December 2020 at 11:30 A.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.1

To receive, consider and adopt Audited Standalone Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2020.

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the report of the Auditor's thereon, as circulated to the Members, be and are hereby considered and adopted.”

“ RESOLVED FURTHER THAT any the Board of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution and to file necessary e-forms with the respective Registrar of Companies

ITEM NO. 2

To receive, consider and adopt Audited Consolidated Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2020.

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 and the report of the Auditor's there on, as circulated to the Members, be and are hereby considered and adopted.”

“ RESOLVED FURTHER THAT any the Board of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution and to file necessary e-forms with the respective Registrar of Companies

ITEM NO. 3

To receive, consider and adopt the Report of the Board of Directors' for the Financial Year ended March 31, 2020.

“**RESOLVED THAT** the report of the Board of Directors’ for the Financial Year ended March 31, 2020, as circulated to the Members, be and are hereby considered and adopted.”

“ **RESOLVED FURTHER THAT** any the Board of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution and to file necessary e-forms with the respective Registrar of Companies

ITEM NO. 4

To consider and approve an appointment of Statutory Auditors for a period of 5 years.

“**RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made there under and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force , the consent of the members be and is hereby accorded for the appointment of M/s. Luharuka & Co., Chartered Accountants (FRN.: 328700E), Kolkata, as the statutory auditors of the Company, for a term of five years, from the conclusion of this Annual General Meeting till the conclusion of tenth Annual General Meeting of the Company , and decide the remuneration with applicable taxes in connection with the statutory audit of the Company and related services.”

“ **RESOLVED FURTHER THAT** any the Board of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution and to file necessary e-forms with the respective Registrar of Companies.”

By order of the Board of Directors

Date: 04.12.2020

Place: Bangalore

Anitha R
Company Secretary and Compliance Officer
Membership No: A60826

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. NSDL shall be providing facility for voting through remote E-Voting, for participation in the AGM through VC/ OAVM facility and E-Voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Instructions for Shareholders for Remote E-Voting Note No.1 below.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the Corporate Members (if may be appointed for the purpose of voting).
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate is entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with

National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

- 8.** Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e mail to sbcacs@yahoo.co.in/fcsarpansengupta@gmail.com with a copy marked to evoting@nsdl.co.in
- 9.** To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form.
- 10.** Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient-and better service to the members.
- 11.** The Company has notified closure of Register of Members and Share Transfer Books from Sunday, December 20, 2020 to Saturday, December 26, 2020 (both days inclusive) for the purpose of purpose of Annual General Meeting for the financial year ended 31st March 2020.
- 12.** Members who have not registered their e-mail addresses so far as requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
- 13.** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
- 14.** In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.tranwayinc.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- 15.** Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 16.** Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

17. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

1. The remote e-voting period begins on Wednesday 23, 2020 at 9:00 AM and ends on Friday 25, 2020 at 5:00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sbcacs@yahoo.co.in/fcsarpansengupta@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Sarita Mote | Assistant Manager at SaritaM@nsdl.co.in/ evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@tranwayinc.com

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@tranwayinc.com.

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM 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 Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. CS. S K Bahar Uddin, Practicing Company Secretary, Kolkata has been appointed as the scrutinizer for the e-voting process in fair and transparent manner. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
6. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.tranwayinc.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their

respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (cs@trawayinc.com)..
6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@trawayinc.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.
9. The recorded transcript of this meeting, shall as soon as possible, be made available on the website of the Company.

By order of the Board of Directors

Date: 04/12/2020
Place: Bangalore

Anitha R
Company Secretary and Compliance Officer
Membership No: A60826

CHAIRMAN'S MESSAGE

Dear colleague shareholders,

I trust that you and your families are keeping well.

Within a record short time, the COVID-19 pandemic has forcefully changed the rules of the game in the commercial and social sphere all over the world. It has taken all of us by surprise.

When this year started rolling with the successful IPO, no one could foresee the dark clouds that were not fast approaching, nor suspect the heavy damage which was in store.

On the contrary, I and my colleagues were thrilled with the good results our company had registered in 2019, and we were all looking forward with optimism and courage for an even better year ahead. But as you all know, in March we experienced the beginning of the terrible onslaught of the Covid-19 pandemic. The lockdowns and restrictions which we faced in March left us no alternative but to react immediately and reduce our operating expenses to a minimum. Even that proved insufficient, and we had to reduce the staff complement, revise our salaries and wages.

Notwithstanding all the savings and support provided by Government, the unrelenting fact remained that the company would still incur substantial cash losses.

We are now in a better position to assess the deficiency in our cash flow for this year and, to a certain extent, forecast for next year. We are fully aware of the hard times we have to face with more determination than ever. With this in view, the Board is keeping vigilant to assess and recommend further solutions, including how to retain our best resources, that is our workforce.

I have never allowed myself to be overtaken by pessimism and have for these last years led this company through thick and thin in very difficult circumstances. I am doing so once again, this time against an unprecedented world disaster. I am a perennial optimist and positive thinker, and in this vein I share with you my very deep conviction that we have a robust Company which derives its strength from its people. This places us in a strong position with financial institutions and fills us with the confidence to face these difficult times with grit and a strong determination to see our way through this tunnel and ultimately exit from the other end as a stronger and a more efficient organization.

We all look forward to the arrival of a Covid vaccine that will enable us to slowly but surely recoup the time lost and return to a normal way of life, even though normality could change to a different experience. I sincerely believe our company will in the end be leaner and healthier. And I am equally confident that your backing will not slacken. All this gives me and my colleagues that extra drive to succeed.

Best Regards

Sd/-

Bharat

Chairman & Managing Director
Tranway Technologies Limited

Date: 04/12/2020

Place: Bangalore

BOARD'S REPORT

To,
The Members,
TRANWAY TECHNOLOGIES LIMITED
(Previously Tranway Technologies Private Limited)

Your directors are pleased to present the 5th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the financial year ended 31st March, 2020.

1. FINANCIAL HIGHLIGHTS (STANDALONE) :

The Company's Financial Performance for the year under review along with the previous year's figures given under:

(Amount in Rupees)

Particulars	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Income from Business Operations	44,022,202	51,338,030
Other Income	3,11,619	415,021
Total Income	44,333,821	51,753,051
Profit before Interest, Depreciation & Tax	11,30,217	32,49,409
Less: Interest	-	-
Less: Depreciation	-	-
Profit after depreciation and Interest	11,30,217	32,49,409
Less: Current Income Tax(Inc: earlier year tax)	3,61,790	10,95,570
Less: Deferred Tax	(67,932)	(2,48,020)
Net Profit/Net Loss after Tax	8,36,359	24,01,859
Dividend (Including Interim if any and final)	-	-
Net Profit/Net Loss after dividend and Tax	8,36,359	24,01,859
Amount transferred to General reserve	-	-
Balance carried to Balance Sheet	8,36,359	24,01,859
Earnings per share (Basic –Weighted Average)	0.25	5.72
Earnings per Share(Diluted-Weighted Average)	0.25	5.72

2. DIVIDEND:

No dividend was declared for the financial year ended 31st March 2020 by the Board of Directors.

3. STATE OF COMPANY' FINANCIAL AFFAIRS:

During the year under review, the company has recorded total revenue of Rs. 8, 36, 359/- as compared to the previous year amount of Rs. 24, 01,859/-. The Expenditure incurred including Depreciation during the year was Rs. 43, 203,604/-as compared to the previous year amount of Rs. 48, 503,642/-. The Company is looking forward to increase its numbers in the coming financial year with the support of all the Stakeholders of the Company.

4. TRANSFER TO RESERVES:

The company has not transferred any amount to any specific reserve fund during the financial year under review.

5. INSURANCE:

Your Company has not taken any Insurance on its Assets.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR TILL THE DATE THE REPORT:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year and the date of this report.

7. SHARES AND SHARE CAPITAL

At present, the Company has only one class of share – Equity shares of face value of Rs. 10/- each. The authorized share capital of the company is Rs. 11, 00, 00,000/- divided into 1, 10, 00,000 equity shares of Rs.10/- each. The paid up share capital of the company is Rs.10, 59, 88,000/- divided into 1, 05, 98,800 equity shares of Rs. 10/- each.

The Company had raised fund through Public Issue of shares in FY 2019-20 and the equity shares of the Company are now listed on SME platform of BSE Limited.

Also, during the Financial Year 2019-20 there were:

- **No BUY BACK of Equity Shares.**
- **No Employee Stock Option Plan was passed.**

- **Bonus Ratio:** 20:1 (20 Bonus shares allotted for each 1 held)
- **Paid Up Capital before Bonus Issue:** 30, 28,000.
- **Paid Up Capital after Bonus Issue:** 6,35,88,000
- **Public Issue of the Equity shares and Listing on BSE start-up Segment of MSME Platform-** During the year the company has listed its equity shares on BSE Start up Segment SME Platform on 5th of February 2020 and offered shares through an initial public offer of 4240000 equity shares at Rs. 10/- each. The amount realized from such issue amounted to Rs. 4, 24, 00,000/- Crores and your directors place their sincere thanks to all the Investors and SEBI, BSE, Merchant Bankers and all the Intermediaries and agencies for their guidance and support.
- **Other Disclosures and information**

That the Company:

- Has not allotted any shares with differential voting rights during the year, hence there is nothing to disclose under provisions of section 43 of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
- Has not allotted any sweat equity shares during the year, in accordance with the provision of section 54(1)(d) of Companies Act, 2013 read with Rule 8 (13) of the Companies (Share Capital and Debenture) Rules, 2014.
- Has not allotted stock option to any employee during the year, as per Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014.
- The company has not given any loan pursuant to provisions of section 67 of the act to its employees for purchase of its own shares hence there is nothing to disclose under provisions of section 67(3) of the Act read with 16(4) of the Companies (Share Capital and Debentures) Rules, 2014.

8. IPO FUND UTILISATION:

The Company had raised fund through IPO amounting to Rs 424.00 Lacs and out of the said funds Rs 49.57 Lacs have been used towards Share Issue Expenses; Rs 374.94 Lacs have been utilized towards Working Capital Requirements and General Corporate Purpose. The balance Rs 0.51 Lac is lying in the bank Account.

9. DEMATERIALISATION OF EQUITY SHARES:

Equity Share of the Company is in Dematerialized Form with either of the depository's viz. NSDL and CDSL. The ISIN No. allotted is INEOBIW01023.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The operations of the company are not energy intensive. Company takes various measures to reduce energy consumption by using energy efficient computer systems and procuring energy efficient computer systems and procuring energy equipment. As ongoing process company continuously adopts new technologies and techniques to make infrastructure more energy efficient.

11. FOREIGN CURRENCY EARNINGS AND OUTGO:

The company has not made any foreign currency transactions during the year.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company.

13. EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return as on the financial year ended on March 31, 2020, in form MGT-9 as required under section 92 of the Companies Act, 2013 (hereinafter referred to as the "Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is available in the website: ww.tranwayinc.com under the investor Tab.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 185 & 186 OF THE COMPANIES ACT, 2013:

The Company has not given any loan u/s 185 of the Companies Act, 2013. However, there were loans, and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and the details of which are given in Notes No.28 of the Financial Statements.

15. DIRECTORS / KEY MANAGERIAL PERSONNEL:

In pursuant to conversion of Company from private limited to public limited, the structure of Board of Directors was reconstituted for better corporate governance and better compliance with various norm post listing. The Appointment during financial year along with current board structure is as follows:

NAME	DATE OF APPOINTMENT	CURRENT DESIGNATION
Mr. Bharat	25 th March 2015	Managing Director and Whole Time Director
Mrs. Kalavathy Bylappa	25 th March 2015	Whole time Director
Mr. Gangisetty Srinivasulu Prashanth	15 th November 2019	Independent Director
Mr. Arul Kumar	14 th December 2019	Independent Director
Mr. A. Dakshinamoorthy	14 th December 2019	Independent Director
Mrs. Preeti Sandeep Byse	14 th December 2019	Chief Financial Officer(CFO)
Mrs. Anitha R	17 th December 2019	Company Secretary and Compliance Officer (CS)

16. DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs [“IICA”], Manesar as prescribed by the Ministry of Corporate Affairs under the relevant rules.

17. MEETINGS OF THE BOARD:

During the Financial Year 2019-20, total of 15 Board meetings were held. The maximum time-gap between any two consecutive meetings did not exceed 120 days. The details of the Board meetings are:

SI No	Date	SI No	Date
1	18.07.2019	9	21.12.2019
2	12.10.2019	10	03.01.2020
3	19.11.2019	11	09.01.2020

4	22.11.2019	12	21.01.2020
5	25.11.2019	13	18.02.2020
6	13.12.2019	14	27.02.2020
7	14.12.2019	15	18.03.2020
8	17.12.2019	-	-

18. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 10th March, 2020 to review the performance of Non-Independent Directors and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

19. EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return as on the financial year ended on March 31st, 2020, in form MGT-9 as required under section 92 of the Companies Act, 2013 (hereinafter referred to as the "Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is available in the website: www.tranwayinc.com under the investor Tab.

20. COMMITTEES:

The Company has constituted an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.-

➤ AUDIT COMMITTEE :

The Company has a duly Constituted Audit Committee. During the year, One Audit Committee meetings took place on, 04th March, 2020 and The Board of directors has accepted all the recommendations given by the Audit Committee. The Regulation of the Companies Act, 2013 regarding Audit Committee was not applicable before listing. The Composition of the Audit Committee is as follows:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Gangisetty Srinivasulu Prashanth	Chairman	Independent Director
Mr. A Dakshinamoorthy	Member	Independent Director
Mr. Bharat	Member	Executive Director

➤ **STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Board has constituted a Stakeholders relationship Committee as require under Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("**the Regulations**"). The Board of directors has accepted all the recommendations given by the Stakeholders relationship Committee. The Stakeholders Relationship Committee had one meeting which took place on 04th March, 2020. The Relationship of the Companies Act, 2013 regarding the Stakeholders Relationship Committee was not applicable before listing. The Composition of the Stakeholders Relationship Committee is as follows:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Arul Kumar	Chairman	Independent Director
Mr. A Dakshinamoorthy	Member	Independent Director
Mr. Gangisetty Srinivasulu Prashanth	Member	Independent Director

➤ **NOMINATION AND REMUNERATION COMMITTEES:**

The Board has constituted a Nomination and Remuneration committee as required under Securities Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 ("**the Regulations**"). The Board of Directors has accepted all the recommendations given by the Nomination and Remuneration Committee had one meeting which took place on 04th March, 2020. The regulations of the Companies Act, 2013 regarding the Stakeholder relationship Committee were not applicable before listing. The Composition of the NRC is as follows:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Gangisetty Srinivasulu Prashanth	Chairman	Independent Director
Mr. Arul Kumar	Member	Independent Director
Mr. A Dakshinamoorthy	Member	Independent Director

The Nomination and Remuneration Policy setting out the criteria for evaluation, qualifications etc. is attached with this Report as **Annexure A**.

21. PARTICULARS OF THE EMPLOYEES AND RELATED DISCLOSURES:

None of the employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to the remuneration as required u/s 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 are given as **Annexure B** forming part of this Report.

22. NON-APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS (IND-AS)

As per provision to regulation Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is listed on BSE Start-up Segment SME Platform of BSE Limited, it is covered under the exempted category and is not required to comply with IND-AS for preparation of financial statements beginning with the period on or after 1st April 2017.

23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has one direct subsidiary. In accordance with Section 129 (3) of the Act, a separate statement containing salient features of the financial statement of the subsidiaries of the Company in Form AOC-1 is given in **Annexure C**. and your Company does not have any Associate or Joint Venture during the year under review.

24. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review.

25. AUDITORS:

➤ STATUTORY AUDITOR

M/s. Luharuka & Co., Chartered Accountants (FRN.: 328700E), Kolkata were appointed, by the Board of Directors of the Company on 23/12/2019, as the Statutory Auditors to fill the casual vacancy caused by the resignation, of M/s. Sanjay K & Co., Chartered Accountants (FRN.: 014445S), Bangalore, to hold the office until the conclusion of the ensuing Annual General Meeting (AGM).

As the tenure of the Statutory Auditors are expiring in this AGM, on the recommendation of the Audit Committee, subject to the approval of the members, the Board is of the opinion to appoint M/s. Luharuka & Co., for a term of 5 consecutive years, from the conclusion of this AGM till the conclusion of the 10th AGM of the Company.

➤ **INTRENAL AUDITOR**

In pursuant to Section 138 of the Companies Act, 2013; the Company has appointed M/s. A Gangopadhyay & Co, Chartered accountants (Firm Registration Number: 330308E) as Internal Auditor of the Company.

26. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s Arpan Sengupta and Associates, Practicing Company Secretaries (CP No. 14416), to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the FY 2019-2020 of the Company has been annexed with the Board's Report as **Annexure D**.

27. OBSERVATIONS AND REMARKS OF AUDITOR:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. No observation or remark has been given by the Auditor during the period under review.

28. FRAUD REPORTING BY THE AUDITORS:

During the year under review, neither the statutory auditors nor the Secretarial Auditors has reported to the audit committee u/s 143(12) of the Companies Act, 2013 any fraud committed against the Company by any of its officers, employees.

29. CORPORATE GOVERNANCE:

As your company has been listed on BSE Start-up Segment SME Platform of BSE Limited, by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of schedule V are not applicable to the company. Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

30. BOARD EVALUATION:

The Companies Act, 2013 and SEBI (LODR) Regulation, 2015 mandates that the Board carry out an annual evaluation of its own performance, the Board committee and the individual Directors pursuant to the provision of the Act. 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 flow, frequency of meetings, and functioning etc.

31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION OF, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Sexual harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints for sexual harassment were received during the year.

32. HUMAN RESOURCES:

During the period under review, the personal and work relationship with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATION OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

34. COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, cost audit and maintenance of cost records is not applicable to the Company for the Financial Year 2019-20.

35. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

36. POLICIES:

The Companies Act 2013 along with the SEBI (LODR) Regulation, 2015 and mandate to formulation of certain policies for all listed Companies. Accordingly, the Company has formulated the Policies for the same as the Company believed to retain and Courage high level of ethical standard in business transaction.

A. VIGIL MECHANISM/ WHISTLE BLOWER POLICY :

The company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In compliance with Section 177 of the Companies Act, 2013 and other applicable provisions, the company has formulated a Vigil Mechanism / Whistle Blower Policy (Mechanism) for its Stakeholders, Directors and Employees in order to promote ethical behavior in all its business activities and in line with the best governance practices. Vigil Mechanism provides a channel to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy. It provides adequate safeguards against victimization of directors, employees and all stakeholders. It also provides direct access to the Chairman of the Audit Committee.

B. PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT:

Your company believes in providing a healthy, safe and harassment-free workplace for all its employees. Further company ensures that every women employee is treated with dignity and respect. The Company has in place an Anti-Sexual Harassment Policy as per the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, no complaints of sexual harassment have been received by the company.

C. POLICY ON PRESERVATION OF THE DOCUMENTS:

The Company has formulated a Policy pursuant to regulation 9 of the Securities Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 ("**Regulations**") on Preservation of the Document ensure safekeeping of the record and safeguard the Documents from getting mutilated or destroyed, while at the same time avoiding superfluous inventory of Documents.

D. POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS:

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations,2015 ("**Regulations**"). The object of the policy is to determine materiality of events of information of the

Company and to ensure that such information is adequately disseminated in pursuance with the Regulation and to provide an overall governance framework for such determine of materiality.

37. INSIDER TRADING REGULATIONS:

Based on the requirement under SEBI (Prohibition of Insider Trading) Regulation,1992 read with SEBI (Prohibition of Insider Trading) Regulation,2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Fair Disclosure ("**Code**"), as approved by the Board from time, are in force by the Company. The objective of this Code is to Price the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any Insider Trading activity by dealing in shares of the Company by its Directors, designated employees and other employees and other employees. The Company also adopts the concept of Trading window closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Tranway Technologies Limited at the time when there is unpublished price sensitive information.

38. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All transactions entered with Related Parties for the year under review were at Arms Length and a disclosure in Form AOC-2 as **Annexure E** forming part of the Report in terms of Section 134 of the Companies Act, 2013. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel(s) (KMP(s)). All related party transactions are mentioned in the notes to the accounts. The Company has formulated a Policy on "Materiality of Related Party Transactions" and on "the process of dealing with such transactions", which are in line with the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI LODR Regulations, 2015. The same is also available on the company website

During the year under review, there were no material related party transactions under Regulation 23 (4) of SEBI LODR Regulations, 2015 entered into by the Company, which necessitates approval of Shareholders.

39. RISK MANAGEMENT:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

40. CODE OF CONDUCT:

The Company has adopted the Code of Conduct for all its Senior Management Personnel and Directors and the same is affirmed by all the Board Members and Senior Management Personnel.

41. MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

In terms of the provisions of Regulation 34 and schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Management's discussion and analysis report is annexed in "ANNEXURE-F.

42. CEO/CFO CERTIFICATION:

In compliance with Regulation 17(8) of the Listing Regulations, the CEO/CFO certification on the financial statements, duly signed by the Managing Director & the Whole-time Director & CEO/CFO of the Company, for the year ended March 31, 2020 is enclosed at the end of the Report. The Company has adopted a back-up certification system by Business & Functional Heads for compliance with respect to their concerned areas in order to imbibe a compliance & ethical culture in the organization.

43. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:—

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have 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 have 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 have prepared the annual accounts on a going concern basis; and
- (e) The directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

44. ACKNOWLEDGEMENTS:

Your Director's place on record their appreciation for their overwhelming co-operation and assistance received from investors, customers, business associates, banker, vendors, as well as regulatory and governmental authorities, Your Directors also thank the employee at all levels, our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of Tranway Technologies Limited

**Bharat
Managing director
DIN: 03542954**

Date: 04.12.2020

Place: Bangalore

“ANNEXURE –A”

NOMINATION AND REMUNERATION POLICY Of TRANWAY TECHNOLOGIES LIMITED

This Policy shall be effective from April 1, 2020.

Preamble

Pursuant to Section 178 of the Companies Act, 2013 and the Rules framed there under (as amended from time to time) (the “Act”) and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the “SEBI Listing Regulations”), the Board of Directors of every listed company is required to constitute the Nomination and Remuneration Committee.

Objective

In order to comply with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and any other applicable provisions, the Nomination and Remuneration Committee of the Board of Directors of the Company (the “Committee”) had formulated this policy (the “Policy”).

The key objectives of the Policy are as follows:

- i.** To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board of Directors of the Company (the “Board”), policies relating to the remuneration (**payable in whatever form**) of the Directors, Key Managerial Personnel and other employees.
- ii.** To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii.** To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- iv.** To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- v.** To devise a Policy on Board Diversity.
- vi.** To develop a succession plan for the Board and to regularly review the plan.
- vii.** To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

Definitions

- (a) **“Act”** means the Companies Act, 2013 and the Rules framed there under, as amended from time to time.
- (b) **“Board”** means the Board of Directors of the Company.
- (c) **“Directors”** shall mean Directors of the Company.
- (d) **“Key Managerial Personnel”** or **“KMP”** means: in relation to a Company as defined sub-section 51 of Section 2 of the Companies Act, 2013, means and includes:
 - (i) the Chief Executive Officer or the Managing Director or the manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-Time Director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) such other officer as may be prescribed
- (e) **“Senior Management”** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.
- (f) **“Independent Director”** means a director referred to in Section 149(6) of the Act.

Appointment and removal of Directors, KMPs and Senior Management

a. Appointment criteria and qualifications:

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii. The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained the age of 70 (seventy) years. Provided that the appointment of such a person who has attained the age of 70 (seventy) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 70 (seventy) years.

b. Term / Tenure:

i. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding 5 (five) years at a time.

c. Independent Director:

i. An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the staid period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

iii. At the time of appointment of Independent Director(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act or the SEBI Listing Regulations.

d. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular intervals (yearly).

The evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

The evaluation of independent directors shall be done by the entire board of directors which shall include –

(a) Performance of the directors; and

(b) Fulfillment of the independence criteria as specified in these regulations and their Independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

e. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, there under, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMP or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

f. Retirement:

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

g. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management:

i. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.

ii. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act.

iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director or as laid down as per the provisions of the Act.

h. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management:

i. The Whole-time / Executive / Managing Director / KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including but not limited to, employer's contribution to Provident Fund (P.F.), Superannuation Fund, Pension Scheme, medical expenses, club fees, leave travel allowance, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the provisions of Section 197 of the Act and Schedule V to the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Whole-time / Executive / Managing Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

i. Remuneration to Non- Executive / Independent Director:

1) Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made there under for the time being in force.

2) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3) Limit of Remuneration/Commission:

Remuneration/ Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

4) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

IV. Membership:

a) The Committee shall comprise of at least (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent Directors.

b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and the SEBI Listing Regulations.

c) The quorum for the Meeting of the Nomination and Remuneration Committee shall either be two members or one third of the total strength of the Committee, whichever is higher (including at least one independent director in attendance).

d) Membership of the Committee shall be disclosed in the Annual Report.

e) Term of the Committee shall be continued unless terminated by the Board of Directors.

V. Chairperson

- (a) Chairperson of the Committee shall be an Independent Director.
- (b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- (c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- (d) Chairman of the Nomination and Remuneration Committee meeting could be present at the annual general meeting or may nominate some other member to answer the shareholders' queries.

VI. Frequency of Meetings:

The Nomination and Remuneration Committee shall meet at least once a year.

VII. Committee members' interests:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VIII. Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

IX. Duties of the Nomination & Remuneration Committee

Duties with respect to Nomination:

The duties of the Committee in relation to nomination matters include:

- (a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- (b) Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- (c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- (d) Determining the appropriate size, diversity and composition of the Board;
- (e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- (f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

- (g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- (h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- (i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- (j) Recommend any necessary changes to the Board; and
- (k) Considering any other matters, as may be requested by the Board.

Duties with respect to Remuneration:

The duties of the Committee in relation to remuneration matters include:

- (a) To consider and determine the remuneration policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- (b) To recommend and approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company.
- (c) To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- (d) To consider any other matters as may be requested by the Board.

X. Minutes of Committee Meeting

Proceedings of all Meetings must be minute and signed by the Chairperson of the Committee at the subsequent Meeting. Minutes of the Committee Meetings will be tabled at the subsequent Board and Committee Meeting.

XI. Deviations from this Policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

XII. Amendment:

Any change in the Policy shall be approved by the Board of Directors or any of its Committees (as may be authorized by the Board of Directors in this regard). The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

“ANNEXURE –B”

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5 of Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Directors, Chief Financial Officer and Company Secretary during the financial year 2019-20.

Sl.No	Name of the Director / KMP and Designation	Remuneration of Director / KMP for Financial year 2019-20 (Including Non-Executive Independent Director)	Remuneration of Director/ KMP for the Financial Year 2018-19	% Increase (Decrease) in remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director/ KMP to median remuneration of employees
1	Bharat (MD & WTD)	18,00,000	18,00,000	-	-
2	Kalavathy Bylappa (WTD)	18,00,000	18,00,000	-	-
3	Preeti Sandeep Byse	3,45,660/-	-	-	
4	Anitha R	4,08,000/-	-	-	-
5	Mr. Gangisetty Srinivasulu Prashanth	NA	NA	NA	NA
6	Mr. Arul Kumar	NA	NA	NA	NA
7	Mr. A. Dakshinamoorthy	NA	NA	NA	NA

Note:

1. Mr. Gangisetty Srinivasulu Prashanth was appointed as Non-executive Independent Director w.e.f 15th November 2019 and entitled for sitting fees.
2. Mr. Arul Kumar was appointed as Non-executive Independent Director w.e.f 14th December 2019 and entitled for sitting fees.

3. Mr. A. Dakshinamoorthy was appointed as Non-executive Independent Director w.e.f 14th December 2019 and entitled for sitting fees.

II. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –

NIL

III. Percentage increase in the median remuneration of employees in the financial year –

The Median remuneration of employees was Rs. 3,25,13,473 during the year 2019-20 as compared to Rs. 3,83,91,891 in the previous year. The decrease in the Median remuneration of Employees was 15.31% during financial year under review.

IV. Number of permanent employees on the rolls of company –

As on 31st March, 2020 the total number of employees on the roll was 48.

V. I affirm that the Remuneration is as per the remuneration policy of the Company.

For and on behalf of Tranway Technologies Limited

**Bharat
Managing director
DIN: 03542954**

Date: 04.12.2020

Place: Bangalore

“ANNEXURE –C”

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	BHH TECHNOLOGIES PRIVATE LIMITED (Previously BHARAT HEAD HUNTERS PRIVATE LIMITED)
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	2019-20
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	305,400
5.	Reserves & surplus	41,595,131
6.	Total assets	60,288,322
7.	Total Liabilities	60,288,322
8.	Investments	-
9.	Turnover	11,738,201
10.	Profit before taxation	(2,995,686)
11.	Provision for taxation	(7,330)
12.	Profit after taxation	(2,988,356)
13.	Proposed Dividend	-
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	-	-	-
1. Latest audited Balance Sheet Date	-	-	-
	-	-	--
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.	-	-	---
Amount of Investment in Associates/Joint Venture	-	-	-
Extend of Holding%	-	-	-

	-	--	-
3. Description of how there is significant influence	-	-	-
	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	--
	-	-	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	---
	-	-	-
6. Profit/Loss for the year	-	-	-
i. Considered in Consolidation	-	--	-
ii. Not Considered in Consolidation	-	-	-

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of Tranway Technologies Limited

**Bharat
Managing director
DIN: 03542954**

Date:
Place: Bangalore

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2020

To
The Members
Tranway Technologies Limited
Address: GF-01, Pallavi Enclave 26th Main,
17th Cross, J P Nagar, 6th Phase
Bangalore- 560078, Karnataka

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tranway Technologies Limited (CIN: U74900KA2015PLC079480) (hereinafter called the company).

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts and the statutory compliances and expressing my Opinion thereon.

Based on the verification of the Company'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 31.03.2020, 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 Tranway Technologies Limited (“The Company”) for the financial year ended on 31.03.2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings, as applicable.

(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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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 as the Company is not registered as Registrar to issue and Share Transfer Agent during the financial year under review;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009--Not applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review;

(i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - Not applicable as the Company has not issued or listed Non Convertible and Redeemable Preference Shares during the financial year under review;

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

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) The Equity Listing Agreements entered into by the Company with Bombay Stock Exchange Limited,

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

i) Form DPT-3 for the Year 2019-2020 was filed with additional fees.

ii) The CIN of the Company as on the MCA Master data shows the Company as an Unlisted.

Based on the representation made by the Company and its officers and our verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance under the laws applicable to the Company, a list whereof is enclosed herewith as an **Annexure A**.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

During the period under Review majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has undertaken following significant & material corporate events/actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. The Board of Directors of the Company in their meeting held on 12th October, 2019 approved the following agenda:
 - (i) the increase in the authorised share capital of the Company from Rs. 2,00,000 to Rs. 110,000,000 with 11,00,000 equity shares of Rs. 100 each.
 - (ii) the alteration in the Object Clause of the Memorandum of Association of the Company.
 - (iii) the investment in Bharat Head Hunters Private Limited by purchasing equity shares of the Company.
2. The Board of Directors in their Meeting held on 19th November, 2019 approved the Company for allotting 28,280 fully paid-up Equity Shares of Rs.100 each at a premium of Rs 2,581.81 on Preferential Basis by way of consideration other than cash to the shareholders of Bharat Head Hunters Private Limited based on the Valuation report dated 21st October, 2019.
3. The Board of Directors in their Meeting held on 25th November, 2019 approved the conversion of the Private Limited to Public Limited Company and subsequently for adopting new set of Articles of Association pursuant to Companies Act, 2013. The company has been converted from Private Company to Public Company w.e.f from 3rd January 2020 and the name of the said company is changed to "Tranway Technologies Limited". The Company was listed in BSE SME Startup Platform as on 5th February 2020.
4. The Board of Directors in their meeting held on 13th November, 2019 the following agenda:

- (i) Approved the issue of 6,05,600 equity shares of Rs.100/share amounting to Rs. 6,05,60,000 and the same thereafter was approved by the shareholders at the Extra-Ordinary general Meeting dated 14th December, 2019.
 - (ii) Approved the sub-division of Share Capital- from 6,35,880 share of face value Rs. 100/- each to 63,58,800 of Rs. 10/- each but there was no increase in substantial value of Shareholder's fund.
5. The Board of Directors in their meeting held on 03rd January 2020 approved the Initial Public Offer for 42,40,000 Equity shares of Rs.10/- of the Company to Public and thereafter the same was approved by the Shareholders in their meeting dated 04th January 2020.
6. The Board of Directors at their Meeting held on 13th March, 2020, inter-alia approved to invest an amount not exceeding Rs. 1,00,00,000/- (Rupees One Crore only) in one or more tranches in Bharat Head Hunters Private Limited, Wholly owned Subsidiary of the Company.

Disclosure

This Report is to be read with our letter of even date which is annexed as **Annexure - B** and forms an integral part of this Report.

For ARPAN SENGUPTA & ASSOCIATES
Company Secretaries

Place: Kolkata
Date:

CS ARPAN SENGUPTA
Proprietor
Membership No.: FCS 10599
COP No.: 14416
UDIN:

List of Laws applicable specifically to the Company

1. Goods & Service Tax Act, 2017
2. The Minimum Wages Act, 1948
3. Employees’ State Insurance Act, 1948
4. The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
5. The Payment of Gratuity Act, 1972
6. The Maternity Benefit Act, 1961
7. Employers State Insurance Act,1948.
8. Profession Tax Acts of respective states
9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

To
The Members
Tranway Technologies Limited

My 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. My responsibility is to express an opinion on these secretarial records based on the conducted audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedures 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.
7. In view of the restrictions imposed by the Government of India on movement of people across India to contain the spread of COVID-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.

For ARPAN SENGUPTA & ASSOCIATES
Company Secretaries

Place: Kolkata
Date:

CS ARPAN SENGUPTA
Proprietor
Membership No.: FCS 10599
COP No.: 14416
UDIN:

**“ANNEXURE –E”
FORM NO. AOC -2**

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

1. Details of contracts or arrangements or transactions not at Arm’s length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions’	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm’s length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Bharat Head Hunters Private Limited (Wholly Owned Subsidiary)
b)	Nature of contracts/arrangements/transaction	Sale of Services
c)	Duration of the contracts/arrangements/transaction	As per work Order
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	8,48,645/-
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	-

For and on behalf of Tranway Technologies Limited

**Bharat
Managing director
DIN: 03542954**

**Date: 04.12.2020
Place: Bangalore**

ANNEXURE F

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- **Indian Economic Scenario**

The outbreak of the Covid-19 pandemic is an unprecedented shock to the Indian economy. The economy was already in a parlous state before Covid-19 struck. With the prolonged country-wide lockdown, global economic downturn and associated disruption of demand and supply chains, the economy is likely to face a protracted period of slowdown. Financial year (FY) 2020, has been difficult for businesses. IMF's World Economic Outlook of April 2020 slashed India's GDP growth forecast from 4.2% in FY2020 to 1.9% in FY2021 from 5.8% projected earlier in January 2020 report.. The severe disruption of economic activities caused by virus, both through demand and supply shocks, has overtaken the incipient recovery in the Indian economy.

- **Industry Structure, Developments and Outlook**

The Company is engaged into IT Consulting, Software development and Staffing Resources for its clients across the Globe. The Company is majorly into Staffing Services. The Management has considered the impact of Covid-19 on the business of the Company and has detailed in Board's Report.

We provide our clients with competitive advantages by applying various emerging technologies and ensuring cyber resilience and cyber assurance.

Given the proliferation of COVID-19 throughout India, the Company remained committed to its belief of protecting the health, safety and well-being of employees were its paramount objectives. Consequently, special attention was paid to and invested in health of its employees and related safety initiatives. As a step towards this, the employees were given 'work from home' (WFH) model from 22 March 2020. Even today, the Company's HR business partners and team facilities are in constant touch with all employees to provide support, as required. Looking into the current scenario the Management is positive to overcome this condition. We will remain resolute in our goals of employee safety, business continuity and of being a trusted partner to our customers.

Although the impact of COVID-19 has hit businesses in multiple ways, and recruitment is no exception, however, the management is positive in it's approach to strengthen the growth and

stability of the organisation. While all business segments will ultimately rebound to normalcy, each of them will evolve differently over time. On a positive note, it is also expected that businesses will become more digital than ever before.

Further in the post COVID-19 era, it is most likely that the Company will focus on the core business activities and look at opportunities to relook at our business model.

- **Opportunities, threats and challenges**

The only silver lining of the pandemic is the effort towards more digital transformation. The importance of digital channels, products and operations became immediately obvious to most of organization in early 2020 with the outbreak of corona virus. Organisation has now started shifting to invest in digital platforms and technology capacity to master future challenges. The Company is continuously integrating new technologies in its portfolio to offer platform led digital transformation. This opens up more opportunities for the Company's business.

- **Risks and concerns over the business of the Company:**

Under the present scenario The recruitment industry has been severely impacted and our own business is facing employee termination by many global flagship organisation and also lesser hiring trends by the conglomerates.

The industry is witnessing an adoption of disruptive technologies, evolution in business models and consumer spending patterns. This is a threat to growth in traditional IT spends and technology obsolescence. The Indian IT companies and MNC IT service companies having sizable presence in low cost geographies, deep pockets, strong client relationships, in-house and captive services companies etc. are competing with global players. This stiff competition can pressurize pricing, vendor consolidation and impact the Company's growth and profitability

- **Internal Control System and Planning:**

The management has developed internal control and planning to cope with the losses suffered due to this pandemic. The Company is providing reasonable assurance of regarding the transaction in all the operating respects and protection against any material misuse or losses of Company's assets and compliance with the applicable laws and regulations. etc.

The Company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and those transactions are authorized, recorded and reported correctly. Internal controls are supplemented by an extensive programme of internal audits, review by management and the

Audit Committee, and documented policies, guidelines and procedures. The internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets.

- **Material developments in Human Resources / Industrial Relations**

The Company continues to maintain a very cordial and healthy relationship with its workforce across all its units.

We at Tranway are striving towards attracting, retaining, training, multi-skilling employees and working towards the welfare of our resources. In the meantime, all efforts are being made to control cost so as to maintain present level of liquidity. Industrial relations remained stable throughout the financial year 2019-20.

- **Financials**

The performance of the Company for the financial year 2019-20 is summarized below:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Income from Business Operations	44,022,202	51,338,030
Other Income	3,11,619	415,021
Total Income	44,333,821	51,753,051
Profit before Interest, Depreciation & Tax	11,30,217	32,49,409
Less: Interest	-	-
Less: Depreciation	-	-
Profit after depreciation and Interest		
Less: Current Income Tax(Inc: earlier year tax)	3,61,790	10,95,570
Less: Deferred Tax	(67,932)	(2,48,020)
Net Profit/Net Loss after Tax	8,36,359	24,01,859
Dividend (Including Interim if any and final)	-	-
Net Profit/Net Loss after dividend and Tax	8,36,359	24,01,859
Amount transferred to General reserve	-	-
Balance carried to Balance Sheet	8,36,359	24,01,859
Earnings per share (Basic –Weighted Average)	0.25	5.72
Earnings per Share(Diluted-Weighted Average)	0.25	5.72

- **Cautionary Statement:**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the Indian online sector, advertising spends, new disruptive technologies or business models, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF
TRANWAY TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Tranway Technologies Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Cash Flows Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014:

- i in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2020;
- ii in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

In forming our opinion on the financial statement, we have considered the adequacy of disclosure made in Note No.25 to the accompanying financial statements in relation disclosure of AS -15 Employee benefit and We draw attention to Note 30 of the financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company.

Our opinion is not modified in respect of the above matters.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report with respect to the above.

Management's Responsibility for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable.

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

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

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

Auditors' Responsibility for the Audit of Standalone Financial Statement

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

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

A further description of the auditor's responsibilities for the audit of the standalone financial statements is included in "Annexure A". This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
 - e. On the basis of the written representation received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration (including sitting fees) paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure C" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

For Luharuka & Co.

Chartered Accountants

FRN: 328700E

CA. Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: The 31st day of July 2020

UDIN: 20054225AAAABJ9613

Annexure 'A'

Responsibilities for Audit of Standalone Financial Statement

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For Luharuka & Co.
Chartered Accountants
Firm's Registration No:328700E

CA Monoranjan Chowdhury
Partner
Membership No: 054225
Place: Kolkata
Date: The 31st day of July 2020
UDIN:- 20054225AAAABJ9613

ANNEXURE – ‘B’ TO THE INDEPENDENT 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”) (Referred to in our report of even date)

We have audited the internal financial controls over financial reporting of **TRANWAY TECHNOLOGIES LIMITED** (“the Company”) as on March 31, 2020 in conjunction with our audit of the standalone 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. 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 the auditor’s judgement, 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.

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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Luharuka & Co.

Chartered Accountants

FRN: 328700E

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: The 31st day of July 2020

UDIN:20054225AAAABJ9613

ANNEXURE – ‘C’ TO THE INDEPENDENT AUDITORS’ REPORT

The annexure referred to in our Independent Auditor’s Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March 2020

- i.** In our opinion and according to the information and explanations given to us,
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - b) As explained to us, fixed assets have been physically verified by the management at regular intervals during the year and no material discrepancies were noticed on such verification.
 - c) The company does not own any immovable properties as disclosed in Note No-9 as fixed assets to the financial statements. Therefore, the provisions of clause 3(i)(c) of the said order is not applicable to the company.
- ii.** The company does not have any physical inventories. Therefore, the provisions of clause 3(ii) of the said order is not applicable to the company.
- iii.** Except Short term advances to its wholly owned subsidiary, The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
- iv.** In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans ,investments, guarantees and securities, as applicable.
- v.** The company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted from the public are not applicable to the Company.
- vi.** The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act 2013, in respect of activities carried on by the company. Thus, reporting under clause 3(vi) of the said order is not applicable to the Company.
- vii.**
 - a) According to information and explanation given to us and on the basis of the records examined by us, undisputed statutory dues including Income Tax, Provident fund, employees state insurance, goods and services tax and other material statutory dues have generally been deposited during the year by the company with the appropriate authorities except goods and services tax and TDS where there have been significant delays in depositing the same, According to the information and explanations given to us, there are no undisputed outstanding statutory dues as at 31st March 2020 for a period exceeding six months from the date, they became payable;
 - b) On the basis of our examination of records and according to explanations given to us, there are no dues as on 31st March, 2020 of Income tax, goods and services tax which have not been deposited on account of any dispute.
- viii.** In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank or government during the year and the Company has not issued any debentures.
- ix.** In our opinion and according to the information and explanation given to us, during the year, the Company has raised monies by way of initial public offer (IPO) of equity shares in India and the same has not been deployed

as on the reporting date and the same has been disclosed by way of note in the standalone financial statements (refer note no. 29 of the standalone financial statements). The Company has not raised any moneys by way of further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the order are not applicable with respect to further public offer (including debt instruments) and term loans.

- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided during the year in accordance with the requisite approvals mandate by the provision of section 197 read with Schedule V to the act.
- xii. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, all the transactions with related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. During the year, the Company has made preferential allotment of shares for a consideration other than cash. Accordingly, the provision of clause 3(xiv) of the said order is not applicable to the company.
- xv. In our opinion and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Luharuka & Co.

Chartered Accountants

FRN: 328700E

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: The 31st day of July 2020

UDIN:-20054225AAAABJ9613

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF TRANWAY TECHNOLOGIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Tranway Technologies Limited** (“the Company”), and its subsidiary (the company & its subsidiary together referred to as the “Group”) which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flows Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014:

- iv in the case of the Balance Sheet, of the consolidated state of affairs of the group as at 31st March 2020;
- v in the case of the Statement of Profit and Loss, of the consolidated loss for the year ended on that date; and
- vi in the case of the Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

In forming our opinion on the consolidated financial statement, we have considered the adequacy of disclosure made in Note No. 24 to the accompanying consolidated financial statements in relation disclosure of AS -15 Employee benefit and We also draw attention to Note 28 of the financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company.

Our opinion is not modified in respect of the above matters.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable.

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

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process of the Group.

Auditors' Responsibility for the Audit of Consolidated Financial Statement

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

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

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is included in "Annexure A". This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

3. As required by section 143(3) of the Act, we report that:

- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- j. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Company so far as appears from our examination of those books;
- k. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- l. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- m. On the basis of the written representation received from the directors as on 31st March 2020 taken on record by the Board of Directors of the company and its subsidiary, none of the directors of the Group is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- n. 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- o. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- p. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - iv. The Company and its subsidiary does not have any pending litigations which would impact its consolidated financial position.
 - v. The Company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - vi. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary.

For Luharuka & Co.

Chartered Accountants

FRN: 328700E

CA. Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: The 31st day of July , 2020

UDIN:-20054225AAAABO2955

Annexure ‘A’
Responsibilities for Audit of Consolidated Financial Statement

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For **Luharuka & Co.**
Chartered Accountants
Firm’s Registration No:328700E

CA Monoranjan Chowdhury
Partner
Membership No: 054225
Place: Kolkata
Date: The 31st day of July 2020.
UDIN:- 20054225AAAABO2955

ANNEXURE – ‘B’ TO THE INDEPENDENT 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”) (Referred to in our report of even date)

We have audited the internal financial controls over financial reporting of **TRANWAY TECHNOLOGIES LIMITED** (“the Company”) and its subsidiary as on March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of directors of the company and its subsidiary are 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. 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 internal financial controls over financial reporting of the company and its subsidiary 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 the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated 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 internal financial controls system over financial reporting of the company and its subsidiary company.

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 consolidated 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 -

- (4) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (5) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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
- (6) 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Luharuka & Co.

Chartered Accountants

FRN: 328700E

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: The 31st day of July, 2020

UDIN:-20054225AAAABO2955

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in Rs.)

S.N	PARTICULARS	NOTE NO.	As at 31st March, 2020	As at 31st March, 2019
I.	<u>EQUITY AND LIABILITIES :</u>			
	<u>1) SHAREHOLDERS' FUNDS</u>			
	(a) Share capital	2	105,988,000	200,000
	(b) Reserve & surplus	3	11,978,764	5,349,030
	<u>2) NON-CURRENT LIABILITIES</u>			
	(a) Long-term borrowings	4	59,666,807	4,928,332
	<u>3) CURRENT LIABILITIES</u>			
	(a) Short-term borrowings	5	9,765,207	6,923,446
	(b) Trade payables	6	71,355	152,468
	(c) Other current liabilities	7	8,055,070	2,701,716
	(d) Short-term provisions	8	361,790	1,095,570
	TOTAL		195,886,992	21,350,562
II.	<u>ASSETS :</u>			
	<u>1) NON-CURRENT ASSETS</u>			
	(a) Fixed assets			
	(i) Tangible assets	9	2,427,650	3,455,174
	(ii) Intangible assets under development	9	5,700,000	-
	(b) Non-Current Investment	10	115,810,100	-
	(c) Deferred tax asset	20	318,656	250,724
	<u>2) CURRENT ASSETS</u>			
	(a) Trade receivables	11	2,722,131	4,018,745
	(b) Cash & Cash equivalents	12	3,090,908	653,802
	(c) Short-term loans & advances	13	65,817,548	12,972,117
	TOTAL		195,886,992	21,350,562

As per our report of even date attached

For and on behalf of the Board of Directors

Tranway Technologies Limited

For **Luharuka & Co.**

Chartered

Accountants FRN:

328700E

BHARAT

Managing Director

Din No. 03542954

KALAVATHY BYLAPPA

Director

Din No. 03550060

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

UDIN:-20054225AAAABJ9613

CSN:60826

Place: Bangalore

Date: 31st July 2020

PREETI SANDEEP BYSE

Chief Financial Officer

ANITHA R

Company Secretary

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in Rs.)

S.N	PARTICULARS	NOTE NO.	For the year ended, March, 2020	For the year ended, March, 2019
	<u>INCOME</u>			
I	Revenue from operations	14	44,022,202	51,338,030
II	Other income	15	311,619	415,021
III	Total Revenue (I + II)		44,333,821	51,753,051
	<u>EXPENSES</u>			
IV	Employee benefits expense	16	32,513,473	38,391,891
	Finance costs	17	3,007,769	2,075,112
	Depreciation and amortization expense	18	1,113,423	1,495,664
	Other expenses	19	6,568,940	6,540,975
V	Total Expenses (IV)		43,203,604	48,503,642
VI	PROFIT/(LOSS) BEFORE TAX (III-IV)		1,130,217	3,249,409
VII	LESS - TAX EXPENSES			
	Current Tax		361,790	1,095,570
	Deferred Tax	20	(67,932)	(248,020)
VIII	PROFIT/(LOSS) FOR THE YEAR (VI-VII)		836,359	2,401,859
IX	Earnings Per Equity Share [Nominal Value of Share - Rs 10/-]	21		
	Basic/Diluted		0.25	5.72
	SIGNIFICANT ACCOUNTING POLICIES	1		
Accompanying notes form an integral part of the Financial Statements				

As per our report of even date attached

For and on behalf of the Board of Directors
Tranway Technologies Limited

For Luharuka & Co.
Chartered Accountants FRN:
328700E

BHARAT
Managing Director
Din No. 03542954

KALAVATHY BYLAPPA
Director
Din No. 03550060

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:-20054225AAAABJ9613
CSN:60826

PREETI SANDEEP BYSE
Chief Financial Officer

ANITHA R
Company Secretary

Place : Bangalore Date : 31st July 2020

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

STANDALONE STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 31ST MARCH,2020

(Amount in Rs.)

PARTICULARS	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A. Cash Flows from Operating Activities		
Net Profit/(Loss) before Tax and Extraordinary Items	1,130,217	3,249,409
Adjustments for -		
Depreciation	1,113,423	1,495,664
Finance Cost	3,007,769	2,075,112
Operating Profit before Working Capital Changes	5,251,408	6,820,185
Adjustments for changes in working capital -		
(Increase)/Decrease in Trade Receivables	1,296,614	4,530,642
(Increase)/Decrease in Short term loans and advances	(52,845,431)	(2,353,892)
Increase/(Decrease) in Trade Payables	(81,113)	(369,488)
Increase/(Decrease) in Other Current Liabilities	6,684,095	(2,382,880)
Cash Generated from Operations	(39,694,427)	6,244,567
Direct Taxes Paid (net of refunds)	(1,113,133)	(361,493)
Net Cash from Operating Activities (A)	(40,807,560)	5,883,074
B. Cash Flows from Investing Activities		
Purchase of Intangible assets under development	(5,700,000)	-
Purchase of Property, Plant and Equipment	(85,900)	(314,673)
Purchase of Investment	(115,810,100)	-
Net Cash used in Investing Activities (B)	(121,596,000)	(314,673)
C. Cash Flows from Financing Activities		
Proceeds from issuance of Share Capital	111,598,938	-
Finance costs	(3,007,769)	(2,075,112)
Proceeds from Long Term Borrowings	53,407,734	1,357,454
Proceeds from Short Term Borrowings	2,841,761	(4,636,910)
Net Cash from Financing Activities (C)	164,840,664	(5,354,568)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	2,437,104	213,833
Cash and Cash Equivalents at the beginning of period	653,802	439,966
Cash and Cash Equivalents at the end of period	3,090,907	653,802

Note:

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.
- 2) Cash and Cash Equivalents include cash in hand and bank balances on current accounts [Refer Note No. 12 to the Accounts].
- 3) Figures in brackets indicate cash outflows.
- 4) Previous year's figures have been regrouped/rearranged, wherever considered necessary to confirm to this year's classification.
- 5) Non- cash Item -There is an increase in Share Capital during the year ended March 31, 2020 due to capitalization of reserves by way of issue of bonus shares. Refer Note 2 for details of changes in share capital.

As per our report of even date attached

**For Luharuka & Co. Chartered
Accountants FRN: 328700E**

For and on behalf of the Board of
Directors
Tranway Technologies Limited

BHARAT

Managing Director
Din No. 03542954

KALAVATHY BYLAPPA
Director
Din No. 03550060

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:-20054225AAAABJ9613

PREETI SANDEEP BYSE
Chief Financial Officer

ANITHA R
Company Secretary
CSN:60826

Place : Bangalore
Date : 31st July 2020

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

Notes 1

A. BACKGROUND OF THE COMPANY

The company was incorporated in the year 2015 as “Tranway Technologies Private Limited” as a private limited company under the provision of the companies act, 2013, Bangalore. The corporate identification number of the company is U74900KA2015PLC079480.

The company has been converted from Private Company to Public Company w.e.f from 3rd January 2020 and the name of the said company is changed to “Tranway Technologies Limited”. The Company was listed in BSE SME Startup Platform as on 5th February 2020.

The CIN of the Company as on 31.03.2020 is U74900KA2015PLC079480. However, the company got listed on 05th Feb 2020, but there is no change in the CIN of the company post listing of its equity shares at BSE SME Startup Platform and the same has been intimated to the management of the company.

The Company is mainly engaged in the business of Software services, Software product development, Software testing and development, Staffing services, Body Shopping, Contract staffing, Human Resource Consulting, Placement Services, Manpower Supply Services, Soft Skills Training for employability, Recruitment Process Organization (RPO) and such other related services to undertake either individually or in association with any other entity in India or abroad.

B. SIGNIFICANT ACCOUNTING POLICIES:

1) Basis of Preparation of financial statements:

a) These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (Indian GAAP) in India under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the company.

b) These financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.

c) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

d) The preparation of the Financial Statements required the Management to exercise judgements and to make estimates and assumptions. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

2) Use of Estimates:

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses for the reporting period.

Differences between the actual results and estimates are recognized in the period in which the results are known/ materialize.

3) Depreciation:

Depreciation on Property, Plant and Equipment as at 31st March 2020 and 31st March 2019 is provided for on Written Down Value Method calculated with reference to the useful life of the asset prescribed in Schedule II of the Companies Act, 2013. The company provides pro-rata depreciation on additions and disposals made during the period/year. Software are under development is not put to use as on 31.03.2020, Therefore no amortisation charged during the current year.

4) Property, plant and equipment (PPE) and Intangible assets:

PPE

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure on addition, Improvement and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

INTANGIBLE ASSETS

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses (if any). Intangible assets are amortized on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible assets will not exceed ten years from the date when asset is available for use is considered by the management. The amortisation period and amortisation method are reviewed at least at each financial year end and if the expected useful life of the asset is significantly different from previous estimate, the amortisation period is changes accordingly. Software are under development is not put to use as on 31.03.2020, Therefore no amortisation charged during the current year.

5) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

6) Investments:

Investments are classified into long term investments and current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

7) Inventories:

There is no inventory.

8) Revenue Recognition:

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured and there is reasonable certainty regarding ultimate collection.

(b) Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

9) Current and deferred tax:

Tax expense comprises of current tax & deferred tax.

(a) Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of MAT under section 115JB of the Income Tax Act, 1961, deferred MAT Credit entitlement is separately recognized under the head "Long-Term Loans and Advances". Deferred MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

(b) Provision for Deferred tax is being made for the timing difference arising between taxable income and accounting income computed at the rates of tax enacted or substantively enacted as on balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised and are reviewed for appropriateness of their respective carrying values at each balance sheet date.

10) Provisions and Contingent Liabilities:

(a) Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

(b) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

(c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

11) Foreign Currency Transactions:

Initial Recognition

Initial Recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

12) Earnings per Share (EPS):

(a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

(Amount in Rs.)

NOTE 2 - SHARE CAPITAL	As at 31st March, 2020	As at 31st March, 2019
Authorised		
110,00,000 Nos (P.Y. March 31, 2019 : 2000 Equity Share of Rs.100/- each) Equity Shares of Rs.10/- each	110,000,000	200,000
	110,000,000	200,000
Issued, Subscribed and paid-up		
105,98,800 Nos (P.Y. March 31, 2019 : 2000 Equity Share of Rs.100/- each) Equity Shares of Rs.10/- each	105,988,000	200,000
	105,988,000	200,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period	As at 31st March, 2020		As at 31st March, 2019	
	Equity Shares	(Rs.)	Equity Shares	(Rs.)
Equity Shares of Rs.100 each outstanding at the beginning of the year	2,000	200,000	2,000	200,000
Add: Preferential allotment during the year (Refer Note 2 (b))	28,280	2,828,000	-	-
Add:- Bonus Share issued during the year (Refer Note 2 (c))	605,600	60,560,000	-	-
Add:- Share splitted during the year (Refer Note 2 (d))	5,722,920	-	-	-
Add:- Shares Issued during the year in BSE SME Startup Platform (Refer Note 2 (e))	4,240,000	42,400,000	-	-
Equity Shares of Rs. 10 each outstanding at the end of the year	10,598,800	105,988,000	2,000	200,000

Rights, preferences and restrictions attached to shares :

Equity Shares : The company has only one class of equity shares having a par value of Rs.10/- per share. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the realised value of the assets of the company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholder holding more than 5% of the aggregate shares :	As at 31st March, 2020		As at 31st March, 2019	
	Equity Shares	% of Holding	Equity Shares	% of Holding
Bharat	3,178,980	29.99	1000	50.00
Kalavathy Bylappa	3,178,770	29.99	1000	50.00
Gokwik technologies private limited	720,000	6.79	-	-

Increase in Authorised Share Capital:

The authorised capital of the company has been increased from Rs. 2,00,000 to Rs. 110,000,000 with 11,00,000 equity shares of Rs. 100 each w.e.f from 21st October 2019.

Preferential Allotment:

The Company issued 28,280 fully paid-up Equity Shares of Rs.100 each at a premium of Rs 2,581.81 on Preferential Basis by way of consideration other than cash to the shareholders of Bharat Head Hunters Private Limited on 19th November, 2019.

Bonus Shares

The company has allotted 6,05,600 fully paid up shares of face value Rs. 100 each, during the year ended March 31, 2020, by way of Bonus Issue, approved by the shareholders at the Extra-Ordinary general Meeting dated 14th December, 2019. The bonus shares were issued by capitalization of profits transferred from the General Reserve. The ratio of Bonus Issue was 20:1 (Twenty bonus equity shares for every one equity share).

The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Split of share

During the year ended March 31, 2020, Company having 6,35,880 share of face value Rs. 100/- each, opted for splitting of shares into face value of Rs. 10/- each, which lead to the increase in number of Equity shares from 6,35,880 to 63,58,800 but there was no increase in substantial value of Shareholder's fund .

Public issue of shares

During the year ended March 31, 2020, the Company came out with an Initial Public Offer in BSE SME Startup Platform turning it into a Listed Company and issued 42,40,000 fully paid up shares of face value Rs. 10 each, to Public.

Note 3 - RESERVE & SURPLUS	As at 31st March, 2020	As at 31st March, 2019
<u>Security Premium</u>		
Opening Balance	-	-
Add: Issue of Equity Share (Refer Note 2 (b))	73,013,587	-
Less: Issue to Bonus Share (Refer Note 2 (c))	(60,560,000)	-
Less: Amount utilised for share issue expenses (Refer Note- 29)	(6,642,649)	-
Closing balance	5,810,938	-
<u>Surplus - Balance in the Statement of Profit and Loss:</u>		
Opening balance	5,349,030	2,911,451
Add : Profit for the period/year	836,359	2,401,859
Add/Less : Income Tax of earlier years	17,563	35,720
Closing balance	6,167,826	5,349,030
	11,978,764	5,349,030

NOTE 4 - LONG- TERM BORROWINGS	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Term Loan				
(a) Secured				
-Vehicle Loan (From Karnataka Bank)	2,286,502	493,754	2,930,205	297,195
(b)Unsecured				
Loan & Advances from Related parties	55,048,000	-	-	-
Loan & Advances from Bodies Corporate	-	-	277,515	-
From Financial Institutions				
-Business Loan (From Bajaj Finance Limited)	196,186	446,202	642,388	518,421
From Banks				
-Business & Personal Loan	2,136,119	1,822,591	1,078,224	616,190
Total	59,666,807	2,762,547	4,928,332	1,431,806

The above amount includes :				
- Secured borrowings	2,286,502	493,754	2,930,205	297,195
- Unsecured borrowings	57,380,305	2,268,793	1,998,127	1,134,611
Amount disclosed under the head Other Current Liabilities (Refer Note No. 7)	-	(2,762,547)	-	(1,431,806)
	59,666,807	-	4,928,332	-

Details of Security

Term Loan (against vehicles) from Karnataka Bank are secured by exclusive charge on the vehicle financed out of Term Loan.

Terms of Repayment of Term and Other Loans

- Term Loan (against car) from Karnataka Bank taken by the Company are to be repaid by payment of Equated Monthly Instalments beginning from the month subsequent to taking of the respective loans. This loan is due for full repayment in November 2024.
- Unsecured loan from Bajaj Finance Limited are taken by the company for business and personal purpose to be repaid by payment of
- Equated Monthly Instalments at a rate of interest of 17.76% and is due for full repayment in August 2021.
- Unsecured loan from HDFC Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.50% and is due for full repayment in August 2021.
- Unsecured loan from ICICI Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.79% and is due for full repayment in July 2022.
- Unsecured loans from related parties are taken without any stipulation for repayment and are stated by the management to be in nature of long term borrowings. Such loans are interest free.
- Unsecured loan from Federal Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 18% and is due for full repayment in July 2022.

NOTE 5 - SHORT TERM BORROWINGS	As at 31st March, 2020	As at 31st March, 2019
<u>Loan repayable on demand</u>		
From banks		
-Overdraft from Bank (secured)	9,765,207	6,923,446
	9,765,207	6,923,446

Primary Security: -

Overdraft facility from Karnataka Bank is secured by hypothecation of book debts. The rate of interest on overdraft facility is 10.40% p.a. (MCLR + 1)% linked to MCLR of Karnataka Bank, Bangalore.

Collateral Security: -

	Value	Date of Valuation
1. Equitable Mortgage of residential Apartment, Bearing Flat No-I , GF, Bbmp Property #973/983/640 "Pallavi Enclave", Site No 36,37 & 38 , SY no 10/1, Present Bommanahalli Khata #640, Property Bearing #10/1/36,37,38/26, 18th Cross Sarakki Village Uttarahalli Hobli Bangalore South Tq , JP Nagar 6th Stage Bangalore-560078.	7,250,000	07-09-16
2. Equitable Mortgage of Property Bearing Site No 225, Formed by the Bda Situated at Banashankari 6th Stage Layout , 3rd Block , Bangalore-560062.	3,050,000	07-12-16
3. Equitable Mortgage of Residential vacant plot bearing Site no 45 Sy No 98, Buehbc Layout, Taralu Village , Uttarahalli Hobli, Next to Napa Valley Layout ,Off Kanakapura Main Bangalore-560082.	2,800,000	27-11-17

4. The facility is further secured by personal guarantee of both the Directors Mr. Bharat and Mr. Kalavathy Bylappa.

NOTE 6 - TRADE PAYABLES	As at 31st March, 2020	As at 31st March, 2019
Dues to Micro, Small & Medium Enterprises	-	-
Dues to others	71,355	152,468
	71,355	152,468

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days As at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

NOTE 7 - OTHER CURRENT LIABILITIES	As at 31st March, 2020	As at 31st March, 2019
Others :		
Current maturities from long term borrowings (Refer Note No. 4)	2,762,547	1,431,806
Advance from customers	64,518	37,751
Statutory dues	1,345,611	1,027,741
Liabilities for expenses	3,882,394	204,418
	8,055,070	2,701,716

NOTE 8 - SHORT TERM PROVISIONS	As at 31st March, 2020	As at 31st March, 2019
Others		
Provision for Taxation	361,790	1,095,570
	361,790	1,095,570

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

**NOTE 9 :
TANGIBLE ASSETS**

Amount in Rs

	FURNITURES & FIXTURES	MOTOR VEHICLES	COMPUTERS	OFFICE EQUIPMENTS	TOTAL
Gross Block					
As at April,1, 2018	-	4,636,165	-	-	4,636,165
Additions	278,923	-	35,750	-	314,673
As at March 31, 2019	278,923	4,636,165	35,750	-	4,950,838
Additions	-	-	52,000	33,900	85,900
As at March 31, 2020	278,923	4,636,165	87,750	33,900	5,036,738
Depreciation					
As at April,1, 2018	-	-	-	-	-
Charge for the year	42,452	1,448,078	5,135	-	1,495,664
As at March 31, 2019	42,452	1,448,078	5,135	-	1,495,664
Charge for the year	61,214	995,780	43,901	12,527	1,113,423
As at March 31, 2020	103,666	2,443,858	49,036	12,527	2,609,088
Net Block					
As at 31st March, 2019	236,471	3,188,087	30,615	-	3,455,174
As at 31st March, 2020	175,257	2,192,307	38,714	21,373	2,427,650

INTANGIBLE ASSETS UNDER DEVELOPMENT

	Software	TOTAL
Gross Block		
As at 31st March, 2019	-	-
Additions	5,700,000	5,700,000
As at 31st March, 2020	5,700,000	5,700,000

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

NOTE 10- Non Current Investment	As at 31st March, 2020	As at 31st March, 2019
Bharat Head Hunters Private Limited (In Equity Shares of wholly owned Subsidiary Company, Unquoted, fully paid up, (Face value of Rs 100/-)	115,810,100	-
	115,810,100	-

NOTE 11 - TRADE RECEIVABLES	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered Good :		
Debts outstanding for a period exceeding six months from the date they became due for payment	98,132	83,150
Outstanding less than 6 months'	2,623,999	3,935,595
	2,722,131	4,018,745

NOTE 12 - CASH & CASH EQUIVALENTS	As at 31st March, 2020	As at 31st March, 2019
<u>Balances with Bank :</u>		
- In Current Account	1,113,808	620,467
Cash in Hand (As certified by the management)	1,977,100	33,335
	3,090,908	653,802

NOTE 13 - SHORT TERM LOANS & ADVANCES	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good :		
Others		
Advance recoverable in cash and kind or value to be considered good	38,851,314	883,860
Advance to related party	15,154,305	300,000
Security deposit	1,104,000	680,000
Staff Advance	1,809,924	1,788,521
TDS/Income Tax	8,043,115	5,122,956
Preliminary expense to the extent not written off	-	75,550
GST Input Credit available	13,942	-
Income Tax Refund	840,949	4,121,230
	65,817,548	12,972,117

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

(Amount in Rs.)

NOTE 14 - REVENUE FROM OPERATIONS	For the year ended, March, 2020	For the year ended, March, 2019
Sale of service		
-Domestic service	40,240,767	50,638,109
-Export service	3,781,435	699,921
	44,022,202	51,338,030

NOTE 15 - OTHER INCOME	For the year ended, March, 2020	For the year ended, March, 2019
Miscellaneous income	-	415,021
Interest Income on Income Tax Refund	311,619	-
	311,619	415,021

NOTE 16 - EMPLOYEE BENEFITS EXPENSE	For the year ended, March, 2020	For the year ended, March, 2019
Salary, Bonus & Allowances	29,152,666	35,518,815
Employer's contribution to PF	1,351,192	852,841
Employer's contribution to ESIC	18,948	63,023
Director's remuneration	1,800,000	1,800,000
Employee Group insurance	98,115	115,941
Staff welfare Expenses	92,552	41,271
	32,513,473	38,391,891

NOTE 17 - FINANCE COSTS	For the year ended, March, 2020	For the year ended, March, 2019
<u>Interest to bank</u>		
Interest on bank borrowings	2,144,556	1,716,583
<u>Other Borrowing</u>		
Interest on unsecured loan	654,482	255,000
Other borrowing cost	208,731	103,529
	3,007,769	2,075,112

NOTE 18 - DEPRECIATION AND AMORTISATION EXPENSES	For the year ended, March, 2020	For the year ended, March, 2019
Depreciation on Tangible Assets (Refer Note 9)	1,113,423	1,495,664
	1,113,423	1,495,664

NOTE 19- OTHER EXPENSES	For the year ended, March, 2020	For the year ended, March, 2019
Administration, Selling & Other Expenses		
Sales Promotion Expenses	40,025	828
Bank Charges	69,817	8,278
Telephone Expenses	89,774	254,345
Printing & Stationery	24,164	6,850
Electricity Charges	59,412	257,918
Travelling & Conveyance	296,461	130,767
Motor Car Expenses	67,000	38,303
Outsourcing Service Charges	2,680,932	3,420,816
Membership and Subscription charges	234,520	-
Office expense & Maintenance Charges	677,494	86,064
Office Rent	1,294,575	828,625
Commission	-	38,000
Software development charges	-	65,000
Sitting Fees	24,000	-
General Expenses	106,118	109,109
Interest/late fee on delay payment of statutory liability	46,231	-
Preliminary Expenses written off	75,550	-
Rates & Taxes	117,100	9,330
Foreign exchange (Gain)/Loss (Net)	47,434	-
Professional Fees	353,332	1,261,742
Auditors Remuneration	265,000	25,000
	6,568,940	6,540,975

Auditors' Remuneration:

	<u>31/03/2020</u>	<u>31/03/2019</u>
(i) Statutory Audit	200,000	25,000
(ii) Tax Audit	40,000	-
(iii) Other matter	25,000	-

NOTE 20 - DEFERRED TAX ASSET (NET)	For the year ended, March, 2020	For the year ended, March, 2019
Components of Deferred tax liability/ Assets		
WDV as per Companies Act	2,427,650	3,455,174
Less: WDV as per Income Tax Act	3,653,249	4,220,371
	(1,225,599)	(765,197)
Adjustment on account of section 28 to 44DA Income tax Act, 1961	-	(199,126)
Deferred Tax Liability/ (Asset)	(318,656)	(250,724)
CLOSING DEFERRED TAX LIABILITY/ (ASSET)	(318,656)	(250,724)
OPENING DEFERRED TAX LIABILITY/ (ASSET)	(250,724)	(2,704)
DEFERRED TAX LIABILITY/ (ASSET) FOR THE PERIOD 31st March, 2020	(67,932)	(248,020)

NOTE 21 - EARNINGS PER SHARE	For the year ended, March, 2020	For the year ended, March, 2019
Net Profit for the year attributable to equity shareholders	836,359	2,401,859
Weighted Average Number of Equity Shares for Calculation of Basic/Diluted EPS	3,280,987	420,000
Nominal Value per Equity Share	10	10
Earnings Per Share (Basic/Diluted)	0.25	5.7

Note: -

During the year ended 31st March 2020, the Company has issued 6,05,600 bonus shares thereby increasing the number of equity shares from 2,000 to 6,07,600 of Rs 100 each and thereafter every 1 equity share of Rs 100 of the Company are splitted into 10 equity share resulting in decrease of the face value of the equity share to Rs. 10 per share. Post this splitting up the no. of equity shares stands to 63,58,800. Basic and Diluted earning per share has been adjusted for the year ended 31st March, 2019 presented above in line with the Accounting Standard (AS)- 20 "Earnings per share".

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

NOTE: 22

Contingent liability not provided for in the books of NIL account in respect of:

NOTE: 23

The balance under item of Sundry Debtors, Other Current Assets, Unsecured loan and Current Liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realizable value of the current assets in the ordinary course of business will not be less than the value at which they are stated in the Balance sheet.

NOTE: 24

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard – 17, “Segment Reporting”, the Company has operated in only one segment during the year, hence clause relating to segment wise report are not applicable.

NOTE: 25

Provisions for liabilities in respect of gratuity benefits are not made. However, it will be recognized as an expense in the statement of profit and loss account on actual basis during the period in which the eligible employee leaves the service of the company and settlements of his dues are made based on actual calculation.

The company is in process of making compliance under “Accounting standard -15 Employee benefit” under the companies (Accounting Standards) Rules 2006.

NOTE: 26

Sales between books and GST Return are under reconciliation for the period April to March 2020.

NOTE: 27

Earnings/Expenditure in Foreign Currency

(a) Earning in Foreign currency

The Exports for the 2 reporting periods are as under:-

(Amount in Rs.)

Particulars	31 st March 2020	31 st March 2019
Sale of Services	37,81,435	6,99,921
<u>(b) Expenditure in Foreign currency</u>		
	31 st March 2020	31 st March 2019
	Nil	Nil

NOTE 28 - Related party disclosures

a)

Name of the related parties where control exists irrespective of whether transactions have occurred or not :

i) List of the related parties where control of the No company exist:

b) List of the related parties with whom transactions have taken place during the year:

i) Key Managerial Personnel(KMP)

Bharat
Kalavathy Bylappa

ii) Relatives of KMP

Bharat Head Hunters (Proprietary
Concern)

iii) Enterprises owned or significantly influenced by the KMP or their relatives

Tranway Technologies PTY Ltd
Bharat Head Hunters SDN BHD

iv) Subsidiary Company

Bharat Head Hunters Pvt Ltd Page | 82

c) Details of transactions with Related Parties during the period:

Transaction	Relation	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
Salary & Perquisites to Managerial Personnel			
Kalavathy Bylappa	KMP	1,800,000	1,800,000
1,800,000			1,800,000
<u>Unsecured Loan Taken</u>			
Bharat	KMP	30,721,800	-
Kalavathy Bylappa	KMP	31,335,000	-
Bharat Head Hunters Pvt Ltd	Subsidiary company	5,370,000	5,835,000
		67,426,800	5,835,000
<u>Unsecured Loan Refund</u>			
Bharat	KMP	2,451,800	-
Kalavathy Bylappa	KMP	4,557,000	-
Bharat Head Hunters	KMP	-	1,887,956
Bharat Head Hunters Pvt Ltd	Subsidiary company	20,501,820	7,410,869
		27,510,620	9,298,825
<u>Investment in Subsidiary</u>			
Bharat Head Hunters Pvt Ltd	Subsidiary company	115,810,100	-
		115,810,100	-
<u>Sale of Services</u>			
Tranway Technologies PTY Ltd	Enterprises owned or significantly influenced by the KMP or their relatives	-	520,000
Bharat Head Hunters SDN BHD		848,645	-
		848,645	520,000
<u>Outstanding Balances(credit Balance)</u>		As at 31st March, 2020	As at 31st March, 2019
Bharat	KMP	28,270,000	-
Kalavathy Bylappa	KMP	26,778,000	-
Tranway Technologies PTY Ltd	Enterprises owned or significantly influenced by the KMP or their relatives	(300,000)	(300,000)
Bharat Head Hunters Pvt Ltd	Subsidiary company	(14,854,305)	277,515
		39,893,695	(22,485)

* Figures in bracket represent debit balance.

Related parties are identified by the management.

NOTE: 29

A) Amount utilised for share issue expenses

Amount utilised for share issue expenses Rs. 66,42,649 includes payments made to merchant bankers, attorneys, consultants and registrars towards Initial Public Offering of shares.

B) Utilisation of funds raised through fresh issue of equity shares pursuant to Initial Public Offering (IPO) is as follows:

Particulars	Amount (Rs.)
-------------	--------------

Issue Proceeds	42,400,000
Less: Issue Expenses	<u>6,642,649</u>
Net Proceeds of IPO	35,757,351
Amount Utilised as per the objects of the issue as per prospectus	-
Funds to be utilised (Advance given for the purpose of Working capital appearing under the short term loans and advances)	<u>35,706,554</u>
Balance lying in Current Accounts	50,797
Total	35,757,351

NOTE: 30

The Company's management has made initial assessment of likely impact from the pandemic COVID-19 on business and financial risks based on internal and external sources of information including economic forecasts, measures being under taken by Government and expected GDP growth. The management believes while the COVID-19 may adversely impact on the business in the short-term, it does not anticipate material medium to Long- Term risks to the business prospects. The Company has also considered the possible effects of COVID-19 on the carrying amounts of property plant and equipment and receivables using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.

NOTE: 31

Previous year figure is as per restated financial statement provided by us for SME Listing Purpose. 'Previous year's figures have been reworked, regrouped and reclassified wherever necessary to correspond with the current year's classification/disclosure. Accordingly amounts and other disclosures for the preceding year are included as an integral part of the current year financial Statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached

For and on behalf of the Board of Directors

Tranway Technologies Limited

For Luharuka & Co.
Chartered Accountants
FRN: 328700E

BHARAT
Managing Director
Din No. 03542954

KALAVATHY BYLAPPA
Director
Din No. 03550060

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:-20054225AAAAABJ9613

PREETI SANDEEP BYSE
Chief Financial Officer

ANITHA R
Company Secretary
CSN:60826

Date:31st July 2020
Place: Bangalore

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
CONSOLIDATED BALANCE SHEET AS AT 31st March, 2020

(Amount in Rs.)

S.N	PARTICULARS	NOTE NO.	As At 31st March, 2020
I.	<u>EQUITY AND LIABILITIES :</u>		
	<u>1) SHAREHOLDERS' FUNDS</u>		
	(a) Share capital	2	105,988,000
	(b) Reserve & surplus	3	50,484,100
	<u>2) NON-CURRENT LIABILITIES</u>		
	(a) Long-term borrowings	4	59,666,807
	<u>3) CURRENT LIABILITIES</u>		
	(a) Short-term borrowings	5	11,230,007
	(b) Trade payables	6	978,097
	(c) Other current liabilities	7	9,217,013
	(d) Short-term provisions	8	361,790
	TOTAL		237,925,814
II.	<u>ASSETS :</u>		
	<u>1) NON-CURRENT ASSETS</u>		
	(a) Fixed assets		
	(i) Tangible assets	9	2,753,352
	(ii) Intangible assets	9	112,414,905
	(iii) Intangible asset under development	9	5,700,000
	(b) Deferred tax asset	19	407,095
	<u>2) CURRENT ASSETS</u>		
	(a) Trade receivables	10	5,094,468
	(b) Cash & Cash equivalents	11	4,132,501
	(c) Short-term loans & advances	12	107,423,494
	TOTAL		237,925,814

SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

Tranway Technologies Limited

For **Luharuka & Co.**

Chartered Accountants

FRN: 328700

BHARAT

Managing Director

Din No. 03542954

KALAVATHY BYLAPPA

Director

Din No. 03550060

CA Monoranjan Chowdhury

Partner

Membership No. 054225

UDIN:- 20054225AAAABO2955

PREETI SANDEEP BYSE

Chief Financial Officer

ANITHA R

Company Secretary CSN:60826

Date: 31st July 2020

Place : Bangalore

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in Rs.)

S.N	PARTICULARS	NOTE NO.	For the year ended, 31st March, 2020
	<u>INCOME</u>		
I	Revenue from operations	13	55,302,113
II	Other income	14	769,909
III	Total Revenue (I + II)		56,072,022
	<u>EXPENSES</u>		
IV	Employee benefits expense	15	39,362,392
	Finance costs	16	3,007,769
	Depreciation and amortization expense	17	1,252,862
	Other expenses	18	14,314,468
V	Total Expenses (IV)		57,937,491
VI	PROFIT/(LOSS) BEFORE TAX (III-IV)		(1,865,469)
VII	LESS - TAX EXPENSES		
	Current Tax		361,790
	Deferred Tax	19	(75,262)
VIII	PROFIT/(LOSS) FOR THE YEAR (VI-VII)		(2,151,997)
IX	Earnings Per Equity Share [Nominal Value of Share - Rs 10/-] Basic/Diluted	20	(0.66)
	SIGNIFICANT ACCOUNTING POLICIES	1	
	The accompanying notes form an integral part of the Consolidated Financial Statements		

As per our report of even date attached

For and on behalf of the Board of Directors
Tranway Technologies Limited

For Luharuka & Co. Chartered Accountants
FRN: 328700E

BHARAT
Managing Director
Din No. 03542954

KALAVATHY BYLAPPA
Director
Din No. 03550060

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:- 20054225AAAABO2955

PREETI SANDEEP BYSE
Chief Financial Officer

ANITHA R
Company Secretary CSN:60826

Date: 31st July 2020
Place : Bangalore

TRANWAY TECHNOLOGIES LIMITED
CIN NO. U74900KA2015PLC079480
CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2020

(Amount in Rs.)

PARTICULARS	For the Year ended 31st March, 2020
A. Cash Flows from Operating Activities	
Net Profit / (Loss) before Tax and Extraordinary Items	(1,865,469)
Adjustments for -	
Depreciation	1,252,862
Finance Cost	3,007,769
Loss on sale of asset	3,104
Operating Profit before Working Capital Changes	2,398,266
Adjustments for changes in working capital -	
(Increase)/Decrease in Trade Receivables	1,658,884
(Increase)/Decrease in Short terms loans and advances	(90,867,174)
Increase/(Decrease) in Trade Payables	(56,472)
Increase/(Decrease) in Other Current Liabilities	6,743,503
Cash Generated from Operations	(80,122,994)
Direct Taxes Paid (net of refunds)	(1,144,571)
Net Cash from Operating Activities	(A) (81,267,565)
B. Cash Flows from Investing Activities	
Purchase of Tangible and Intangible assets under development	(5,919,917)
Proceeds from sale of tangible assets	15,000
Net Cash used in Investing Activities	(B) (5,904,917)
C. Cash Flows from Financing Activities	
Proceeds from issuance of Share Capital (net of expenses)	35,757,351
Finance costs	(3,007,769)
Proceeds from Long Term Borrowings	53,407,734
Proceeds from Short Term Borrowings	4,306,561
Net Cash from Financing Activities	(C) 90,463,877
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,291,396
Cash and Cash Equivalents at the beginning of year	841,105
Cash and Cash Equivalents at the end of year (Refer Note-11)	4,132,501

Note:

- The above consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.
- Cash and Cash Equivalents include cash in hand and bank balances on current accounts [Refer Note No. 11 to the Accounts].
- Figures in brackets indicate cash outflows.

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

Tranway Technologies Limited

For Luharuka & Co.

Chartered Accountants

FRN: 328700E

BHARAT

Managing Director

Din No. 03542954

KALAVATHY BYLAPPA

Director

Din No. 03550060

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

UDIN:- 20054225AAAABO2955

PREETI SANDEEP BYSE

Chief Financial Officer

ANITHA R

Company Secretary CSN:60826

Date : 31st July 2020

Place : Bangalore

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

NOTE 1

A. GENERAL INFORMATION

The company was incorporated in the year 2015 as "Tranway Technologies Private Limited" as a private limited company under the provision of the companies act, 2013, Bangalore. The corporate identification number of the company is U74900KA2015PLC079480.

The company has been converted from Private Company to Public Company w.e.f from 3rd January 2020 and the name of the said company is changed to "Tranway Technologies Limited". The Company got listed on BSE SME Startup Platform on 5th February 2020.

The CIN of the Company as on 31.03.2020 is U74900KA2015PLC079480. However, the company got listed on 05th Feb 2020, but there is no change in the CIN of the company post listing of its equity shares at BSE SME Startup Platform and the same has been intimated to the management of the company.

The Company is mainly engaged in the business of Software services, Software product development, Software testing and development, Staffing services, Body Shopping, Contract staffing, Human Resource Consulting, Placement Services, Manpower Supply Services, Soft Skills Training for employability, Recruitment Process Organization (RPO) and such other related services to undertake either individually or in association with any other entity in India or abroad.

Tranway Technologies Limited together with its wholly owned subsidiary (i.e. Bharat Head Hunters Pvt Ltd) is hereinafter referred to as "the Group".

B. SIGNIFICANT ACCOUNTING POLICIES

1) Basis of consolidation

The consolidated financial statements relating to the Company and its subsidiary company incorporated in India. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard 21 (AS 21) on 'Consolidated Financial Statements' notified under Section 211(3C) and other relevant provision of the Companies Act, 2013 'Companies (Accounting Standards) Rules, 2006 ("Accounting Standards Rules") as amended.

(ii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

(iii) Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of investments or on the date of the financial statements immediately preceding the date of investments in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be.

(iv) Investments in subsidiaries not considered in consolidation are accounted as per AS- 13 "Accounting for Investments" as referred to in the Accounting Standard Rules. Details of subsidiaries, considered for consolidation, with respective holdings thereof are as follows:

Name of the Company	Ownership in % either directly or through subsidiaries 2019-20	Country of Incorporation
<u>Subsidiary</u> -Bharat Head Hunters Private Limited	100%*	INDIA

*One share of Bharat head hunters private limited is with Bharat (Nominee Shareholder of Tranway Technologies Limited)

2) Basis of preparation of consolidated financial statements

These Consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (Indian GAAP) in India under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the company.

These Consolidated financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

The preparation of the Consolidated Financial Statements required the Management to exercise judgements and to make estimates and assumptions. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these Consolidated financial statements and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

3) Use of Estimates:

The preparation of the Consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialize.

4) Depreciation:

Depreciation

Depreciation on Property, Plant and Equipment as at 31st March 2020 is provided for on Written Down Value Method calculated with reference to the useful life of the asset prescribed in Schedule II of the Companies Act, 2013. The company provides pro -rata depreciation on additions and disposals made during the period/year.

5) Property, plant and equipment (PPE) and Intangible assets:

PPE

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure on addition, Improvement and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

INTANGIBLE ASSETS

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses (if any). Intangible assets are amortized on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible assets will not exceed ten years from the date when asset is available for use is considered by the management. The amortisation period and amortisation method are reviewed at least at each financial year end and if the expected useful life of the asset is significantly different from previous estimate, the amortisation period is changes accordingly. Software are under development is not put to use as on 31.03.2020,

Therefore no amortisation charged during the current year.

6) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

7) Investments:

Investments are classified into long term investments and current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

8) Inventories:

There is no inventory.

9) Revenue Recognition:

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured and there is reasonable certainty regarding ultimate collection.

(b) Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

10) Current and deferred tax:

Tax expense comprises of current tax & deferred tax.

(a) Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

(b) Provision for Deferred tax is being made for the timing difference arising between taxable income and accounting income computed at the rates of tax enacted or substantively enacted as on balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised and are reviewed for appropriateness of their respective carrying values at each balance sheet date.

11) Provisions and Contingent Liabilities:

(a) Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

(b) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

(c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

12) Foreign Currency Transactions:

Initial Recognition

Initial Recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition :-

As at the reporting date, All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognized in the Consolidated Statement of Profit and Loss.

13) Goodwill on Consolidation:

The excess of cost to the Group of its investments in the subsidiaries subject to consolidation over its share in the equity of the subsidiaries, at the dates on which the investments in the subsidiaries are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements. Goodwill arising on consolidation is not amortised. Goodwill is reviewed for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. If impairment is indicated, the asset is written down to its fair value.

14) Earnings per Share (EPS):

(a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

(Amount in Rs.)

NOTE 2 - SHARE CAPITAL	As At 31st March, 2020
Authorised	
110,00,000 Nos (P.Y. March 31, 2019 : 2000 Equity Share of Rs.100/- each) Equity Shares of Rs.10/- each	110,000,000
	110,000,000
Issued, Subscribed and paid-up	
105,98,800 Nos (P.Y. March 31, 2019 : 2000 Equity Share of Rs.100/- each) Equity Shares of Rs.10/- each	105,988,000
	105,988,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period	As at 31st March, 2020	
	Equity Shares	(Rs.)
Equity Shares of Rs.100 each outstanding at the beginning of the year	2,000	200,000
Add: Preferential allotment during the year (Refer Note 2 (b))	28,280	2,828,000
Add:- Bonus Share issued during the year (Refer Note 2 (c))	605,600	60,560,000
Add:- Share splitted during the year (Refer Note 2 (d))	5,722,920	-
Add:- Shares Issued during the year in BSE SME Startup Platform (Refer Note 2 (e))	4,240,000	42,400,000
Equity Shares of Rs. 10 each outstanding at the end of the year	10,598,800	105,988,000

Rights, preferences and restrictions attached to shares :

Equity Shares : The company has only one class of equity shares having a par value of Rs.10/- per share. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the realised value of the assets of the company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholder holding more than 5% of the aggregate shares :	As at 31st March, 2020	
	Equity Shares	% of Holding
Bharat	3,178,980	29.99
Kalavathy Bylappa	3,178,770	29.99
Gokwik technologies private limited	720,000	6.79

Increase in Authorised Share Capital:

The authorised capital of the company has been increased from Rs. 2,00,000 to Rs. 110,000,000 with 11,00,000 equity shares of Rs. 100 each w.e.f from 21st October 2019.

Preferential Allotment:

The Company issued 28,280 fully paid-up Equity Shares of Rs.100 each at a premium of Rs 2,581.81 on Preferential Basis by way of consideration other than cash to the shareholders of Bharat Head Hunters Private Limited on 19th November, 2019.

Bonus Shares

The company has allotted 6,05,600 fully paid up shares of face value Rs. 100 each, during the year ended March 31, 2020, by way of Bonus Issue, approved by the shareholders at the Extra-Ordinary general Meeting dated 14th December, 2019. The bonus shares were issued by capitalization of profits transferred from the General Reserve. The ratio of Bonus Issue was 20:1 (Twenty bonus equity shares for every one equity share).

The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Split of share

During the year ended March 31, 2020, Company having 6,35,880 share of face value Rs. 100/- each, opted for splitting of shares into face value of Rs. 10/- each, which lead to the increase in number of Equity shares from 6,35,880 to 63,58,800 but there was no increase in substantial value of Shareholder's fund .

Public issue of shares

During the year ended March 31, 2020, the Company came out with an Initial Public Offer in BSE SME Startup Platform turning it into a Listed Company and issued 42,40,000 fully paid up shares of face value Rs. 10 each, to Public.

Note 3 - RESERVE & SURPLUS	As At 31st March, 2020	
	Non-Current	Current
Security Premium		
Opening Balance		-
Add: Issue of Equity Share (Refer Note 2 (b))		73,013,587
Less: Issue to Bonus Share (Refer Note 2 (c))		(60,560,000)
Less: Amount utilised for share issue expenses		(6,642,649)
Add: Security premium of Subsidiary company		
Bharat Head Hunters Private limited		39,863,113
Closing balance		45,674,051
Surplus - Balance in the Statement of Profit and Loss:		
Opening balance		5,349,030
Add : Standalone Profit and loss during the year		836,359
Add: Profit and loss of Subsidiary company		
Bharat Head Hunters Private limited		(1,357,777)
Add/Less : Income Tax of earlier years		17,563
Closing balance		4,810,049
		50,484,100

NOTE 4 - LONG- TERM BORROWINGS	As At 31st March, 2020	
	Non-Current	Current
Term Loan		
(a) Secured		
-Vehicle Loan (From Karnataka Bank)	2,286,502	493,754
(b)Unsecured		
Loan & Advances from Related parties	55,048,000	-
From Financial Institutions		
-Business Loan (From Bajaj Finance Limited)	196,186	446,202
From Banks		
-Business & Personal Loan	2,136,119	1,822,591
Total	59,666,807	2,762,547

The above amount includes :		
- Secured borrowings	2,286,502	493,754
- Unsecured borrowings	57,380,305	2,268,793
Amount disclosed under the head Other Current Liabilities (Refer Note No. 7)	-	(2,762,547)
	59,666,807	-

Details of Security

Term Loan (against vehicles) from Karnataka Bank are secured by exclusive charge on the vehicle financed out of Term Loan.

Terms of Repayment of Term and Other Loans

- Term Loan (against car) from Karnataka Bank taken by the Company are to be repaid by payment of Equated Monthly Instalments beginning from the month subsequent to taking of the respective loans. This loan is due for full repayment in November 2024.
- Unsecured loan from Bajaj Finance Limited are taken by the company for business and personal purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.76% and is due for full repayment in August 2021.
- Unsecured loan from HDFC Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.50% and is due for full repayment in August 2021.
- Unsecured loan from ICICI Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.79% and is due for full repayment in July 2022.
- Unsecured loans from related parties are taken without any stipulation for repayment and are stated by the management to be in nature of long term borrowings. Such loans are interest free.
- Unsecured loan from Federal Bank are taken by the company for business purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 18% and is due for full repayment in July 2022.

NOTE 5 - SHORT TERM BORROWINGS	As At 31st March, 2020
<u>Loan repayable on demand</u>	
From banks	
-Overdraft from Bank (secured)	9,765,207
<u>Other loans & advances (unsecured)</u>	
-Loans from Bodies Corporate	1,464,800
	11,230,007

Primary Security: -

Overdraft facility from Karnataka Bank is secured by hypothecation of book debts. The rate of interest on overdraft facility is 10.40% p.a. (MCLR + 1)% linked to MCLR of Karnataka Bank, Bangalore.

<u>Collateral Security: -</u>	Value	Date of Valuation
1. Equitable Mortgage of residential Apartment, Bearing Flat No-I , GF, Bbmp Property #973/983/640 "Pallavi Enclave", Site No 36,37 & 38 , SY no 10/1, Present Bommanahalli Khata #640, Property Bearing #10/1/36,37,38/26, 18th Cross Sarakki Village Uttarahalli Hobli Bangalore South Tq, JP Nagar 6th Stage Bangalore-560078.	7,250,000	07-09-16
2. Equitable Mortgage of Property Bearing Site No 225, Formed by the Bda Situated at Banashankari 6th Stage Layout , 3rd Block , Bangalore-560062.	3,050,000	07-12-16
3. Equitable Mortgage of Residential vacant plot bearing Site no 45 Sy No 98, Buehbcs Layout, Taralu Village , Uttarahalli Hobli , Next to Napa Valley Layout ,Off Kanakapura Main Bangalore-560082.	2,800,000	27-11-17

The facility is further secured by personal guarantee of both the Directors Mr. Bharat and Mr. Kalavathy Bylappa.

NOTE 6 - TRADE PAYABLES	As At 31st March, 2020
Dues to Micro, Small & Medium Enterprises	-
Dues to others	978,097
	978,097

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than '45 days As at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

NOTE 7 - OTHER CURRENT LIABILITIES	As At 31st March, 2020
Others :	
Current maturities from long term borrowings (Refer Note No. 4)	2,762,547
Advance from customers	121,940
Statutory dues	1,993,995
Liabilities for expenses	4,338,531
	9,217,013

NOTE 8 - SHORT TERM PROVISIONS	As At 31st March, 2020
Others	
Provision for Taxation	361,790
	361,790

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

**NOTE 9 :
TANGIBLE ASSETS**

(Amount in Rs.)

	FURNITURES & FIXTURES	MOTOR VEHICLES	COMPUTERS	PLANT & MACHINERY	OFFICE EQUIPMENTS	TOTAL
Gross Block						
As at April,1, 2018	578,291	4,925,647	906,743	79,634	-	6,490,315
Additions	278,923		35,750	-	86,995	401,668
Disposal	-	-	-	-	-	-
As at March 31, 2019	857,214	4,925,647	942,493	79,634	86,995	6,891,983
Additions	-	-	52,000	116,050	51,867	219,917
Disposal	-	-	88,500	-	-	88,500
As at March 31, 2020	857,214	4,925,647	905,993	195,684	138,862	7,023,400
Depreciation						
As at April,1, 2018	426,234	192,039	776,638	31,585	-	1,426,496
Charge for the year	81,820	1,474,525	87,309	8,697	8,735	1,661,085
Adjustment	-	-	-	-	-	-
As at March 31, 2019	508,054	1,666,564	863,947	40,282	8,735	3,087,581
Charge for the year	90,390	1,014,999	62,740	23,126	61,607	1,252,862
Adjustment	-	-	70,396	-	-	70,396
As at March 31, 2020	598,444	2,681,563	856,291	63,408	70,342	4,270,048
Net Block						
As at 31st March, 2019	349,160	3,259,083	78,546	39,352	78,260	3,804,401
As at 31st March, 2020	258,770	2,244,084	49,702	132,276	68,520	2,753,352

INTANGIBLE ASSETS

	GOODWILL ON CONSOLIDATION	TOTAL
Gross Block		
As at 31st March, 2019	-	-
Additions	112,414,905	112,414,905
As at 31st March, 2020	112,414,905	112,414,905

INTANGIBLE ASSETS UNDER DEVELOPMENT

	Software	TOTAL
Gross Block		
As at 31st March, 2019	-	-
Additions	5,700,000	5,700,000
As at 31st March, 2020	5,700,000	5,700,000

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

(Amount in Rs.)

NOTE 10 - TRADE RECEIVABLES	As At 31st March, 2020
<u>Unsecured, considered Good :</u>	
Debts outstanding for a period exceeding six months from the date they became due for payment	1,281,942
Other trade receivables	3,812,526
	5,094,468

NOTE 11 - CASH & CASH EQUIVALENTS	As At 31st March, 2020
<u>Balances with Bank :</u>	
- In Current Account	1,155,551
Cash in Hand (As certified by the management)	2,976,951
	4,132,501

NOTE 12 - SHORT TERM LOANS & ADVANCES	As At 31st March, 2020
<u>Unsecured, considered good :</u>	
<u>Others</u>	
Advance recoverable in cash and kind or value to be considered good	80,851,314
Advance to related party	12,231,000
Security deposit	1,404,000
Staff Advance	1,809,924
TDS/Income Tax	9,562,420
GST Input Credit available	13,942
Income Tax Refund	1,550,894
	107,423,494

TRANWAY TECHNOLOGIES LIMITED

CIN NO. U74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in Rs.)

NOTE 13 - REVENUE FROM OPERATIONS	For the year ended, 31st March, 2020
Sale of service	
-Domestic service	51,520,678
-Export service	3,781,435
	55,302,113

NOTE 14 - OTHER INCOME	For the year ended, 31st March, 2020
Miscellaneous Income	264,480
Interest Income on Income Tax Refund	505,429
	769,909

NOTE 15 - EMPLOYEE BENEFITS EXPENSE	For the year ended, 31st March, 2020
Salary, Bonus & Allowances	33,812,584
Employer's contribution to PF	1,723,338
Employer's contribution to ESIC	18,948
Director's remuneration	3,600,000
Employee Group insurance	98,115
Staff welfare Expenses	109,407
	39,362,392

NOTE 16 - FINANCE COSTS	For the year ended, 31st March, 2020
<u>Interest to bank</u>	
Interest on bank borrowings	2,144,556
<u>Other Borrowing</u>	
Interest on unsecured loan	654,482
Other borrowing cost	208,731
	3,007,769

NOTE 17 - DEPRECIATION AND AMORTISATION EXPENSES	For the year ended, 31st March, 2020
Depreciation on Tangible Assets (Refer Note 9)	1,252,862
	1,252,862

NOTE 18- OTHER EXPENSES	For the year ended, 31st March, 2020
Administration, Selling & Other Expenses	
Sales Promotion Expenses	1,090,025
Bank Charges	122,167
Telephone Expenses	383,833
Printing & Stationery	67,455
Electricity Charges	115,285
Travelling & Conveyance	680,417
Motor Car Expenses	67,000
Outsourcing Service Charges	2,680,932
Membership and Subscription charges	623,926
Office expense & Maintenance Charges	994,736
Office Rent	1,628,025
General Expenses	553,591
Sitting Fees	24,000
Interest/late fee on delayed payment of statutory dues	68,335
Rates & Taxes	158,500
Foreign exchange (Gain)/Loss (Net)	47,434
Repair & Maintenance charges	52,696
Postage & Courier	9,410
Loss on sale of Asset	3,104
Professional & Recruitment Charges	4,494,556
Preliminary Expenses written off	124,039
Auditors Remuneration	325,000
	14,314,468

Auditors' Remuneration:

31/03/2020

(i) Statutory Audit	250,000
(ii) Tax Audit	50,000
(iii) Other matter	25,000

NOTE 19 - DEFERRED TAX ASSET (NET)	For the year ended, 31st March, 2020
Components of Deferred tax liability/ Assets	
WDV as per Companies Act	2,753,352
Less: WDV as per Income Tax Act	4,319,101
	(1,565,749)
Deferred Tax Liability/ (Asset)	(407,095)
CLOSING DEFERRED TAX LIABILITY/ (ASSET)	(407,095)
OPENING DEFERRED TAX LIABILITY/ (ASSET)	(331,833)
DEFERRED TAX LIABILITY/ (ASSET) FOR THE YEAR 31st March, 2020	(75,262)

NOTE 20 - EARNINGS PER SHARE	For the year ended, 31st March, 2020
Net Profit for the year attributable to equity shareholders	(2,151,997)
Weighted Average Number of Equity Shares for Calculation of Basic/Diluted EPS	3,280,987
Nominal Value per Equity Share	10
Earnings Per Share (Basic/Diluted)	(0.66)

NOTE: 21

Contingent liability not provided for in the books of account in respect of: NIL

NOTE: 22

The balance under item of Sundry Debtors, Other Current Assets, Unsecured loan and Current Liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realizable value of the current assets in the ordinary course of business will not be less than the value at which they are stated in the Balance sheet.

NOTE: 23

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard – 17, “Segment Reporting”, the Company has operated in only one segment during the year, hence clause relating to segment wise report are not applicable.

NOTE: 24

Provisions for liabilities in respect of gratuity benefits are not made. However, it will be recognized as an expense in the statement of profit and loss account on actual basis during the period in which the eligible employee leaves the service of the company and settlements of his dues are made based on actual calculation. The company is in process of making compliance under “Accounting standard -15 Employee benefit” under the companies (Accounting Standards) Rules 2006.

NOTE: 25

Sales between books and GST Return are under reconciliation for the period April 2019 to March 2020.

NOTE: 26

Earnings/Expenditure in Foreign Currency

(a) Earning in Foreign currency

The Exports for the reporting periods are as under:- **(Amount in Rs.)**

Particulars	31st March 2020
Sale of Services	37,81,435

Expenditure in Foreign currency	31st March 2020
	Nil

NOTE 27 - Related party disclosures

a) Name of the related parties where control exists irrespective of whether transactions have occurred or not :

i) List of the related parties where control of the company exist: No

b) List of the related parties with whom transactions have taken place during the year:

- | | |
|--|---|
| i) Key Managerial Personnel(KMP) | Bharat
Kalavathy Bylappa |
| ii) Relatives of KMP | Bharat Head Hunters
(Proprietary Concern) |
| iii) Enterprises owned or significantly influenced by the KMP or their relatives | Tranway Technologies PTY Ltd
Bharat Head Hunters SDN BHD |

iv) **Subsidiary Company**

Bharat Head Hunters Pvt Ltd

c) **Details of transactions with Related Parties during the period:**

Transaction	Relation	For the year ended 31st March, 2020
<u>Salary & Perquisites to Managerial Personnel</u>		
Kalavathy Bylappa	KMP	<u>1,800,000</u>
		<u>1,800,000</u>
<u>Unsecured Loan Taken</u>		
Bharat	KMP	30,721,800
Kalavathy Bylappa	KMP	<u>31,335,000</u>
		<u>62,056,800</u>

<u>Unsecured Loan Refund</u>		
Bharat	KMP	2,451,800
Kalavathy Bylappa	KMP	4,557,000
		7,008,800
<u>Sale of Services</u>		
Bharat Head Hunters SDN BHD	Enterprises owned or significantly influenced by the KMP or their relatives	848,645
		848,645
<u>Outstanding Balances (credit Balance)</u>		
		As at 31st March, 2020
Bharat	KMP	28,270,000
Kalavathy Bylappa	KMP	26,778,000
Tranway Technologies PTY Ltd	Enterprises owned or significantly influenced by the KMP or their relatives	(300,000)
		54,748,000

* Figures in bracket represent debit balance.

Related parties are identified by the management.

NOTE: 28

The Company's management has made initial assessment of likely impact from the pandemic COVID-19 on business and financial risks based on internal and external sources of information including economic forecasts, measures being under taken by Government and expected GDP growth. The management believes while the COVID-19 may adversely impact on the business in the short-term, it does not anticipate material medium to Long-Term risks to the business prospects. The Company has also considered the possible effects of COVID-19 on the carrying amounts of property plant and equipment and receivables using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.

NOTE: 29

As per "AS 21 Consolidated Financial statement" Paragraph 30 on the first time of consolidation , comparative figure of previous period need not be presented and accordingly previous year figure is not given .

As per our report of even date attached

For and on behalf of the Board of Directors
Tranway Technologies Limited

For Luharuka & Co.
Chartered Accountants
FRN: 328700E

BHARAT
Managing Director
Din No. 03542954

KALAVATHY BYLAPPA
Director
Din No. 03550060

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:-20054225AAAABO2955

PREETI SANDEEP BYSE
Chief Financial Officer

ANITHA R
Company Secretary
CSN:60826

Date : 31st July 2020

Place : Bangalore