



TRANWAY TECHNOLOGIES LIMITED

ANNUAL REPORT 2020-21



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TRANWAY AT GLANCE

Established in the year 2015, Tranway Technologies Limited, a sister-concern of Bharat groups, is recognized as a global leader in Information Technology and Consulting Services. We endeavour to offer quality and innovative service in information technology, software services, software products and staffing solutions.

We are headquartered in Bangalore – the silicon city of India with operations in South Africa and Malaysia. Our organization is driven by industry-experts, who set right guidelines and visions in business operations. The effective strategies designed by them not only empower you, but also leverage growth encouraging customer-engagement.

- **OUR MISSION**

We understand the business value and strive to transcend beyond the geographical boundaries by offering responsive services. Our technological solutions with result-oriented approach enable you transform the growth of organization and optimize performance by delivering measurable success.

- **OUR VISION**

Tranway believes in building leaders by imbibing qualities of dedication and aspiration that empower them to invent and achieve business goals in age of AI adaptation.

LEADERSHIP TEAM

The exclusive team consists of skilful-professionals provide unmatched guidance and support with market-driven insights. Our leaders have gained decades of experience and expertise in the niche-industry, evolve strategic-approach to address diverse business needs. While our partnership thrives on reliability and collaboration allowing us accelerate customer growth to the next level. At Tranway, we have also derived win-to-win policy to match or exceed business requirements, making our clients more competitive.



Kalavathy Bylappa

Chairman and Managing Director

Kalavathy is an IT thought leader with expertise in leading and building IT technology team. She carries 2 decades of experience focusing on implementation of IT services and projects. Her in-depth knowledge in market trends help in analysing client's requirement, and thereby create a roadmap for business success. Prior to Tranway she had worked with Ness Technologies, SAP Labs & Thomson Reuters to setup the QA teams from inception to delivery.



Bharat Bylappa

Founder and Director

A multi-facet entrepreneur has a proven track record of business creation, development and optimization. The extensive industry knowledge combined with unique ability to execute his visions helped him to emerge as one of the leading entrepreneurs in the service industry. His strong network, innovative leadership and entrepreneurial methodologies significantly contributed to acquire business goals within a short-span.

AWARDS/ACHIEVEMENTS



Winner of "Enterprise Business Awards 2016"

Powered by DELL, KPMG & NDTV



Winner of "India Leadership Awards 2016"

"Outstanding Achievement Award for Business Excellence" IEDRA



Nominee of "ET Tomorrows Leadership Award"



SME Award 2018, New Delhi



Indian Leadership Award



MSME Award

CORPORATE INFORMATION

CIN: L74900KA2015PLC079480

STOCK EXCHANGE: BSE Limited

BOARD OF DIRECTORS

Mrs. Kalavathy Bylappa
Mr. Bharat
Mr. Gangisetty Srinivasulu Prashanth
Mr. Dakshinamoorthy Amanalingam Pillai
Mr. Arul Kumar

Chairman and Managing Director
Whole Time Director
Independent Director
Independent Director
Independent Director

KEY MANAGERIAL PERSONS

Mrs. Preeti Sandeep Byse
Mrs. Anitha R

Chief Financial Officer
Company Secretary and Compliance Officer

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

K. P Ghelani & Associates
Practicing Company Secretaries
812, Star Chambers, Harihar Chowk,
Rajkot - 360 001, Gujarat

BANKERS

ICICI Bank Limited
Karnataka Bank

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

CHAIRMAN MESSAGE

Dear 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 but also on the unprecedented challenges of the past year and the way in which everyone across the company has helped navigate our way through the most testing 12 months in our history.

When the last year started rolling with the successful IPO. The pandemic had started but we did not know the depth of the COVID-19 economic downturn, or its length. During the early days of the pandemic the outlook looked bleak for businesses challenges with our business operations and office closed for much of the year.

The business's response to these unprecedented challenges has been outstanding. Prudent and tough decisions on cost and cash controls meant sacrifices by many within the business. Colleagues demonstrated remarkable resilience as they embraced new ways of working, many working from home for over a year. As I look at how we finished financial year 2020-21 with lot of hurdles due to the impact of Covid 19 and with support all we have come out with the good results, and we were all looking forward with optimism and courage for an even better year ahead. and we believe our performance is very creditable.

I would like to express my deep thanks to the Company Staff and Management team and for their hard work and the sacrifices they have made to finish the year as positively and strongly as could have been imagined in those early months.

Our team have moved quickly to focus on areas of the business that will help us to return to growth as we emerge from the pandemic. From an increased and improved approach to business, a renewed focus on growth and ongoing new strategies and Innovative Ideas.

In Conclusion Tranway has navigated our way well through a tumultuous year and the effects of the pandemic. We did so thanks to the dedication, capability, and resilience of our people. We now look to governments across the world to play their part in the post-Covid recovery

and to create the positive conditions where companies and industries can grow and prosper. With clarity, focus and confidence in the future I am confident that we will emerge from the pandemic ready to build an even stronger Company.

Best Regards

Sd/-

Kalavathy Bylappa
Chairman & Managing Director
Tranway Technologies Limited

Date: 08/09/2021

Place: Bangalore

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting of the members of M/s Tranway Technologies Limited will be held on Thursday the 30th Day of September 2021 at 04:00 P.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, 2021.

“**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021 and the report of the Auditor's thereon, as circulated to the Members, be and are hereby considered and adopted.”

“**RESOLVED FURTHER THAT** any of 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, 2021.

“**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 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 of 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, 2021.

“**RESOLVED THAT** the report of the Board of Directors’ for the Financial Year ended March 31, 2021, as circulated to the Members, be and are hereby considered and adopted.”

“**RESOLVED FURTHER THAT** any of 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 APPROVE APPOINTMENT OF MS KALAVATHY BYLAPPA (DIN: 03550060) AS THE CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY.

“**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197,198 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 as amended and the provisions of Articles of Association of the company and the Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014, (Including any statutory modification re-enactment(s) thereof for the time being in force), the consent of the members, be and are hereby accorded to approve the terms of appointment and remuneration of Ms. Kalavathy Bylappa (DIN: 03550060) as the Chairman and Managing Director (Key Managerial Personnel) of the company for a period of 5 years from 10th May 2021 to 09th May 2026 as recommended by the Nomination and Remuneration committee and subsequently, approved by the Board of Directors in its meeting held on 10th May 2021, on terms and conditions as mutually agreed upon including remuneration between the Board and Ms Kalavathy Bylappa.

“**RESOLVED FURTHER THAT** Ms. Kalavathy Bylappa in the capacity of Chairman and Managing director will be entrusted with such powers, authorities, function, duties, responsibilities, etc. as may be decided by the Board from time to time.”

“RESOLVED FURTHER THAT the Board reserves the liberty and authority to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board and Ms. Kalavathy Bylappa.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of Ms. Kalavathy Bylappa, the payment of salary shall be governed by the limits prescribed under Section II Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT any of 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. 5

TO APPROVE APPOINTMENT OF MR. BHARAT (DIN: 03542954) AS THE WHOLE TIME DIRECTOR

“RESOLVED THAT pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 as amended and the Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014, (Including any statutory modification re-enactment(s) thereof for the time being in force), the consent of the members, be and are hereby accorded to approve the terms of appointment of Mr. Bharat (DIN: **03542954**) as a Whole Time Director (Key Managerial Personnel) of the Company designated as Executive Director for a period of Five(5) Years from 10th May 2021 to 09th May 2026 as approved by the Board of Directors in its meeting held on 10th May 2021 on the terms and conditions as mutually agreed upon between the Board and Mr Bharat, subject to liable to retire by rotation.

“RESOLVED FURTHER THAT the Board reserves the liberty and authority to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board and Mr. Bharat.”

“RESOLVED FURTHER THAT any of 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: 08.09.2021

Place: Bangalore

Anitha R
Company Secretary and Compliance Officer
Membership No: A60826

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus 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. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. 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. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 27th September 2021 at 09:00 AM and ends on 29th September 2021 at 05:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e- |

| | |
|---|---|
| | <p>Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| <p>Individual Shareholders holding securities in Demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.</p> |

Individual Shareholders holding securities in Demat mode with NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@tranwayinc.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **3 days prior to**

meeting mentioning their name, demat account number/folio number, email id, mobile number at **cs@tranwayinc.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **cs@tranwayinc.com**. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

BOARD'S REPORT

TRANWAY TECHNOLOGIES LIMITED

To the Members,

Your directors are pleased to present the 6th Board's Report of your Company, along with Audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL HIGHLIGHTS (STANDALONE & CONSOLIDATED):

The Company's Standalone 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 2021 | For the Year ended 31 st March 2020 |
|---|--|--|
| Income from Business Operations | 55,522,686 | 44,022,202 |
| Other Income | 1,74,431 | 3,11,619 |
| Total Income | 55,697,117 | 44,333,821 |
| Profit before Interest, Depreciation & Tax | 4,56,096 | 11,30,217 |
| Less: Interest | - | - |
| Less: Depreciation | - | - |
| Profit after depreciation and Interest | 4,56,096 | 11,30,217 |
| Less: Current Income Tax (Inc: earlier year tax) | 1,74,600 | 3,61,790 |
| Tax adjustments for earlier years | 1,21,529 | 17,563 |
| Less: Deferred Tax | (56,011) | (67,932) |
| Net Profit/Net Loss after Tax | 2,15,978 | 8,18,796 |
| Dividend (Including Interim if any and final) | - | - |
| Net Profit/Net Loss after dividend and Tax | 2,15,978 | 8,18,796 |
| Amount transferred to General reserve | | - |
| Balance carried to Balance Sheet | 2,15,978 | 8,36,359 |
| Earnings per share (Basic –Weighted Average) | 0.02 | 0.25 |
| Earnings per Share (Diluted-Weighted Average) | 0.02 | 0.25 |

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

| Particulars | For the Year ended 31 st March 2021 | For the Year ended 31 st March 2020 |
|---|--|--|
| Income from Business Operations | 6,29,36,073 | 5,53,02,113 |
| Other Income | 2,36,810 | 7,69,909 |
| Total Income | 6,31,72,883 | 5,60,72,022 |
| Profit before Interest, Depreciation & Tax | 20,92,169 | 31,18,331 |
| Less: Interest | - | - |
| Less: Depreciation | 8,50,232 | 12,52,862 |
| Profit after depreciation and Interest | 12,41,937 | (18,65,469) |
| Less: Current Income Tax(Inc: earlier year tax) | 2,96,129 | 3,79,353 |
| Less: Deferred Tax | (53,819) | (75,262) |
| Net Profit/Net Loss after Tax | 9,99,628 | (21,69,560) |
| Dividend (Including Interim if any and final) | | - |
| Net Profit/Net Loss after dividend and Tax | 9,99,628 | (21,69,560) |
| Amount transferred to General reserve | | - |
| Balance carried to Balance Sheet | 9,99,628 | (21,69,560) |
| Earnings per share (Basic –Weighted Average) | 0.09 | (0.66) |
| Earnings per Share(Diluted-Weighted Average) | 0.09 | (0.66) |

2. DIVIDEND:

No dividend was declared for the financial year ended 31st March 2021 by the Board of Directors.

3. STATE OF COMPANY' FINANCIAL AFFAIRS:

During the year under review, the company has recorded total revenue of Rs. 5,56,97,117/- as compared to the previous year amount of Rs. 4,43,33,821/-. The Expenditure incurred including Depreciation during the year was Rs. 5,52,41,021/- as compared to the previous year amount of Rs. 4,32,03,604/-. 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

During the year under review, the Company has not issued any new shares, therefore there was no change in the Authorized, Issued and Paid-Up share capital of the Company.

- **Other Disclosures and information**

That the Company:

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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 balance fund which was raised through IPO amounting to Rs 0.49 Lac out of the total fund raised Rs 424.00 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, 2021, 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 can be accessed at company's 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:

There was no Change in the Directors/Key Managerial Personnel during the period under review, and the Composition of Board of Directors as on 31st March, 2021 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. Dhakshinamoorthy | 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) |

DISCLOSURES BY DIRECTORS

The Directors on the Board have submitted notice of interest under Section 184(1) i.e., in Form MBP-1, intimation under Section 164(2) i.e., in Form DIR-8 and declaration as to compliance with the Code of Conduct of the Company. All Independent Directors have also given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

16. CHANGE IN DESIGNATION OF THE DIRECTORS:

After the end of the financial year the Designation of the Directors have been changed the consent of the Board of Directors, subject to the approval of the members of the company and the details as underneath and composition of the Boards remains the same.

| NAME | DATE OF APPOINTMENT | CURRENT DESIGNATION |
|------------------------|----------------------------|---|
| Mrs. Kalavathy Bylappa | 10 th May 2021 | Managing Director and Whole Time Director |
| Mr. Bharat | 10 th May 2021 | Whole time Director |

17. MEETINGS OF THE BOARD:

During the period under review, total of 9 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 | 04.05.2020 | 6 | 20.09.2020 |
| 2 | 06.06.2020 | 7 | 14.11.2020 |
| 3 | 26.06.2020 | 8 | 04.12.2020 |
| 4 | 31.07.2020 | 9 | 12.03.2021 |
| 5 | 17.09.2020 | | - |

18. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

Regulation 25 of the Listing Regulations and Section 149 read with Schedule IV of Companies Act, 2013 mandates that the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of Non-Independent Directors and members of the management and requires all the Independent Directors to be present at such meeting.

Your company recognizes the role that Independent Directors play in ensuring an efficient and transparent work environment, hence all the Independent directors of the company separately met Once during the year FY 2020-21 without the presence of any Non-Independent Directors and/or any members of the management on March 16th 2021 and discussed about the flow of Information to the Board, Compliances, and various other Board

Related matters and identify areas where they need clarity or information from management and to annually review the performance of Non- Independent Directors, the Board as whole and the Chairman.

The Independent Directors update the Audit Committee and the Board about the outcome of the meetings and actions, if any, required to be taken by the Company.

19. AUDIT COMMITTEE:

The Committee comprises of three Directors viz. Mr. Gangisetty Srinivasulu Prashanth, Independent Director (Chairman of the Committee), Mr. A Dhakshinamoorthy, Independent Director and Mr. Bharat. Executive Director. The Committee fulfils the composition requirement as specified under the provisions of the Companies Act, 2013 and Listing Regulations.

The key responsibilities of the Audit Committee are to assist the Board in fulfilling its oversight responsibilities in relation to: financial reporting; the effectiveness of the system of risk management and robustness of internal financial controls and risk management framework and monitoring the qualifications, expertise, resources and independence of both the internal and external auditors; and assessing the auditors' performance and effectiveness each year.

During the year under review, 4(Four) meetings of the Audit Committee were held on 20th June 2020, 31st July 2020, 14th November 2020 and 05th March 2021.

Review of Financial Results for FY 2020-21: The Committee reviewed the Standalone & Consolidated Financial Statements for FY 2020-21 and based on this review and discussions with management, the Committee was satisfied that the Financial Statements were prepared in accordance with applicable Accounting Standards and fairly present the financial position and results for the year ended March 31, 2021. The Committee therefore recommended the Financial Statements for the year ended March 31, 2021 for approval of the Board.

The Company Secretary of the Company is the Secretary of the Committee.

All the recommendations of the Audit Committee made during the year were accepted by the Board.

20. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Committee comprises of three Directors viz. Mr. Arul Kumar (Chairman of the Committee), Mr. A Dhakshinamoorthy, and Mr. Gangisetty Srinivasulu Prashanth. All the

Members of the Committee are Independent Directors. The Committee fulfils the composition requirement as specified under the provisions of the Companies Act, 2013 and Listing Regulations.

The Company recognizes the worth of sustaining an ongoing relation with the Company's stakeholders to ensure a mutual understanding of the Company's strategy, performance and governance. The Stakeholder Relationship Committee (SRC) assists the Company and its Board in maintaining strong and long-term relationships with all its shareholders. The SRC mainly oversees and reviews the timely redressal of all the Security holder's grievance; ways to enhance shareholder experience; performance of Registrar & Transfer Agent; shareholding movement etc.

During the year under review, one (1) meeting of the Nomination and Remuneration Committee were held on 5th March 2021.

All the recommendations of the Committee were accepted by the Board.

21. INVESTOR COMPLAINTS

Company's Registrar & Transfer Agent, Link Intime India Private Limited entertains and resolves investor grievances in consultation with the Compliance Officer. All grievances can be addressed either to RTA or to the Company directly. An update on the status of complaints is quarterly reported to the Board and is also filed with stock exchanges.

Company has not received any complaints during the Financial Year 2020-21

22. NOMINATION AND REMUNERATION COMMITTEES:

The Committee comprises of three Directors viz. Mr. Gangisetty Srinivasulu Prashanth (Chairman of the Committee), Mr. A Dhakshinamoorthy, and Mr. Arul Kumar. All the Members of the Committee are Independent Directors. The Committee fulfils the composition requirement as specified under the provisions of the Companies Act, 2013 and Listing Regulations.

The NRC is responsible for making recommendations to the Board on the structure, size and composition of the Board, ensuring that the appropriate mix of skills, experience, diversity and independence is present on the Board for it to function effectively. The Committee also carries out the entire process of Board Evaluation.

When setting remuneration for the Executive Directors, the Committee takes into account the overall business performance of the company operations and The Committee is also focused on aligning the interests of the Executive Directors and the management group with those of shareholders, to build a sustainable performance culture.

During the year under review, one (1) meeting of the Nomination and Remuneration Committee were held on 5th March 2021.

All the recommendations of the Committee were accepted by the Board.

23. 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.

24. 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.

25. 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.

26. DEPOSITS:

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

27. AUDITORS:

Your company has appointed M/s. Luharuka & Co., Chartered Accountants (FRN.: 328700E), Kolkata on 25/12/2020, as the Statutory Auditors to hold the office until the conclusion of the 10th ensuing Annual General Meeting (AGM) of the company.

The Company has received a certificate of eligibility from the statutory auditors in accordance with the provisions of Section 141 of the Act. There is no requirement for ratification of auditors in this Annual General Meeting as per the provision of Section 139 of the Companies Act, 2013 as amended.

28. INTERNAL FINANCIAL CONTROLS

Your Company has appointed Ms. CS Anitha R as its Internal Auditor. 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.

29. SECRETARIAL AUDIT REPORT:

For previous Financial Year 2019-20 Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company had appointed M/s Arpan Sengupta and Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company.

And for the period under review the Company has appointed M/s K. P Ghelani & Associates Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the FY 2020-2021 of the Company has been annexed with the Board's Report as **Annexure D**.

30. 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.

31. 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.

32 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.

33. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of the board, its committees and individual directors pursuant to the provisions of the Act and as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ('SEBI Listing Regulations').

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

34. 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.

The Company has a duly constituted Complaints Committee for redressal of sexual harassment complaint (made by the victim) and for ensuring time bound treatment of such complaints. the Complaints Committee will comprise of the following members:

1. Ms. Vaishali Panchal – Whistle Officer –External Member
2. Ms. Kalavathy Bylappa – Director and Chairman/Preceding officer of Committee – Level 3 Escalation
3. Ms. Anitha R – Company Secretary and Compliance officer – Level 2 Escalation
4. Ms. Babita Anand – HR –Admin- Level 1 Escalation.

During the year under review, 4(Four) meetings of the Audit Committee were held on 18th April 2020, 22nd July 2020, 9th October 2020 and 11th January 2021.

No complaints for sexual harassment were received during the year under review.

35. 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.

36. 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.

37. COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

38. 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.

39. 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 Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations framed “Whistle Blower Policy and Vigil Mechanism” (“the Policy”).

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Policy has been framed with a view to provide a mechanism, inter alia, enabling stakeholders, including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company’s Code of Conduct or ethics policy

The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company’s website at the link: www.tranwayinc.com

B. 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.

Policy on Preservation on the documents may be accessed on the Company’s website at the link: www.tranwayinc.com

C. 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.

Policy on criteria for determining materiality of events may be accessed on the Company's website at the link: www.tranwayinc.com

40. 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.

Policy on criteria for Insider Trading Regulations may be accessed on the Company's website at the link: www.tranwayinc.com

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

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.

42. 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. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

43. 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.

44. 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-E".

45. 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 CFO of the Company, for the year ended March 31, 2021 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.

46. 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.

47. 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

**Kalavathy Bylappa
Chairman and Managing director
DIN: 03550060**

Date: 08.09.2021

Place: Bangalore

“ANNEXURE –A”

NOMINATION AND REMUNERATION POLICY

Of

TRANWAY TECHNOLOGIES LIMITED

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 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.

For and on behalf of Tranway Technologies Limited

Kalavathy Bylappa
Chairman and Managing director
DIN: 03550060

Date: 08.09.2021

Place: Bangalore

“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 2020-21, the percentage increase in remuneration of Directors, Chief Financial Officer and Company Secretary during the financial year 2020-21.

| 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) | - | - | - | - |
| 2 | Kalavathy Bylappa (WTD) | 18,00,000/- | 18,00,000/- | - | - |
| 3 | Preeti Sandeep Byse | 4,83,924/- | 3,45,660/- | 40% | |
| 4 | Anitha R | 4,89,600/- | 4,08,000/- | 20% | - |
| 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. Dhakshinamoorthy 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. 4,24,79,348/- during the year 2020-21 as compared to Rs. 3,25,13,473/- in the previous year. The increase in the Median remuneration of Employees was 30.65% during financial year under review.

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

As on 31st March, 2021 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

**Kalavathy Bylappa
Chairman and Managing director
DIN: 03550060**

Date: 08.09.2021

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 LIMITED (Previously BHARAT HEAD HUNTERS PRIVATE LIMITED) |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 2020-21 |
| 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 | 3,05,400 |
| 5. | Reserves & surplus | 42,378,781 |
| 6. | Total assets | 50,180,257 |
| 7. | Total Liabilities | 50,180,257 |
| 8. | Investments | - |
| 9. | Turnover | 74,75,766 |
| 10. | Profit before taxation | 7,85,842 |
| 11. | Provision for taxation | 2,192 |
| 12. | Profit after taxation | 7,83,650 |
| 13. | Proposed Dividend | - |
| 14. | % of shareholding | 100% |

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

1. Names of subsidiaries which are yet to commence operations
2. 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

Kalavathy Bylappa
Chairman and Managing director
DIN: 03550060

Date: 08.09.2021
Place: Bangalore

“ANNEXURE –D”

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

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

The Members,

TRANWAY TECHNOLOGIES LIMITED

CIN: L74900KA2015PLC079480

GF-01, Pallavi Enclave,

26th main, 17th cross,

J P Nagar, 6th phase,

Bangalore – 560078,

Karnataka, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s TRANWAY TECHNOLOGIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 31st March, 2021 (“Audit Period”) 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 the company for the Financial Year ended on 31st March, 2021 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; **Not Applicable to the Company during the Audit Period;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable to the Company during the Audit Period;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable to the Company during the Audit Period;**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable to the Company during the Audit Period.**

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws applicable specifically to the Company namely:

(i) Information Technology Act, 2000 and the rules made thereunder

(vii) Based on the representation made by the Company and its officers, the Company has proper system and process in place for compliance under the other applicable Labour Laws and other incidental laws, Acts, Rules, Regulations and Guidelines.

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 Listing Agreements entered into by the Company with Bombay Stock Exchange (Start-Up Platform).

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

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, 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, there were no specific events / actions having a major bearing on company's affair in pursuance of the above – referred laws, rules, regulations, guidelines, standards, etc;

For K. P. GHELANI & ASSOCIATES
Company Secretaries

Date: September 06, 2021

Place: Rajkot

CS Keyur Ghelani
Proprietor
Mem No. ACS 33400
CoP: 12468
UDIN: A033400C000917382

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

Annexure – I
(to the Secretarial Audit Report)

The Members,
TRANWAY TECHNOLOGIES LIMITED
CIN: L74900KA2015PLC079480
Gf-01, Pallavi Enclave,
26th main, 17th cross,
J P Nagar, 6th phase,
Bangalore – 560078,
Karnataka, India

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

1. Maintenance of secretarial records is the responsibility of management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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, I followed provide a reasonable basis for my 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 Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to the verification of 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.

For K. P. GHELANI & ASSOCIATES
Company Secretaries

Date: September 06, 2021

Place: Rajkot

CS Keyur Ghelani
Proprietor
Mem No. ACS 33400
CoP: 12468

“ANNEXURE E”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDIAN ECONOMIC SCENARIO

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. The economy was gradually turning towards recovery early this year until the much more severe second COVID-19 wave hit India in April. The comforting news is that improving business sentiments, coupled with a strong recovery among industrial nations, propelled growth in the January–March quarter of FY 2020–21. While substantial spending by the government provided the biggest boost to growth, private investments.

From April to June 2020, India’s GDP dropped by a massive 24.4%. According to the latest national income estimates, in the second quarter of the 2020/21 financial year (July to September 2020), the economy contracted by a further 7.4%. The recovery in the third and fourth quarters (October 2020 to March 2021) was still weak, with GDP rising 0.5% and 1.6%, respectively. This means that the overall rate of contraction in India was (in real terms) 7.3% for the whole 2020/21 financial year.

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 with support all we have come out with the good results, and we were all looking forward with optimism and courage for an even better year ahead.

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 and still it is ongoing, and the Company’s HR business partners and team facilities are in constant touch with all employees to provide support, as required. “Despite the impediments due to Covid-19, company has taken innumerable steps to drive social protection to employees, which has led to an increase in

productivity. We will remain resolute in our goals of employee safety, business continuity and of being a trusted partner to our customers.

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

Company is finding new opportunities in digitalisation of the workforce and providing solutions to meet new challenges and demands from customers in times of Covid-19. Organization 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 organization 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 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 2020-21.

FINANCIALS

The performance of the Company for the financial year 2020-21 is summarized below:

| Particulars | For the Year ended 31 st March 2021 | For the Year ended 31 st March 2020 |
|---|---|---|
| Income from Business Operations | 55,522,686 | 44,022,202 |
| Other Income | 1,74,431 | 3,11,619 |
| Total Income | 55,697,117 | 44,333,821 |
| Profit before Interest, Depreciation & Tax | 4,56,096 | 11,30,217 |
| Less: Interest | - | - |
| Less: Depreciation | - | - |
| Profit after depreciation and Interest | 4,56,096 | 11,30,217 |
| Less: Current Income Tax (Inc: earlier year tax) | 1,74,600 | 3,61,790 |
| Tax adjustments for earlier years | 1,21,529 | 17,563 |
| Less: Deferred Tax | (56,011) | (67,932) |
| Net Profit/Net Loss after Tax | 2,15,978 | 8,18,796 |
| Dividend (Including Interim if any and final) | - | - |
| Net Profit/Net Loss after dividend and Tax | 2,15,978 | 8,18,796 |
| Amount transferred to General reserve | | - |
| Balance carried to Balance Sheet | 2,15,978 | 8,36,359 |
| Earnings per share (Basic –Weighted Average) | 0.02 | 0.25 |
| Earnings per Share (Diluted-Weighted Average) | 0.02 | 0.25 |

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, labor relations and interest costs.

For and on behalf of Tranway Technologies Limited

Kalavathy Bylappa
Chairman and Managing director
DIN: 03550060

Date: 08.09.2021

Place: Bangalore

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,

TRANWAY TECHNOLOGIES LIMITED

GF-01, PALLAVI ENCLAVE, 26TH MAIN,
17TH CROSS, J P NAGAR, 6TH PHASE,
BANGALORE – 560078, KARNATAKA

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TRANWAY TECHNOLOGIES LIMITED having CIN L74900KA2015PLC079480 and having registered office at GF – 01, Pallavi Enclave, 17th Cross, 26th main, JP Nagar, 6th Phase, Bangalore – 560078, Karnataka (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|----------------|--|------------|---------------------------------------|
| 1 | KALAVATHY BYLAPPA | 03550060 | 25/03/2015 |
| 2 | BHARAT | 03542954 | 25/03/2015 |
| 3 | GANGISETTY SRINIVASULU PRASHANTH | 06880088 | 15/11/2019 |
| 4 | DHAKSHINAMOORTHY AMANALINGAM PILLAI | 08638822 | 14/12/2019 |
| 5 | ARUL KUMAR | 08638858 | 14/12/2019 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For K. P. GHELANI & ASSOCIATES
Company Secretaries

Date: September 06, 2021

Place: Rajkot

CS Keyur Ghelani
Proprietor
Mem No. ACS 33400
CoP: 12468
UDIN: A033400C000910199

CFO CERTIFICATION

To
The Board of Directors,
Tranway Technologies Limited

In relation to the Audited Financial Accounts of the Company as at March 31st, 2021, I hereby certify that:

(a) I have reviewed financial statements and the cash flow statement for the year ended March 31st, 2021 and that to the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There is, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31st 2021, which is fraudulent, illegal or violative of the Company's code of conduct.

(c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps taken or proposed to be taken to rectify these deficiencies.

(d) I have indicated to the auditors and the Audit committee, wherever applicable:

(i) Significant changes in internal control over financial reporting during the year;

(ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(e) Members of the board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

Date: 08/09/2021

Place: Bangalore

Preeti Sandeep Byse
CFO

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, 2021, the Statement of Profit and Loss and Statement Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year end or that date (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 2021;
- 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 ethical requirements that are relevant to our audit of the standalone 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 standalone financial statements for the financial year ended March'2021. We have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

In forming our opinion on the standalone 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 29 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 are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, 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.

Responsibilities of Management and Those Charged with Governance 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 of these standalone financial statements that give a true and fair view of the state of affairs, Profit or Loss 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 are 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. Further to our comments in the annexure referred to in the paragraph above, 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 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 with reference to standalone financial statements of the Company the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to 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. The remuneration paid to any director is not in excess of the limit laid down under 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

Sd/-
CA. Monoranjan Chowdhury
Partner
Membership. No. 054225

Place: Kolkata
Date: 30.06.2021
UDIN: 21054225AAAAHP7389

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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership No: 054225

Place: Kolkata

Date: 30.06.2021

UDIN:- 21054225AAAAHP7389

ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls with reference to financial statements 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 with reference to standalone financial statements of **TRANWAY TECHNOLOGIES LIMITED** (“the Company”) as on March 31, 2021 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 are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements 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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date: 30.06.2021

UDIN:21054225AAAAHP7389

ANNEXURE – ‘C’ TO THE INDEPENDENT AUDITORS’ REPORT

[Referred to in Paragraph 2 under Report on Other Legal and Regulatory Requirements section in our Independent Auditor’s Report of even date to the members of Tranway Technologies Limited on the Standalone financial statements for the year ended March 31, 2021]

- i.** In respect of the Company fixed assets:
 - 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.** The Company has granted unsecured loans to wholly owned subsidiary Company covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
 - b) There is no stipulation of schedule of repayment of principal and payment of interest.
 - c) The loan are repayable/payable on demand. Thus, reporting under clause 3(iii) of the said order is 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 covered under Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- 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, during the year, the Company has generally been regular in depositing undisputed statutory dues including Income Tax, Goods and Services Tax, Provident Fund, Employee State Insurance and other statutory dues applicable to it with the appropriate authorities except there has been a slight delay in a few cases. However, undisputed dues in respect of Income Tax (Tax Deducted at Source), which were outstanding at the year-end for a period of more than six months from the date they become payable are as follows: -

| Name of the statute | Nature of dues | Period to which the amount relates | Amount due (Rs.) | Due date | Date of payment |
|--------------------------|------------------------|------------------------------------|------------------|---------------|-----------------|
| The Income Tax Act, 1961 | Tax Deducted at Source | April to August, 2020 | 18,37,760 | Various Dates | Not yet paid |

- b) According to the information and explanations given to us, there are no dues as on 31st March, 2021 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, We are of the opinion that the Company has not defaulted in repayment of dues to 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, the Company has not raised money by way of initial public offer (IPO) or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- x.** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- xi.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions 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.** According to the information and explanation given to us and based on our examination of the records of the Company transaction with the related parties is in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statement, as required by the applicable accounting standards.
- xiv.** During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xiv) of the 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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date:30.06.2021

UDIN:-21054225AAAAHP7389

TRANWAY TECHNOLOGIES LIMITED
CIN. L74900KA2015PLC079480
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Amount in Rs.)

| S.N | PARTICULARS | NOTE NO. | As at 31st March, 2021 | As at 31st March, 2020 |
|-----|--|----------|------------------------|------------------------|
| I. | <u>EQUITY AND LIABILITIES :</u> | | | |
| | <u>1) SHAREHOLDERS' FUNDS</u> | | | |
| | (a) Share capital | 2 | 105,988,000 | 105,988,000 |
| | (b) Reserve & surplus | 3 | 12,194,742 | 11,978,764 |
| | <u>2) NON-CURRENT LIABILITIES</u> | | | |
| | (a) Long-term borrowings | 4 | 48,596,140 | 59,666,807 |
| | <u>3) CURRENT LIABILITIES</u> | | | |
| | (a) Short-term borrowings | 5 | 7,469,081 | 9,765,207 |
| | (b) Trade payables | 6 | | |
| | (A) Total outstanding dues of micro enterprises and small enterprises; and | | - | - |
| | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 301,586 | 71,355 |
| | (c) Other current liabilities | 7 | 13,732,787 | 8,055,070 |
| | (d) Short-term provisions | 8 | 657,919 | 361,790 |
| | TOTAL | | 188,940,254 | 195,886,992 |
| II. | <u>ASSETS :</u> | | | |
| | <u>1) NON-CURRENT ASSETS</u> | | | |
| | (a) Property, Plant and Equipment | | | |
| | (i) Tangible assets | 9 | 1,663,444 | 2,427,650 |
| | (ii) Intangible assets under development | 9 | 6,000,000 | 5,700,000 |
| | (b) Non-Current Investment | 10 | 115,810,100 | 115,810,100 |
| | (c) Deferred tax assets (net) | 20 | 374,666 | 318,656 |
| | <u>2) CURRENT ASSETS</u> | | | |
| | (a) Trade receivables | 11 | 3,677,404 | 2,722,131 |
| | (b) Cash & Cash equivalents | 12 | 4,451,124 | 3,090,908 |
| | (c) Short-term loans & advances | 13 | 56,963,515 | 65,817,548 |
| | TOTAL | | 188,940,254 | 195,886,992 |

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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

UDIN:- 21054225AAAAHP7389

Place : Kolkata

Sd/-

KALAVATHY BYLAPPA

Managing Director

DIN. 03550060

Sd/-

PREETI SANDEEP BYSE

Chief Financial Officer

Place : Bangalore

Date : 30.06.2021

Sd/-

BHARAT

Director

DIN. 03542954

Sd/-

ANITHA R

Company Secretary

CSN:60826

TRANWAY TECHNOLOGIES LIMITED**CIN. L74900KA2015PLC079480****STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021****(Amount in Rs.)**

| S.N | PARTICULARS | NOTE NO. | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|----------|---------------------------------|---------------------------------|
| I | Revenue from operations | 14 | 55,522,686 | 44,022,202 |
| II | Other income | 15 | 174,431 | 311,619 |
| III | Total Revenue (I + II) | | 55,697,117 | 44,333,821 |
| IV | EXPENSES | | | |
| | Employee benefits expense | 16 | 42,479,348 | 32,513,473 |
| | Finance costs | 17 | 2,614,938 | 3,007,769 |
| | Depreciation and amortization expense | 18 | 764,206 | 1,113,423 |
| | Other expenses | 19 | 9,382,528 | 6,568,940 |
| V | Total Expenses (IV) | | 55,241,021 | 43,203,604 |
| VI | PROFIT/(LOSS) BEFORE TAX (III-IV) | | 456,096 | 1,130,217 |
| VII | TAX EXPENSE | | | |
| | Income Tax: | | | |
| | Current tax expenses | | 174,600 | 361,790 |
| | Current tax related to prior period | | 121,529 | 17,563 |
| | Deferred Tax | 20 | (56,011) | (67,932) |
| VIII | PROFIT/(LOSS) FOR THE YEAR (VI-VII) | | 215,978 | 818,796 |
| IX | Earnings Per Equity Share [Nominal Value of Share - Rs 10/-] | 21 | | |
| | (1) Basic | | 0.02 | 0.25 |
| | (2) Diluted | | 0.02 | 0.25 |
| | 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 LimitedFor Luharuka & Co.
Chartered Accountants
FRN: 328700ESd/-
CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:- 21054225AAAAHP7389
Place: KolkataSd/-
KALAVATHY BYLAPPA
Managing Director
DIN. 03550060Sd/-
PREETI SANDEEP BYSE
Chief Financial OfficerPlace : Bangalore
Date : 30.06.2021Sd/-
BHARAT
Director
DIN. 03542954Sd/-
ANITHA R
Company Secretary
CSN:60826

TRANWAY TECHNOLOGIES LIMITED
CIN. L74900KA2015PLC079480
STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH,2021

(Amount in Rs.)

| PARTICULARS | For the Year ended 31st March, 2021 | For the Year ended 31st March, 2020 |
|---|--|--|
| A. Cash Flows from Operating Activities | | |
| Net Profit / (Loss) before Tax and Extraordinary Items | 456,096 | 1,130,217 |
| Adjustments for - | | |
| Depreciation | 764,206 | 1,113,423 |
| Finance Cost | 2,614,938 | 3,007,769 |
| Operating Profit before Working Capital Changes | 3,835,241 | 5,251,408 |
| Adjustments for changes in working capital - | | |
| (Increase)/Decrease in Trade Receivables | (955,274) | 1,296,614 |
| (Increase)/Decrease in Short term loans and advances | (2,806,704) | (52,845,431) |
| Increase/(Decrease) in Trade Payables | 230,231 | (81,113) |
| Increase/(Decrease) in Other Current Liabilities | 5,152,207 | 6,684,095 |
| Cash Generated from Operations | 5,455,701 | (39,694,427) |
| Direct Taxes Paid (net of refunds) | (483,319) | (1,113,133) |
| Net Cash flows from/(used in) Operating Activities | (A) 4,972,382 | (40,807,560) |
| B. Cash Flows from Investing Activities | | |
| Purchase of Intangible assets under development | (300,000) | (5,700,000) |
| Purchase of Property, Plant and Equipment | - | (85,900) |
| Purchase of Investment | - | (115,810,100) |
| Net Cash flow from/(used in) Investing Activities | (B) (300,000) | (121,596,000) |
| C. Cash Flows from Financing Activities | | |
| Proceeds from issuance of Share Capital | - | 111,598,938 |
| Finance costs | (2,614,938) | (3,007,769) |
| Proceeds from Long Term Borrowings | 1,598,899 | 53,407,734 |
| Proceeds/(Repayment) from Short Term Borrowings | (2,296,126) | 2,841,761 |
| Net Cash flow from/(used in) Financing Activities | (C) (3,312,165) | 164,840,664 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | 1,360,217 | 2,437,104 |
| Cash and Cash Equivalents at the beginning of period | 3,090,908 | 653,802 |
| Cash and Cash Equivalents at the end of period | 4,451,124 | 3,090,908 |

Note:

- 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.
- Cash and Cash Equivalents include cash in hand and bank balances on current accounts [Refer Note No. 12 to the Accounts].
- Figures in brackets indicate cash outflows.
- Previous year's figures have been regrouped/rearranged, wherever considered necessary to confirm to this year's classification.
- Non- cash Item** -During the previous year, 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 and on behalf of the Board of Directors
Tranway Technologies Limited

For Luharuka & Co.
Chartered Accountants
FRN: 328700E

Sd/-
KALAVATHY BYLAPPA
 Managing Director
 DIN. 03550060

Sd/-
BHARAT
 Director
 DIN. 03542954

Sd/-
CA Monoranjan Chowdhury
Partner
Membership. No. 054225
 UDIN:- 21054225AAAAHP7389
 Place: Kolkata

Sd/-
PREETI SANDEEP BYSE
 Chief Financial Officer

Sd/-
ANITHA R
 Company Secretary
 CSN:60826

Place : Bangalore
 Date : 30.06.2021

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

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 L74900KA2015PLC079480.

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 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 the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although, these estimates are based upon the management’s best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized. Any revision to the accounting estimates is recognised prospectively in the current and future accounting years.

3) Depreciation:

Depreciation

Depreciation on Property, Plant and Equipment as at 31st March 2021 and 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. Software are under development is not put to use as on 31.03.2021, 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 31.03.2021, 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.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

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.
- (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) Cash and Cash Equivalent:

Cash and Cash equivalents comprise cash and deposit with bank. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible into known amounts of cash to be cash equivalents.

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 Statement of Profit and Loss.

13) 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. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(Amount in Rs.)

| NOTE 2 - SHARE CAPITAL | As at 31st March, 2021 | As at 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| Authorised | | |
| 110,00,000 Nos (P.Y. March 31, 2020 : 110,00,000 Equity Share of Rs.10/- each) Equity Shares of Rs.10/- each | 110,000,000 | 110,000,000 |
| | 110,000,000 | 110,000,000 |
| Issued, Subscribed and paid-up | | |
| 105,98,800 Nos (P.Y. March 31, 2020 : 105,98,800 Equity Share of Rs.10/- each) of Equity Shares of Rs.10/- each | 105,988,000 | 105,988,000 |
| | 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, 2021 | | As at 31st March, 2020 | |
|---|-------------------------------|--------------------|-------------------------------|--------------------|
| | Equity Shares | (Rs.) | Equity Shares | (Rs.) |
| Equity Shares of Rs.10 each outstanding at the beginning of the year | 10,598,800 | 105,988,000 | 2,000 | 200,000 |
| Add: Preferential allotment during the previous year (Refer Note 2 (b)) | - | - | 28,280 | 2,828,000 |
| Add:- Bonus Share issued during the previous year (Refer Note 2 (c)) | - | - | 605,600 | 60,560,000 |
| Add:- Share splitted during the previous year (Refer Note 2 (d)) | - | - | 5,722,920 | - |
| Add:- Shares Issued during the previous 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 | 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, 2021 | | As at 31st March, 2020 | |
|---|-------------------------------|---------------------|-------------------------------|---------------------|
| | Equity Shares | % of Holding | Equity Shares | % of Holding |
| Bharat | 3,178,980 | 29.99 | 3,178,980 | 29.99 |
| Kalavathy Bylappa | 3,178,770 | 29.99 | 3,178,770 | 29.99 |
| Gokwik Technologies Private Limited | - | - | 720,000 | 6.79 |

a) Increase in Authorised Share Capital:

During the previous year ended 31st March 2020, 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.

b) Preferential Allotment:

During the previous year ended 31st March 2020, 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.

c) Bonus Shares

During the previous year ended 31st March 2020, The company has allotted 6,05,600 fully paid up shares of face value Rs. 100 each 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.

d) Split of share

During the previous year ended 31st March 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 .

e) Public issue of shares

During the previous year ended 31st March 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, 2021 | As at 31st March, 2020 |
|--|-------------------------------|-------------------------------|
| <u>Security Premium</u> | | |
| Balance as at the beginning of the year | 5,810,938 | - |
| 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) |
| Balance as at the end of the year | 5,810,938 | 5,810,938 |
| <u>Surplus - Balance in the Statement of Profit and Loss:</u> | | |
| Balance as at the beginning of the year | 6,167,826 | 5,349,030 |
| Add : Profit for the year | 215,978 | 818,796 |
| Balance as at the end of the year | 6,383,804 | 6,167,826 |
| | | |
| | 12,194,742 | 11,978,764 |

| NOTE 4 - LONG- TERM BORROWINGS | As at 31st March, 2021 | | As at 31st March, 2020 | |
|--|-------------------------------|------------------|-------------------------------|------------------|
| | Non-Current | Current | Non-Current | Current |
| Term Loan | | | | |
| (a) Secured | | | | |
| -Vehicle Loan (From Karnataka Bank) | 2,157,543 | 544,381 | 2,286,502 | 493,754 |
| -Working Capital (From Karnataka Bank) | 1,444,500 | 555,500 | - | - |
| (b)Unsecured | | | | |
| Loan & Advances from Related parties | 43,432,494 | - | 55,048,000 | - |
| From Financial Institutions | | | | |
| -Business Loan (From Bajaj Finance Limited) | 1,073,138 | 540,527 | 196,186 | 446,202 |
| From Banks | | | | |
| -Business Loan | 488,465 | 1,647,649 | 2,136,119 | 1,822,591 |
| Total | 48,596,140 | 3,288,057 | 59,666,807 | 2,762,547 |
| The above amount includes : | | | | |
| - Secured borrowings | 3,602,043 | 1,099,881 | 2,286,502 | 493,754 |
| - Unsecured borrowings | 44,994,097 | 2,188,176 | 57,380,305 | 2,268,793 |
| Amount disclosed under the head Other Current Liabilities (Refer Note No. 7) | - | (3,288,057) | - | (2,762,547) |
| | 48,596,140 | - | 59,666,807 | - |

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 purpose was to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.50% p.a. and is due for full repayment in October 2023.

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% p.a. 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 17.99% p.a. 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% p.a. and is due for full repayment in July 2022.

****Term loan from Karnataka Bank are taken by the Company for working capital purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 8.96% p.a. and is due for full repayment in June 2024. However, the repayment of installment will start from June 2021. Details of Securities as mentioned below.**

Details of Security

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

| **Details of Security | Value (Amount in Rs) | Date of Valuation |
|---|-----------------------------|--------------------------|
| Prime: | | |
| Hypothecation of Book Debts (25% Margin on Receivables) | - | - |
| Collateral: | | |
| Already held 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, belong to Mrs. Kalavathy Bylappa. | 6,687,000 | 28-05-2020 |
| AEM of Property bearing Site No 225, formed by the BDA situated at Banashankari 6th Stage Layout, 3rd Block, Bangalore - 560062, belonging to Mrs. Kalavathy Bylappa | 3,197,000 | 28-05-2020 |
| AEM 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, belonging to Mrs. Kalavathy Bylappa | 2,400,000 | 28-05-2020 |
| The facility is further secured by personal guarantee of both the Directors Mr. Bharat and Mrs. Kalavathy Bylappa. | | |

| NOTE 5 - SHORT TERM BORROWINGS | As at 31st March, 2021 | As at 31st March, 2020 |
|--|-------------------------------|-------------------------------|
| <u>Loan repayable on demand</u> | | |
| From banks | | |
| -Overdraft from Bank (secured) | 6,865,817 | 9,765,207 |
| -Canara Bank Factoring | 603,264 | - |
| | 7,469,081 | 9,765,207 |

Overdraft Facility:-

Primary Security:-

Overdraft facility of Rs 70 Lakhs from Karnataka Bank is secured by hypothecation of book debts. The rate of interest on overdraft facility is 10.52% p.a. (i.e. 6 months treasury bill + 7.07% p.a)

| <u>Collateral Security:-</u> | Value | Date of Valuation |
|--|--------------|--------------------------|
| Continuing of already held Equitable mortgage (Reg MDTD) 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 belonging to Mrs. Kalavathy is valued Rs.66.87 lakhs as per VR dated 28/05/2020 by panel valuer Sri Raghavendra Guptha.FSV is at Rs.50.15 lakh.(Common security to housing loan 061PSTL/617 of Mrs. Kalavathy of Rs.16.23 lakh, p:b of Rs. 11.25 Lakh, 061PSTL/586 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and Proposed Mortgage OD Loan of Rs. 29.00 lakh). | 6,687,000 | 28-05-2020 |
| Continuing of already held equitable mortgage of residential vacant site bearing site no.225, formed by BDA situated at banashankari 6th stage measuring 581.25 Sq.ft belonging to Mrs. kalavathy Bylappa is valued at Rs.31.97 lakh as per VR dated 01/06/2020 by our panel vauer, Mr. Murthy & Gupta Associates. FSV is at Rs.23.98 lakh. (Common security to 061PSTL/617 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and proposed Mortgage OD Loan for Rs. 29.00 Lakh). | 3,197,000 | 01-06-2020 |

| | | |
|---|-----------|------------|
| Continuing of already held equitable mortgage (Reg MDTD) of residential vacant site bearing site no 45, sy no98 formed by the Bangalore University Employees HBCS Layout at Taralu village Uttarahalli Hobli Next to Rear Side of Concord NAPA valley layout Off Kanakapura main Road Bangalore-560082 measuring 1600 Sqft belonging to Mrs. Kalavathy bylappa is valued at Rs.24 lakh as per VRD 01/06/2020 by Mr. Murthy & Gupta Associates, our panel valuer. FSV is at Rs.18 lakh. (Common security to 061PSTL/617 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and Proposed Mortgage OD Loan of Rs. 29.00 lakh) | 2,400,000 | 01-06-2020 |
|---|-----------|------------|

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

Mortgage OD Non- Individual Facility:-

Working Capital facility of Rs 29 Lakhs from Karnataka Bank is secured by the security as mentioned above. The rate of interest on overdraft facility is 12.20% p.a. (i.e. 6 months treasury bill + 6.83% Credit Risk Premium + 2.00% Fixed Spread)

Factoring Facilities

Factoring facility of Rs 125 Lakhs from Canara Bank. The rate of interest on Factoring facility is 12.75% p.a. compounded monthly.

Security:-

Primary Security: -

Assignment of client's receivables identified for factoring.

Collateral Security: -

1. Assignment of LIC Policies (8 numbers) standing in the name of Mr. Bharat one of the Director of the Company with sum assured Rs 15 Lakhs with surrender value of Rs 9.54 Lakhs as on 17.02.2019.
2. 5% Retention margin on each realization of factored debts will be kept as KDR till it reaches 50% of the sanctioned limit including the LIC Policy surrender value (Total Rs 50.00 Lakhs) with Canara Bank duly noting lien in our favour.

| NOTE 6 - TRADE PAYABLES | As at 31st March, 2021 | As at 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| Total Outstanding Dues of Micro, Small & Medium Enterprises | - | - |
| Total Outstanding Dues of Creditor other than Micro, Small & Medium Enterprises | 301,586 | 71,355 |
| | 301,586 | 71,355 |

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, 2021. 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, 2021 | As at 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| <u>Others :</u> | | |
| Current maturities from long term borrowings (Refer Note No. 4) | 3,288,057 | 2,762,547 |
| Advance from customers | - | 64,518 |
| Statutory dues | 4,229,028 | 1,345,611 |
| Liabilities for expenses | 6,215,702 | 3,882,394 |
| | 13,732,787 | 8,055,070 |

| NOTE 8 - SHORT TERM PROVISIONS | As at 31st March, 2021 | As at 31st March, 2020 |
|---------------------------------------|-------------------------------|-------------------------------|
| <u>Others</u> | | |
| Provision for Taxation | 657,919 | 361,790 |
| | 657,919 | 361,790 |

TRANWAY TECHNOLOGIES LIMITED**CIN. L74900KA2015PLC079480****NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****NOTE 9 :
TANGIBLE ASSETS****(Amount in Rs.)**

| | FURNITURES & FIXTURES | MOTOR VEHICLES | COMPUTERS | OFFICE EQUIPMENTS | TOTAL |
|----------------------|--------------------------------------|-----------------------|------------------|------------------------------|--------------|
| Gross Block | | | | | |
| 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 |
| Additions | - | - | - | - | - |
| As at March 31, 2021 | 278,923 | 4,636,165 | 87,750 | 33,900 | 5,036,738 |
| Depreciation | | | | | |
| 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 |
| Charge for the year | 45,368 | 684,754 | 24,452 | 9,633 | 764,206 |
| As at March 31, 2021 | 149,034 | 3,128,612 | 73,488 | 22,160 | 3,373,294 |
| Net Block | | | | | |
| As at March 31, 2020 | 175,257 | 2,192,307 | 38,714 | 21,373 | 2,427,650 |
| As at March 31, 2021 | 129,889 | 1,507,553 | 14,262 | 11,740 | 1,663,444 |

INTANGIBLE ASSETS UNDER DEVELOPMENT

| | Software | TOTAL |
|------------------------|-----------------|--------------|
| Gross Block | | |
| As at 31st March, 2020 | 5,700,000 | 5,700,000 |
| Additions | 300,000 | 300,000 |
| As at 31st March, 2021 | 6,000,000 | 6,000,000 |

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

| NOTE 10- Non Current Investment | As at 31st March, 2021 | As at 31st March, 2020 |
|--|-------------------------------|-------------------------------|
| BHH Technologies Limited (Formerly named as 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 |
| | 115,810,100 | 115,810,100 |

| NOTE 11 - TRADE RECEIVABLES | As at 31st March, 2021 | As at 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| Unsecured, considered Good : | | |
| Debts outstanding for a period exceeding six months from the date they became due for payment | 209,169 | 98,132 |
| Outstanding less than 6 months' | 3,468,235 | 2,623,999 |
| | 3,677,404 | 2,722,131 |

| NOTE 12 - CASH & CASH EQUIVALENTS | As at 31st March, 2021 | As at 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| <u>Balances with Bank :</u> | | |
| - In Current Account | 750,275 | 1,113,808 |
| <u>Other Bank Balance</u> | | |
| - In Fixed Deposit Account (Maturity more than 12 months but within one year from the reporting date)* | 2,071,466 | - |
| Cash in Hand | 1,629,384 | 1,977,100 |
| | 4,451,124 | 3,090,908 |

*Fixed deposits of Rs 20,71,466 as at March 31, 2021 (Previous year Nil) which are under lien with Canara bank for the Factoring facilities (Refer Note-5).

| NOTE 13 - SHORT TERM LOANS & ADVANCES | As at 31st March, 2021 | As at 31st March, 2020 |
|--|-------------------------------|-------------------------------|
| Unsecured, considered good : | | |
| Others | | |
| Advance recoverable in cash or in kind or for value to be received | 41,912,844 | 38,851,314 |
| Loan and Advances to Related Parties | 3,010,249 | 15,154,305 |
| Security deposit | 1,104,000 | 1,104,000 |
| Advance to Staff | 1,785,124 | 1,809,924 |
| Tax deducted at Source | 4,267,533 | 8,043,115 |
| GST Input Credit available | - | 13,942 |
| Income Tax Refund | 4,883,765 | 840,949 |
| | 56,963,515 | 65,817,548 |

TRANWAY TECHNOLOGIES LIMITED**CIN. L74900KA2015PLC079480****NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****(Amount in Rs.)**

| NOTE 14 - REVENUE FROM OPERATIONS | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|--|
| Sale of service | | |
| -Domestic service (Including SEZ Supply)* | 55,522,686 | 40,240,767 |
| -Export service | - | 3,781,435 |
| | 55,522,686 | 44,022,202 |

* Amount included at the end of the year amounting to Rs 11.21 Lakh as unbilled revenue, Performance obligation satisfied in the current year.

| NOTE 15 - OTHER INCOME | For the year ended, March, 2021 | For the year ended, March, 2020 |
|--------------------------------------|--|--|
| Interest Income on Income Tax Refund | 120,510 | 311,619 |
| Miscellaneous Income | 53,921 | - |
| | 174,431 | 311,619 |

| NOTE 16 - EMPLOYEE BENEFITS EXPENSE | For the year ended, March, 2021 | For the year ended, March, 2020 |
|--|--|--|
| Salary, Bonus & Allowances | 39,714,345 | 29,801,799 |
| Employer's contribution to PF | 770,820 | 702,059 |
| Employer's contribution to ESIC | 10,297 | 18,948 |
| Director's remuneration | 1,800,000 | 1,800,000 |
| Employee Group insurance | 93,218 | 98,115 |
| Staff welfare Expenses | 90,668 | 92,552 |
| | 42,479,348 | 32,513,473 |

| NOTE 17 - FINANCE COSTS | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|--|
| <u>Interest to bank</u> | | |
| Interest on bank borrowings | 2,063,657 | 2,144,556 |
| <u>Interest to Financial Institution</u> | | |
| Interest on unsecured loan | 188,531 | 654,482 |
| <u>Other Borrowing</u> | | |
| Other borrowing cost | 362,750 | 208,731 |
| | 2,614,938 | 3,007,769 |

| NOTE 18 - DEPRECIATION AND AMORTISATION EXPENSES | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|--|
| Depreciation on Tangible Assets (Refer Note 9) | 764,206 | 1,113,423 |
| | 764,206 | 1,113,423 |

| NOTE 19- OTHER EXPENSES | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|--|
| Administration, Selling & Other Expenses | | |
| Sales Promotion Expenses | 16,000 | 40,025 |
| Bank Charges | 77,348 | 69,817 |
| Telephone Expenses | 57,957 | 89,774 |
| Printing & Stationery | 260 | 24,164 |
| Electricity Charges | 32,661 | 59,412 |
| Rates & Taxes | 118,477 | 117,100 |
| Travelling & Conveyance | 292,827 | 296,461 |
| Motor Car Expenses | 62,776 | 67,000 |
| Outsourcing Service Charges | 5,668,132 | 2,680,932 |
| Professional Fees | 1,064,087 | 353,332 |
| Membership and Subscription charges | 295,071 | 234,520 |
| Office expense & Maintenance Charges | 361,517 | 677,494 |
| Office Rent | 743,700 | 1,294,575 |
| Auditors Remuneration (Refer note below) | 265,000 | 265,000 |
| Sitting fee | 72,000 | 24,000 |
| Interest/late fee on delay payment of statutory liability | 19,300 | 46,231 |
| Statutory Liability Paid for earlier year | 18,098 | - |
| Preliminary Expenses written off | - | 75,550 |
| Foreign exchange (Gain)/Loss (Net) | - | 47,434 |
| General Expenses | 217,318 | 106,118 |
| | 9,382,528 | 6,568,940 |

| Auditors' Remuneration: | 31/03/2021 | 31/03/2020 |
|--------------------------------|-------------------|-------------------|
| (i) Statutory Audit | 200,000 | 200,000 |
| (ii) Tax Audit | 40,000 | 40,000 |
| (iii) Other matter | 25,000 | 25,000 |
| | 265,000 | 265,000 |

| NOTE 20 - DEFERRED TAX ASSET (NET) | For the year ended, March, 2021 | For the year ended, March, 2020 |
|--|--|--|
| Components of Deferred tax liability/ Assets | | |
| WDV as per Companies Act | 1,663,444 | 2,427,650 |
| Less: WDV as per Income Tax Act | 3,104,468 | 3,653,249 |
| | (1,441,024) | (1,225,599) |
| Deferred Tax Liability/ (Asset) | (374,666) | (318,656) |
| CLOSING DEFERRED TAX LIABILITY/ (ASSET) | (374,666) | (318,656) |
| OPENING DEFERRED TAX LIABILITY/ (ASSET) | (318,656) | (250,724) |
| DEFERRED TAX LIABILITY/ (ASSET) FOR THE PERIOD 31ST MARCH, 2021 | (56,011) | (67,932) |

| NOTE 21 - EARNINGS PER SHARE | For the year ended, March, 2021 | For the year ended, March, 2020 |
|---|--|--|
| Net Profit for the year attributable to equity shareholders | 215,978 | 836,359 |
| Weighted Average Number of Equity Shares for Calculation of Basic/Diluted EPS | 10,598,800 | 3,280,987 |
| Nominal Value per Equity Share | 10 | 10 |
| Earnings Per Share (Basic/Diluted) | 0.02 | 0.25 |

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE: 22

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

NIL

NOTE: 23

The balance under item of Trade Receivables, 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

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 2021 | 31 st March 2020 |
|------------------|-----------------------------|-----------------------------|
| Sale of Services | Nil | 3,781,435 |

| <u>(b) Expenditure in Foreign currency</u> | 31 st March 2021 | 31 st March 2020 |
|---|-----------------------------|-----------------------------|
| | Nil | Nil |

NOTE 27 - Related party disclosures

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

i) Key Managerial Personnel(KMP)

Bharat
Kalavathy Bylappa
Arul kumar
Gangisetty Srinivasulu Prashanth
Dhakshinamoorthy Amanalingam Pillai

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

Tranway Technologies PTY Ltd
Bharat Head Hunters SDN BHD
Bharat Head Hunters (Proprietary Concern)

iii) Subsidiary Company

BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited)

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

i) Key Managerial Personnel(KMP)

Bharat
Kalavathy Bylappa
BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited)

ii) Subsidiary Company

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

| Transaction | Relation | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|--|--|--|
| <u>Salary & Perquisites to Managerial Personnel</u> | | | |
| Kalavathy Bylappa | Key Managerial Personnel | 1,800,000 | 1,800,000 |
| | | 1,800,000 | 1,800,000 |
| <u>Unsecured Loan Taken</u> | | | |
| Bharat | Key Managerial Personnel | 3,438,418 | 30,721,800 |
| Kalavathy Bylappa | Key Managerial Personnel | 21,720,980 | 31,335,000 |
| BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited) | Subsidiary company | 16,289,304 | 5,370,000 |
| | | 41,448,702 | 67,426,800 |
| <u>Unsecured Loan Refund</u> | | | |
| Bharat | Key Managerial Personnel | 7,711,083 | 2,451,800 |
| Kalavathy Bylappa | Key Managerial Personnel | 29,063,821 | 4,557,000 |
| BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited) | Subsidiary company | 4,145,248 | 20,501,820 |
| | | 40,920,152 | 27,510,620 |
| <u>Investment in Subsidiary</u> | | | |
| BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited) | Subsidiary company | - | 115,810,100 |
| | | - | 115,810,100 |
| <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, 2021 | As at 31st March, 2020 |
| Bharat | Key Managerial Personnel | 23,997,335 | 28,270,000 |
| Kalavathy Bylappa | Key Managerial Personnel | 19,435,158 | 26,778,000 |
| Tranway Technologies PTY Ltd | Enterprises owned or significantly influenced by the KMP or their relatives | (300,000) | (300,000) |
| BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited) | Subsidiary company | (2,710,249) | (14,854,305) |
| | | 40,422,244 | 39,893,695 |

* Figures in bracket represent debit balance.

Related parties are identified by the management.

NOTE: 28**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 till 31st March 2020 | 6,642,649 |
| Less: Additional Issue Expenses in 31st March 2021 | 826 |
| Net Proceeds of IPO | 35,756,525 |
| 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) | 35,706,554 |
| Balance lying in Current Accounts | 49,971 |
| Total | 35,756,525 |

NOTE: 29

The Company has taken into account the possible impacts of COVID-19 in the preparation of the standalone financial results, including the recoverability of carrying amounts of receivables and Investment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the company has, at the date of approval of these standalone financial results, used internal and external sources of information which are relevant and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these standalone financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any and make any necessary adjustments in the relevant financial period.

NOTE: 30

Previous year's figures have been reclassified, wherever necessary, to conform to the current year's classification.

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

Sd/-

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:- 21054225AAAHP7389
Place: Kolkata

Sd/-

KALAVATHY BYLAPPA
Managing Director
DIN. 03550060

Sd/-

PREETI SANDEEP BYSE
Chief Financial Officer

Place: Bangalore
Date : 30.06.2021

Sd/-

BHARAT
Director
DIN. 03542954

Sd/-

ANITHA R
Company Secretary
CSN:60826

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** ("hereinafter referred to as "the Holding Company") and its subsidiary (the company & its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (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:

- i in the case of the Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2021;
- ii in the case of the Statement of Profit and Loss, of the consolidated profit for the year ended on that date; and
- iii 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 Consolidated 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 ethical 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 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 27 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 Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are 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 state of affairs(consolidated financial position), Profit or Loss(consolidated financial performance) and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

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 its subsidiary 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, the respective Board of Directors of the Company including its subsidiary is responsible for assessing the Company's ability including its subsidiary 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' Responsibilities for the Audit of the 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

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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books;
 - c. 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.
 - d. 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.
 - e. On the basis of the written representation received from the directors as on 31st March 2021 taken on record by the Board of Directors of the company and its subsidiary, none of the directors of the is disqualified as on 31st March 2021 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**.”
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

- 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 and its subsidiary does not have any pending litigations which would impact its consolidated financial position.
 - ii. The Company and its subsidiary 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 and its subsidiary.

For Luharuka & Co.

Chartered Accountants

FRN: 328700E

Sd/-

CA. Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date:30.06.2021

UDIN:-21054225AAAAHQ6542

Annexure 'A'

Responsibilities for Audit of the 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- 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 including its subsidiary 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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of the entities included in the consolidated financial statements.

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

Sd/-

CA Monoranjan Chowdhury
Partner
Membership No: 054225

Place: Kolkata
Date: 30.06.2021
UDIN:- 21054225AAAAHQ6542

ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls with reference to Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company and its subsidiary as of and for the year ended 31st March 2021, we have audited the internal financial controls with reference to consolidated financial statements of **TRANWAY TECHNOLOGIES LIMITED** (“the Company”) and its subsidiary, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of directors of the company and its subsidiary are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 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
- (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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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, its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to consolidated financial statements 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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

Place: Kolkata

Date:30.06.2021

UDIN:-21054225AAAAHQ6542

TRANWAY TECHNOLOGIES LIMITED
CIN. L74900KA2015PLC079480
CONSOLIDATED BALANCE SHEET AS AT 31st March, 2021

(Amount in Rs.)

| S.N | PARTICULARS | NOTE NO. | As At 31st March, 2021 | As At 31st March, 2020 |
|-----|--|----------|------------------------|------------------------|
| I. | <u>EQUITY AND LIABILITIES :</u> | | | |
| | <u>1) SHAREHOLDERS' FUNDS</u> | | | |
| | (a) Share capital | 2 | 105,988,000 | 105,988,000 |
| | (b) Reserve & surplus | 3 | 51,483,728 | 50,484,100 |
| | <u>2) NON-CURRENT LIABILITIES</u> | | | |
| | (a) Long-term borrowings | 4 | 48,596,140 | 59,666,807 |
| | <u>3) CURRENT LIABILITIES</u> | | | |
| | (a) Short-term borrowings | 5 | 8,933,881 | 11,230,007 |
| | (b) Trade payables | 6 | | |
| | (A) Total outstanding dues of micro enterprises and small enterprises; and | | - | - |
| | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,437,023 | 978,097 |
| | (c) Other current liabilities | 7 | 15,918,375 | 9,217,013 |
| | (d) Short-term provisions | 8 | 657,919 | 361,790 |
| | TOTAL | | 233,015,066 | 237,925,815 |
| II. | <u>ASSETS :</u> | | | |
| | <u>1) NON-CURRENT ASSETS</u> | | | |
| | (a) Property, Plant and Equipment | | | |
| | (i) Tangible assets | 9 | 1,903,120 | 2,753,352 |
| | (ii) Intangible assets | 9 | 112,414,905 | 112,414,905 |
| | (iii) Intangible asset under development | 9 | 6,000,000 | 5,700,000 |
| | (b) Deferred tax assets (net) | 19 | 460,913 | 407,095 |
| | <u>2) CURRENT ASSETS</u> | | | |
| | (a) Trade receivables | 10 | 6,626,309 | 5,094,468 |
| | (b) Cash & Cash equivalents | 11 | 7,169,325 | 4,132,501 |
| | (c) Short-term loans & advances | 12 | 98,440,493 | 107,423,494 |
| | TOTAL | | 233,015,066 | 237,925,815 |

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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

UDIN:- 21054225AAAAHQ6542

Place: Kolkata

Sd/-

KALAVATHY BYLAPPA

Managing Director

DIN 03550060

Sd/-

BHARAT

Director

DIN 03542954

Sd/-

ANITHA R

Company Secretary

CSN:60826

Place : Bangalore

Date : 30.06.2021

Sd/-

PREETI SANDEEP BYSE

Chief Financial Officer

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

| S.N | PARTICULARS | NOTE NO. | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--|--|----------|--------------------------------------|--------------------------------------|
| I | Revenue from operations | 13 | 62,936,073 | 55,302,113 |
| II | Other income | 14 | 236,810 | 769,909 |
| III | Total Revenue (I + II) | | 63,172,883 | 56,072,022 |
| IV | EXPENSES | | | |
| | Employee benefits expense | 15 | 46,616,976 | 39,362,392 |
| | Finance costs | 16 | 2,614,938 | 3,007,769 |
| | Depreciation and amortization expense | 17 | 850,232 | 1,252,862 |
| | Other expenses | 18 | 11,848,799 | 14,314,468 |
| V | Total Expenses (IV) | | 61,930,946 | 57,937,491 |
| VI | PROFIT/(LOSS) BEFORE TAX (III-IV) | | 1,241,937 | (1,865,469) |
| VII | TAX EXPENSES | | | |
| | Income Tax: | | | |
| | Current tax expenses | | 174,600 | 361,790 |
| | Current tax related to prior period | | 121,529 | 17,563 |
| | Deferred Tax | 19 | (53,819) | (75,262) |
| VIII | PROFIT/(LOSS) FOR THE YEAR (VI-VII) | | 999,628 | (2,169,560) |
| IX | Earnings Per Equity Share [Nominal Value of Share - Rs 10/-] | 20 | | |
| | (1)Basic | | 0.09 | (0.66) |
| | (2)Diluted | | 0.09 | (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 LimitedFor Luharuka & Co.
Chartered Accountants
FRN: 328700ESd/-
CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:- 21054225AAAAHQ6542
Place: KolkataSd/-
KALAVATHY BYLAPPA
Managing Director
DIN 03550060Sd/-
ANITHA R
Company Secretary
CSN:60826
Place : Bangalore
Date : 30.06.2021Sd/-
BHARAT
Director
DIN 03542954Sd/-
PREETI SANDEEP BYSE
Chief Financial Officer

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2021

(Amount in Rs.)

| PARTICULARS | For the Year ended 31st March, 2021 | For the Year ended 31st March, 2020 |
|---|--|--|
| A. Cash Flows from Operating Activities | | |
| Net Profit / (Loss) before Tax and Extraordinary Items | 1,241,937 | (1,865,469) |
| Adjustments for - | | |
| Depreciation | 850,232 | 1,252,862 |
| Finance Cost | 2,614,938 | 3,007,769 |
| Loss on sale of asset | | 3,104 |
| Operating Profit before Working Capital Changes | 4,707,108 | 2,398,266 |
| Adjustments for changes in working capital - | | |
| (Increase)/Decrease in Trade Receivables | (1,531,841) | 1,658,884 |
| (Increase)/Decrease in Short terms loans and advances | (2,677,736) | (90,867,174) |
| Increase/(Decrease) in Trade Payables | 458,925 | (56,472) |
| Increase/(Decrease) in Other Current Liabilities | 6,175,852 | 6,743,503 |
| Cash Generated from Operations | 7,132,307 | (80,122,994) |
| Direct Taxes Paid (net of refunds) | (483,319) | (1,144,571) |
| Net Cash flows from/(used in) Operating Activities | (A) 6,648,988 | (81,267,565) |
| B. Cash Flows from Investing Activities | | |
| Purchase of Tangible and Intangible assets under development | (300,000) | (5,919,917) |
| Proceeds from sale of tangible assets | - | 15,000 |
| Net Cash flow from/(used in) Investing Activities | (B) (300,000) | (5,904,917) |
| C. Cash Flows from Financing Activities | | |
| Proceeds from issuance of Share Capital | - | 35,757,351 |
| Finance costs | (2,614,938) | (3,007,769) |
| Proceeds from Long Term Borrowings | 1,598,899 | 53,407,734 |
| Proceeds/(Repayment) from Short Term Borrowings | (2,296,126) | 4,306,561 |
| Net Cash flow from/(used in) Financing Activities | (C) (3,312,165) | 90,463,877 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | 3,036,822 | 3,291,396 |
| Cash and Cash Equivalents at the beginning of year | 4,132,501 | 841,105 |
| Cash and Cash Equivalents at the end of year (Refer Note-11) | 7,169,325 | 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
- 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

Sd/-

CA Monoranjan Chowdhury

Partner

Membership. No. 054225

UDIN:- 21054225AAAAHQ6542

Place: Kolkata

Sd/-

KALAVATHY BYLAPPA

Managing Director

DIN 03550060

Sd/-

BHARAT

Director

DIN 03542954

Sd/-

ANITHA R

Company Secretary

CSN:60826

Place : Bangalore

Date : 30.06.2021

Sd/-

PREETI SANDEEP BYSE

Chief Financial Officer

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

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 was L74900KA2015PLC079480.

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 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. BHH Technologies Ltd- Formerly Known as Bharat Head Hunters Private Limited) 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 2020-21 | Country of Incorporation |
|--|---|---------------------------------|
| <u>Subsidiary</u> -BHH Technologies Limited | 100%* | INDIA |

***One share each of BHH Technologies limited(Formerly known as Bharat Head Hunters Private Limited) is with Bharat, Kalavathy Bylappa, Hemanth Kumar R.N, Chandan K Pattanshetty, Babita Sahani and Preeti Sandeep Byse (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 the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although, these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized. Any revision to the accounting estimates is recognised prospectively in the current and future accounting years.

4) Depreciation:

Depreciation

Depreciation on Property, Plant and Equipment as at 31st March 2021 and 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. Software are under development is not put to use as on 31.03.2021, Therefore no amortisation charged during the current 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 31.03.2021, 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) 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.

(c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

9) Cash and Cash Equivalent:

Cash and Cash equivalents comprise cash and deposit with bank. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible into known amounts of cash to be cash equivalents.

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. L74900KA2015PLC079480****NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****(Amount in Rs.)**

| NOTE 2 - SHARE CAPITAL | As At 31st March, 2021 | As At 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| Authorised | | |
| 110,00,000 Nos (P.Y. March 31, 2020 : 110,00,000 Equity Share of Rs.10/- each) Equity Shares of Rs.10/- each | 110,000,000 | 110,000,000 |
| | 110,000,000 | 110,000,000 |
| Issued, Subscribed and paid-up | | |
| 105,98,800 Nos (P.Y. March 31, 2020 : 105,98,800 Equity Share of Rs.10/- each) of Equity Shares of Rs.10/- each | 105,988,000 | 105,988,000 |
| | 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, 2021 | As at 31st March, 2020 |
| | Equity Shares | (Rs.) |
| | 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 previous year (Refer Note 2 (b)) | 10,598,800 | 105,988,000 |
| Add:- Bonus Share issued during the previous year(Refer Note 2 (c)) | - | - |
| Add:- Share splitted during the previous year (Refer Note 2 (d)) | - | - |
| Add:- Shares Issued during the previous year in BSE SME Startup Platform (Refer Note 2 (e)) | 28,280 | 2,828,000 |
| | 605,600 | 60,560,000 |
| | 5,722,920 | - |
| | 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 |
| | 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, 2021 | | As at 31st March, 2020 | |
|---|-------------------------------|---------------------|-------------------------------|---------------------|
| | Equity Shares | % of Holding | Equity Shares | % of Holding |
| Bharat | 3,178,980 | 29.99 | 3,178,980 | 29.99 |
| Kalavathy Bylappa | 3,178,770 | 29.99 | 3,178,770 | 29.99 |
| Gokwik Technologies Private Limited | - | - | 720,000 | 6.79 |

a) Increase in Authorised Share Capital:

During the previous year ended 31st March 2020, 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.

b) Preferential Allotment:

During the previous year ended 31st March 2020, 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.

C) Bonus Shares

During the previous year ended 31st March 2020, The company has allotted 6,05,600 fully paid up shares of face value Rs. 100 each 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.

d) Split of share

During the previous year ended 31st March 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 .

e) Public issue of shares

During the previous year ended 31st March 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, 2021 | As At 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| <u>Security Premium</u> | | |
| Balance as at the beginning of the year | 5,810,938 | - |
| 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) |
| | 5,810,938 | 5,810,938 |
| <u>Add: Security premium of Subsidiary company ('BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited))</u> | | |
| Balance as at the beginning of the year | 39,863,113 | - |
| Add: During the year | - | 39,863,113 |
| | 39,863,113 | 39,863,113 |
| Balance as at the end of the year | 45,674,051 | 45,674,051 |
| <u>Surplus - Balance in the Statement of Profit and Loss:</u> | | |
| Balance as at the beginning of the year | 4,810,049 | 5,349,030 |
| Add : Standalone Profit and loss during the year | 215,978 | 818,796 |
| <u>Add: Profit and loss of Subsidiary company</u> | | |
| BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited) | 783,650 | (1,357,777) |
| Balance as at the end of the year | 5,809,677 | 4,810,049 |
| | 51,483,728 | 50,484,100 |

| NOTE 4 - LONG- TERM BORROWINGS | As At 31st March, 2021 | | As At 31st March, 2020 | |
|---|------------------------|------------------|------------------------|------------------|
| | Non-Current | Current | Non-Current | Current |
| Term Loan | | | | |
| (a) Secured | | | | |
| -Vehicle Loan (From Karnataka Bank) | 2,157,543 | 544,381 | 2,286,502 | 493,754 |
| -Working Capital (From Karnataka Bank) | 1,444,500 | 555,500 | - | - |
| (b)Unsecured | | | | |
| Loan & Advances from Related parties | 43,432,494 | - | 55,048,000 | - |
| From Financial Institutions | | | | |
| -Business Loan (From Bajaj Finance Limited) | 1,073,138 | 540,527 | 196,186 | 446,202 |
| From Banks | | | | |
| -Business Loan | 488,465 | 1,647,649 | 2,136,119 | 1,822,591 |
| Total | 48,596,140 | 3,288,057 | 59,666,807 | 2,762,547 |
| The above amount includes : | | | | |
| - Secured borrowings | 3,602,043 | 1,099,881 | 2,286,502 | 493,754 |
| - Unsecured borrowings | 44,994,097 | 2,188,176 | 57,380,305 | 2,268,793 |
| Amount disclosed under the head Other Current Liabilities (Refer Note No. 7) | - | (3,288,057) | - | (2,762,547) |
| | 48,596,140 | - | 59,666,807 | - |

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 purpose was to be repaid by payment of Equated Monthly Instalments at a rate of interest of 17.50% p.a. and is due for full repayment in October 2023.

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% p.a. 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 17.99% p.a. 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% p.a. and is due for full repayment in July 2022.

**Term loan from Karnataka Bank are taken by the Company for working capital purpose to be repaid by payment of Equated Monthly Instalments at a rate of interest of 8.96% p.a. and is due for full repayment in June 2024. However, the repayment of installment will start from June 2021. Details of Securities as mentioned below.

| **Details of Security | Value (Amount in Rs) | Date of Valuation |
|---|-----------------------------|--------------------------|
| Prime: | | |
| Hypothecation of Book Debts (25% Margin on Receivables) | - | - |
| Collateral: | | |
| Already held 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, belong to Mrs. Kalavathy Bylappa. | 6,687,000 | 28-05-2020 |
| AEM of Property bearing Site No 225, formed by the BDA situated at Banashankari 6th Stage Layout, 3rd Block, Bangalore - 560062, belonging to Mrs. Kalavathy Bylappa | 3,197,000 | 28-05-2020 |
| AEM 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, belonging to Mrs. Kalavathy Bylappa | 2,400,000 | 28-05-2020 |
| The facility is further secured by personal guarantee of both the Directors Mr. Bharat and Mrs. Kalavathy Bylappa. | | |

| NOTE 5 - SHORT TERM BORROWINGS | As At 31st March, 2021 | As At 31st March, 2020 |
|--|-------------------------------|-------------------------------|
| <u>Loan repayable on demand</u> | | |
| From banks | | |
| -Overdraft from Bank (secured) | 6,865,817 | 9,765,207 |
| -Canara Bank Factoring | 603,264 | |
| <u>Other loans & advances (unsecured)</u> | | |
| -Loans from Bodies Corporate | 1,464,800 | 1,464,800 |
| | 8,933,881 | 11,230,007 |

Primary Security: -
Overdraft facility of Rs 70 Lakhs from Karnataka Bank is secured by hypothecation of book debts. The rate of interest on overdraft facility is 10.52% p.a. (i.e. 6 months treasury bill + 7.07% p.a)

| <u>Collateral Security: -</u> | Value | Date of Valuation |
|--|--------------|--------------------------|
| Continuing of already held Equitable mortgage (Reg MDTD) 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 belonging to Mrs. Kalavathy is valued Rs.66.87 lakhs as per VR dated 28/05/2020 by panel valuer Sri Raghavendra Guptha.FSV is at Rs.50.15 lakh.(Common security to housing loan 061PSTL/617 of Mrs. Kalavathy of Rs.16.23 lakh, p:b of Rs. 11.25 Lakh, 061PSTL/586 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and Proposed Mortgage OD Loan of Rs. 29.00 lakh). | 6,687,000 | 28-05-2020 |
| Continuing of already held equitable mortgage of residential vacant site bearing site no.225, formed by BDA situated at banashankari 6th stage measuring 581.25 Sq.ft belonging to Mrs. kalavathy Bylappa is valued at Rs.31.97 lakh as per VR dated 01/06/2020 by our panel vauer, Mr. Murthy & Gupta Associates. FSV is at Rs.23.98 lakh. (Common security to 061PSTL/617 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and proposed Mortgage OD Loan for Rs. 29.00 Lakh). | 3,197,000 | 01-06-2020 |
| Continuing of already held equitable mortgage (Reg MDTD) of residential vacant site bearing site no 45, sy no98 formed by the Bangalore University Employees HBCS Layout at Taralu village Uttarahalli Hobli Next to Rear Side of Concord NAPA valley layout Off Kanakapura main Road Bangalore-560082 measuring 1600 Sqft belonging to Mrs. Kalavathy bylappa is valued at Rs.24 lakh as per VRD 01/06/2020 by Mr. Murthy & Gupta Associates, our panel valuer. FSV is at Rs.18 lakh. (Common security to 061PSTL/617 of Rs.20 lakh under GECL , 061PSOD/126 of Rs.70 lakh of M/s Tranway Technologies Pvt Ltd and Proposed Mortgage OD Loan of Rs. 29.00 lakh) | 2,400,000 | 01-06-2020 |

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

Mortgage OD Non- Individual Facility:-

Working Capital facility of Rs 29 Lakhs from Karnataka Bank is secured by the security as mentioned above. The rate of interest on overdraft facility is 12.20% p.a. (i.e. 6 months treasury bill + 6.83% Credit Risk Premium + 2.00% Fixed Spread)

Factoring Facilities

Factoring facility of Rs 125 Lakhs from Canara Bank. The rate of interest on Factoring facility is 12.75% p.a. compounded monthly.

Security:-**Primary Security: -**

Assignment of client's receivables identified for factoring.

Collateral Security: -

1. Assignment of LIC Policies (8 numbers) standing in the name of Mr. Bharat one of the Director of the Company with sum assured Rs 15 Lakhs with surrender value of Rs 9.54 Lakhs as on 17.02.2019.
2. 5% Retention margin on each realization of factored debts will be kept as KDR till it reaches 50% of the sanctioned limit including the LIC Policy surrender value (Total Rs 50.00 Lakhs) with Canara Bank duly noting lien in our favour.

| NOTE 6 - TRADE PAYABLES | As At 31st March, 2021 | As At 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| Total Outstanding Dues of Micro, Small & Medium Enterprises | - | - |
| Total Outstanding Dues of Creditor other than Micro, Small & Medium Enterprises | 1,437,023 | 978,097 |
| | 1,437,023 | 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, 2021. 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, 2021 | As At 31st March, 2020 |
|---|-------------------------------|-------------------------------|
| <u>Others :</u> | | |
| Current maturities from long term borrowings (Refer Note No. 4) | 3,288,057 | 2,762,547 |
| Advance from customers | 57,422 | 121,940 |
| Statutory dues | 5,524,362 | 1,993,995 |
| Liabilities for expenses | 7,048,535 | 4,338,531 |
| | 15,918,375 | 9,217,013 |

| NOTE 8 - SHORT TERM PROVISIONS | As At 31st March, 2021 | As At 31st March, 2020 |
|---------------------------------------|-------------------------------|-------------------------------|
| <u>Others</u> | | |
| Provision for Taxation | 657,919 | 361,790 |
| | 657,919 | 361,790 |

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

**NOTE 9 :
TANGIBLE ASSETS**

(Amount in Rs.)

| | FURNITURES & FIXTURES | MOTOR VEHICLES | COMPUTERS | PLANT & MACHINERY | OFFICE EQUIPMENTS | TOTAL |
|-----------------------------|-----------------------|------------------|----------------|-------------------|-------------------|------------------|
| Gross Block | | | | | | |
| 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 |
| Additions | - | - | - | - | - | - |
| Disposal | - | - | - | - | - | - |
| As at March 31, 2021 | 857,214 | 4,925,647 | 905,993 | 195,684 | 138,862 | 7,023,400 |
| Depreciation | | | | | | |
| 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 |
| Charge for the year | 66,990 | 698,735 | 29,678 | 23,946 | 30,883 | 850,232 |
| Adjustment | - | - | - | - | - | - |
| As at March 31, 2021 | 665,434 | 3,380,298 | 885,969 | 87,354 | 101,225 | 5,120,280 |

Net Block

| | | | | | | |
|------------------------|---------|-----------|--------|---------|--------|-----------|
| As at 31st March, 2020 | 258,770 | 2,244,084 | 49,702 | 132,276 | 68,520 | 2,753,352 |
| As at 31st March, 2021 | 191,780 | 1,545,349 | 20,024 | 108,330 | 37,637 | 1,903,120 |

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 |
| Additions | - | - |
| As at 31st March, 2021 | 112,414,905 | 112,414,905 |

INTANGIBLE ASSETS UNDER DEVELOPMENT

| | Software | TOTAL |
|-------------------------------|------------------|------------------|
| Gross Block | | |
| As at 31st March, 2020 | 5,700,000 | 5,700,000 |
| Additions | 300,000 | 300,000 |
| As at 31st March, 2021 | 6,000,000 | 6,000,000 |

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(Amount in Rs.)

| NOTE 10 - TRADE RECEIVABLES | As At 31st March, 2021 | As At 31st March, 2020 |
|---|-----------------------------------|-----------------------------------|
| Unsecured, considered Good : | | |
| Debts outstanding for a period exceeding six months from the date they became due for payment | 1,411,399 | 1,281,942 |
| Other trade receivables | 5,214,910 | 3,812,526 |
| | 6,626,309 | 5,094,468 |

| NOTE 11 - CASH & CASH EQUIVALENTS | As At 31st March, 2021 | As At 31st March, 2020 |
|---|-----------------------------------|-----------------------------------|
| <u>Balances with Bank :</u> | | |
| - In Current Account | 2,596,934 | 1,155,551 |
| <u>Other Bank Balance</u> | | |
| - In Fixed Deposit Account (Maturity more than 12 months but within one year from the reporting date)* | 2,071,466 | - |
| Cash in Hand | 2,500,926 | 2,976,951 |
| | 7,169,325 | 4,132,501 |

*Fixed deposits of Rs 20,71,466 as at March 31, 2021 (Previous year Nil) which are under lien with Canara bank for the Factoring facilities (Refer Note-5).

| NOTE 12 - SHORT TERM LOANS & ADVANCES | As At 31st March, 2021 | As At 31st March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Unsecured, considered good : | | |
| Others | | |
| Advance recoverable in cash or in kind or for value to be received | 83,912,844 | 80,851,314 |
| Loan and Advances to Related Parties | 300,000 | 12,231,000 |
| Security deposit | 1,254,000 | 1,404,000 |
| Advance to Staff | 1,785,124 | 1,809,924 |
| Tax deducted at Source | 4,788,581 | 9,562,420 |
| GST Input Credit available | - | 13,942 |
| Income Tax Refund | 6,399,945 | 1,550,894 |
| | 98,440,493 | 107,423,494 |

TRANWAY TECHNOLOGIES LIMITED

CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

| NOTE 13 - REVENUE FROM OPERATIONS | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|---|---|---|
| Sale of service | | |
| -Domestic service (Including SEZ Supply)* | 62,878,473 | 51,520,678 |
| -Export service | 57,600 | 3,781,435 |
| | 62,936,073 | 55,302,113 |

* Amount included at the end of the year amounting to Rs 11.21 Lakh as unbilled revenue, Performance obligation satisfied in the current year.

| NOTE 14 - OTHER INCOME | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--------------------------------------|---|---|
| Interest Income on Income Tax Refund | 164,060 | 505,429 |
| Miscellaneous Income | 72,750 | 264,480 |
| | 236,810 | 769,909 |

| NOTE 15 - EMPLOYEE BENEFITS EXPENSE | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--|---|---|
| Salary, Bonus & Allowances | 41,896,867 | 34,640,332 |
| Employer's contribution to PF | 925,926 | 895,590 |
| Employer's contribution to ESIC | 10,297 | 18,948 |
| Director's remuneration | 3,600,000 | 3,600,000 |
| Employee Group insurance | 93,218 | 98,115 |
| Staff welfare Expenses | 90,668 | 109,407 |
| | 46,616,976 | 39,362,392 |

| NOTE 16 - FINANCE COSTS | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--|---|---|
| Interest to bank | | |
| Interest on bank borrowings | 2,063,657 | 2,144,556 |
| Interest to Financial Institution | | |
| Interest on unsecured loan | 188,531 | 654,482 |
| Other Borrowing | | |
| Other borrowing cost | 362,750 | 208,731 |
| | 2,614,938 | 3,007,769 |

| NOTE 17 - DEPRECIATION AND AMORTISATION EXPENSES | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|---|---|---|
| Depreciation on Tangible Assets (Refer Note 9) | 850,232 | 1,252,862 |
| | 850,232 | 1,252,862 |

| NOTE 18- OTHER EXPENSES | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--|---|---|
| Administration, Selling & Other Expenses | | |
| Sales Promotion Expenses | 16,000 | 1,090,025 |
| Bank Charges | 78,068 | 122,167 |
| Telephone Expenses | 209,878 | 383,833 |
| Printing & Stationery | 5,038 | 67,455 |
| Electricity Charges | 66,150 | 115,285 |
| Travelling & Conveyance | 476,040 | 680,417 |
| Motor Car Expenses | 62,776 | 67,000 |
| Outsourcing Service Charges | 5,668,132 | 2,680,932 |
| Membership and Subscription charges | 593,115 | 623,926 |
| Professional & Recruitment Charges | 2,461,992 | 4,494,556 |
| Office expense & Maintenance Charges | 499,509 | 994,736 |
| Office Rent | 800,400 | 1,628,025 |
| Sitting Fees | 72,000 | 24,000 |
| Interest/late fee on delayed payment of statutory dues | 42,400 | 68,335 |
| Statutory Liability Paid for earlier year | 18,098 | |
| Rates & Taxes | 156,530 | 158,500 |
| Auditors Remuneration | 315,000 | 325,000 |
| Foreign exchange (Gain)/Loss (Net) | 826 | 47,434 |
| Repair & Maintenance charges | 24,397 | 52,696 |
| Postage & Courier | 5,264 | 9,410 |
| Loss on sale of Asset | - | 3,104 |
| Preliminary Expenses written off | - | 124,039 |
| General Expenses | 277,185 | 553,591 |
| | 11,848,799 | 14,314,468 |

| Auditors' Remuneration: | 31/03/2021 | 31/03/2020 |
|--------------------------------|-------------------|-------------------|
| (i) Statutory Audit | 250,000 | 250,000 |
| (ii) Tax Audit | 40,000 | 50,000 |
| (iii) Other matter | 25,000 | 25,000 |

| NOTE 19 - DEFERRED TAX ASSET (NET) | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|--|---|---|
| Components of Deferred tax liability/ Assets | | |
| WDV as per Companies Act | 1,903,120 | 2,753,352 |
| Less: WDV as per Income Tax Act | 3,675,863 | 4,319,101 |
| | (1,772,743) | (1,565,749) |
| Deferred Tax Liability/ (Asset) | (460,913) | (407,095) |
| CLOSING DEFERRED TAX LIABILITY/ (ASSET) | (460,913) | (407,095) |
| OPENING DEFERRED TAX LIABILITY/ (ASSET) | 407,095 | (331,833) |
| DEFERRED TAX LIABILITY/ (ASSET) FOR THE YEAR 31st March, 2021 | (53,819) | (75,262) |

| NOTE 20 - EARNINGS PER SHARE | For the year ended, 31st March, 2021 | For the year ended, 31st March, 2020 |
|---|---|---|
| Net Profit for the year attributable to equity shareholders | 999,628 | (2,169,560) |
| Weighted Average Number of Equity Shares for Calculation of | 10,598,800 | 3,280,987 |
| Nominal Value per Equity Share | 10 | 10 |
| Earnings Per Share (Basic/Diluted) | 0.09 | (0.66) |

TRANWAY TECHNOLOGIES LIMITED
CIN. L74900KA2015PLC079480

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE: 21

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

NIL

NOTE: 22

The balance under item of Trade Receivables, 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

Earnings/Expenditure in Foreign Currency

(a) Earning in Foreign currency

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

(Amount in Rs.)

| Particulars | 31st March 2021 | 31st March 2020 |
|------------------|-----------------|-----------------|
| Sale of Services | - | 3,781,435 |

| (b) Expenditure in Foreign currency | 31 st March 2021 | 31st March 2020 |
|-------------------------------------|-----------------------------|-----------------|
| | Nil | Nil |

NOTE 26 - Related party disclosures

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

i) Key Managerial Personnel(KMP)

Bharat
Kalavathy Bylappa
Arul kumar
Gangisetty Srinivasulu Prashanth
Dhakshinamoorthy Amanalingam Pillai

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

Tranway Technologies PTY Ltd
Bharat Head Hunters SDN BHD
Bharat Head Hunters (Proprietary Concern)

BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited)

iii) Subsidiary Company

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

i) Key Managerial Personnel(KMP)

Bharat
Kalavathy Bylappa
BHH Technologies Ltd (Formerly named as Bharat Head Hunters Private Limited)

ii) Subsidiary Company

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

| Transaction | Relation | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|--------------------------|-------------------------------------|-------------------------------------|
| <u>Salary & Perquisites to Managerial Personnel</u> | | | |
| Kalavathy Bylappa | Key Managerial Personnel | 1,800,000 | 1,800,000 |
| | | 1,800,000 | 1,800,000 |

Unsecured Loan Taken

| | | | |
|-------------------|--------------------------|-------------------|-------------------|
| Bharat | Key Managerial Personnel | 3,438,418 | 30,721,800 |
| Kalavathy Bylappa | Key Managerial Personnel | 21,720,980 | 31,335,000 |
| | | 25,159,398 | 62,056,800 |

Unsecured Loan Refund

| | | | |
|-------------------|--------------------------|-------------------|------------------|
| Bharat | Key Managerial Personnel | 7,711,083 | 2,451,800 |
| Kalavathy Bylappa | Key Managerial Personnel | 29,063,821 | 4,557,000 |
| | | 36,774,904 | 7,008,800 |

Sale of Services

| | | | |
|-----------------------------|---|---|----------------|
| Bharat Head Hunters SDN BHD | Enterprises owned or significantly influenced by the KMP or their relatives | - | 848,645 |
| | | - | 848,645 |

Outstanding Balances (credit Balance)

| | | As at 31st March, 2021 | As at 31st March, 2020 |
|------------------------------|---|------------------------|------------------------|
| Bharat | Key Managerial Personnel | 23,997,335 | 28,270,000 |
| Kalavathy Bylappa | Key Managerial Personnel | 19,435,158 | 26,778,000 |
| Tranway Technologies PTY Ltd | Enterprises owned or significantly influenced by the KMP or their relatives | (300,000) | (300,000) |
| | | 43,132,493 | 54,748,000 |

* Figures in bracket represent debit balance.

Related parties are identified by the management .

NOTE: 27

The Group has taken into account the possible impacts of COVID-19 in the preparation of the consolidated financial results, including the recoverability of carrying amounts of receivables and Investment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the group has, at the date of approval of these consolidated financial results, used internal and external sources of information which are relevant and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the group financial results may differ from that estimated as at the date of approval of these consolidated financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any and make any necessary adjustments in the relevant financial period.

NOTE: 28

Previous year's figures have been reclassified, wherever necessary, to conform to the current year's classification.

As per our report of even date attached

For Luharuka & Co.
Chartered Accountants
FRN: 328700E

Sd/-

CA Monoranjan Chowdhury
Partner
Membership. No. 054225
UDIN:- 21054225AAAAHQ6542
Place: Kolkata

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

| | |
|--------------------------|---------------|
| Sd/- | Sd/- |
| KALAVATHY BYLAPPA | BHARAT |
| Managing Director | Director |
| DIN 03550060 | DIN 03542954 |

| | |
|-------------------|----------------------------|
| Sd/- | Sd/- |
| ANITHA R | PREETI SANDEEP BYSE |
| Company Secretary | Chief Financial Officer |
| CSN:60826 | |
| Place : Bangalore | |
| Date : 30.06.2021 | |