



INDEPENDENT AUDITORS REPORT ON FINANCIAL STATEMENT

**TO THE MEMBERS OF
ONWARD TECHNOLOGIES Inc**

REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of **Onward Technologies Inc** (the "Company") which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including IND AS, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

Other Matter

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditors report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed/ we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Key Audit Matter

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

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA 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 financial statements.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i)

of the Act, we are not responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

- (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act is not applicable as the Company does not have any Branch.
- (d) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (e) 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
- (f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the same is applicable in case of Onward Technologies Inc for financial year 2024-25, as the Company has turnover of more than Rs. 50 Crores as per last audited financial statement. Accordingly, it is Management's responsibility to ensure that the internal financial controls over financial reporting is adequately placed.
- (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 in its financial statements.
 - 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.
 - iv.
 - a) The Company has not advanced or loaned or made any Investments either from borrowed funds or share premium or any other sources or kind of funds in any Company to or in any other persons or entities, including foreign entities ("Intermediaries"),
 - directly or indirectly has not lent or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or,
 - has not provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company has not:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

•provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Company as per Section 123 of the Act.

(i) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, the same is not applicable to the Company.

For RAJESH U KALAWADIA AND ASSOCIATES

Chartered Accountants

(Firm Registration No. 127508W)


CA. Sundari Pillai

Partner

Membership no.113884



Place: Pune

Date : 15th May 2025

UDIN: 25113884BNULBH8660

Onward Technologies Inc
Balance Sheet as at 31 March 2025

Particulars	Note No.	Amount in	Amount in
		USD	Rupees
Assets			
I. Non-Current Assets			
Property, Plant and Equipment	1	22,601	19,31,527
Right-of-use assets		1,61,804	1,38,28,168
Financial Assets			
- Other Financial Assets	2	18,992	16,23,064
Income Tax Assets (net)		1,16,675	99,71,365
		3,20,072	2,73,54,124
Total Non-Current Assets			
II. Current Assets			
Financial Assets			
(a) Trade Receivables			
- Billed	3	47,34,231	40,45,99,195
- Unbilled		4,80,029	4,10,24,466
(b) Cash and Cash Equivalents	4	3,25,447	3,29,41,246
(c) Other Financial Assets	5	25,000	21,36,563
Other Current Assets	6	1,46,148	1,24,90,255
Total Current Assets		57,70,855	49,31,91,725
Total Assets		60,90,927	52,05,45,849
Equity and Liabilities			
Equity			
Share Capital	7(a)	22,80,000	9,51,69,663
Other Equity	7(b)	12,98,880	21,06,90,383
Total equity		35,78,880	30,58,60,046
Liabilities			
I. Non-Current Liabilities			
Financial Liabilities			
Lease liabilities	8(a)	1,27,446	1,08,91,846
Provisions	9(a)	35,677	30,49,046
Total Non-Current Liabilities		1,63,123	1,39,40,892
II. Current Liabilities			
Financial Liabilities			
(a) Trade Payables	10	20,10,250	17,18,01,036
(b) Other Financial Liabilities	11	2,50,926	2,14,44,760
(c) Lease liabilities	8(b)	58,329	49,84,908
Provisions	9(b)	25,793	22,04,334
Other Current Liabilities	12	3,626	3,09,873
Total Current Liabilities		23,48,924	20,07,44,911
Total Liabilities		25,12,047	21,46,85,803
Total Equity and Liabilities		60,90,927	52,05,45,849

For Rajesh U. Kalawadia and Associates
(Chartered Accountants)
Regn No. 127508W

CA. Sundari Pillai
Partner

Membership No. 113884

UDIN - 25113884BNULBH 8660

Date : 15th May 2025

Place :- Pune



For and on behalf of the Board of Directors of
For Onward Technologies Inc.

Jigar Mehta
Director

Onward Technologies Inc

Statement of profit and loss for the year ended 31 March 2025

Particulars	Note No.	Amount in	Amount in
		USD	Rupees
Income			
Revenue from Operations	13	1,77,84,660	1,50,41,39,357
Other income	14	7,81,144	6,60,65,348
Total Income		1,85,65,804	1,57,02,04,705
Expenses			
Cost of service delivery	15	72,97,672	61,72,01,303
Employee benefit expenses	16	87,20,791	73,75,61,745
Finance costs	17	21,008	17,76,719
Depreciation and amortization Expense	18	1,28,310	1,08,51,795
Other expenses	19	24,53,793	20,75,29,856
Total expenses		1,86,21,574	1,57,49,21,418
Profit / (loss) before tax		(55,770)	(47,16,713)
Current tax		3,544	2,99,734
Profit / (loss) for the year		(59,314)	(50,16,447)
Other comprehensive income			
Exchange differences on foreign operations			76,45,674
Total Other Comprehensive Income (net of tax)		-	76,45,674
Total comprehensive income for the year		(59,314)	26,29,227

For Rajesh U. Kalawadia and Associates
(Chartered Accountants)
Regn No. 127508W


CA. Sundari Pillai
Partner

Membership No. 113884

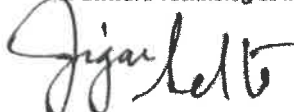
UDIN-25113884BNULBH8660

Date : 15th May 2025

Place :- Pune



For and on behalf of the Board of Directors of
For Onward Technologies Inc.


Jigar Mehta
Director

Onward Technologies Inc
Notes to financial statements as at March 31, 2025

Amount in USD		As at March 31, 2025				
1	Property, plant and equipment	Leasehold Improvements	Furniture and fixtures	Office equipment	Computers	Total (A)
	Gross carrying value					
	Opening balance	77,485	96,637	-	38,653	2,12,775
	Additions	-	297	969	7,559	8,825
	Disposal	-	-	-	-	-
	Effect of foreign currency exchange differences	-	-	-	-	-
	Closing balance	77,485	96,934	969	46,212	2,21,600
	Accumulated depreciation					
	Opening balance	(77,485)	(76,236)	-	(22,287)	(1,76,008)
	Depreciation	-	(15,335)	(139)	(7,517)	(22,991)
	Disposal	-	-	-	-	-
	Effect of foreign currency exchange differences	-	-	-	-	-
	Closing balance	(77,485)	(91,571)	(139)	(29,804)	(1,98,999)
	Net Carrying value	-	5,363	830	16,408	22,601

Amount in INR		As at March 31, 2025				
1	Property, plant and equipment	Leasehold Improvements	Furniture and fixtures	Office equipment	Computers	Total (A)
	Gross carrying value					
	Opening balance	64,58,106	80,54,395	-	32,21,617	1,77,34,118
	Additions	-	25,364	82,827	6,45,903	7,54,094
	Disposal	-	-	-	-	-
	Effect of foreign currency exchange differences	1,63,956	30,07,118	8,65,039	54,435	40,90,548
	Closing balance	66,22,062	1,10,86,877	9,47,865	39,21,954	2,25,78,760
	Accumulated depreciation					
	Opening balance	(64,58,106)	(63,53,989)	-	(18,57,532)	(1,46,69,628)
	Depreciation	-	(12,96,935)	(11,789)	(6,35,731)	(19,44,455)
	Disposal	-	-	-	-	-
	Effect of foreign currency exchange differences	(1,63,956)	(31,12,266)	(8,65,162)	1,08,235	(40,33,150)
	Closing balance	(66,22,062)	(1,07,63,191)	(8,76,951)	(23,85,029)	(2,06,47,233)
	Net Carrying value	-	3,23,687	70,914	15,36,926	19,31,527

Onward Technologies Inc
Notes to financial statements as at March 31, 2025

		As at March 31, 2025	
2	Other financial assets - non-current	Amount in USD	Amount in Rupees
	Security Deposits	18,992	16,23,064
	Total	18,992	16,23,064
3	Trade Receivables	Amount in USD	Amount in Rupees
	Trade receivables	36,68,217	31,34,94,962
	Receivable from related parties	11,41,475	9,75,53,291
	less : Allowance for doubtful debts	(75,461)	(64,49,058)
	Total	47,34,231	40,45,99,195
4	Cash and cash equivalents	Amount in USD	Amount in Rupees
	Balances with banks		
	In current accounts	3,85,447	3,29,41,246
	Total	3,85,447	3,29,41,246
5	Other financial assets - Current	Amount in USD	Amount in Rupees
	Security Deposits	25,000	21,36,563
	Total	25,000	21,36,563
6	Other current assets	Amount in USD	Amount in Rupees
	Prepaid expenses	1,38,048	1,17,97,890
	Others*	8,100	6,92,365
	Total	1,46,148	1,24,90,255

*Others include advance to employess

Onward Technologies Inc
Notes to financial statements as at March 31, 2025

		As at March 31, 2025	
7(a)	Equity share capital	Amount in USD	Amount in Rupees
	Issued, Subscribed and Paid up:		
	Share capital outstanding at the beginning of the year	22,80,000	9,51,69,663
	Shares issued during the year	-	-
	Share capital outstanding at the end of the year	22,80,000	9,51,69,663
7(b)	Other Equity	Amount in USD	Amount in Rupees
	Foreign currency translation reserve (FCTR)		
	Opening balance	-	5,75,56,324
	Increase /(Decrease) in FCTR balance		76,45,674
	Closing balance	-	6,52,01,998
	Retained earnings		
	Opening balance	13,58,194	15,05,04,832
	Add : Net profit for the year	(59,314)	(50,16,447)
	Closing balance	12,98,880	14,54,88,385
	Total	12,98,880	21,06,90,383

Onward Technologies Inc
Notes to financial statements as at March 31, 2025

		As at March 31, 2025	
8(a)	Lease Liabilities	Amount in USD	Amount in Rupees
	Lease liabilities	1,27,446	1,08,91,846
	Total Lease Liabilities	1,27,446	1,08,91,846
9(a)	Non current Provisions	Amount in USD	Amount in Rupees
	Provision for compensated absences - non current	35,677	30,49,046
	Total	35,677	30,49,046
10	Trade payables	Amount in USD	Amount in Rupees
	Total outstanding dues to other than related parties	2,47,962	2,11,91,479
	Dues to related parties	17,62,288	15,06,09,557
	Total	20,10,250	17,18,01,036
11	Other financial liabilities - current	Amount in USD	Amount in Rupees
	Employee benefit payable	2,50,926	2,14,44,760
	Total	2,50,926	2,14,44,760
8(b)	Lease Liabilities	Amount in USD	Amount in Rupees
	Lease liabilities	58,329	49,84,908
	Total Lease Liabilities	58,329	49,84,908
9(b)	Current Provisions	Amount in USD	Amount in Rupees
	Provision for compensated absences	25,793	22,04,334
	Total	25,793	22,04,334
12	Other current liabilities	Amount in USD	Amount in Rupees
	Statutory dues payable	3,626	3,09,873
	Total	3,626	3,09,873

Onward Technologies Inc**Notes to financial statements for the year ended March 31, 2025**

		For the Year Ended March 31, 2025	
13	Revenue from operations	Amount in USD	Amount in Rupees
	Sale of services		
	- Professional services	1,77,84,660	1,50,41,39,357
	Revenue from operations	1,77,84,660	1,50,41,39,357
14	Other income	Amount in USD	Amount in Rupees
	Net gains/ losses on foreign currency transactions and translations	14,489	12,25,389
	Export Management Fees from related parties	96,560	81,66,612
	Export Marketing Fees from related parties	6,49,453	5,49,27,548
	Miscellaneous income	20,642	17,45,799
	Total	7,81,144	6,60,65,348

Onward Technologies Inc
Notes to financial statements for the year ended March 31, 2025

		For the Year Ended March 31, 2025	
15	Cost of service delivery	Amount in USD	Amount in Rupees
	Cost of service delivery	72,97,672	61,72,01,303
	Total	72,97,672	61,72,01,303
16	Employee benefit expenses	Amount in USD	Amount in Rupees
	Salaries, wages and bonus	84,54,706	71,50,57,619
	Leave Encashment	(19,908)	(16,83,720)
	Social security and other benefit plans for overseas employees	2,36,252	1,99,81,013
	Employee share based payment expense	(7,079)	(5,98,721)
	Staff welfare expenses	56,820	48,05,554
	Total	87,20,791	73,75,61,745
17	Finance costs	Amount in USD	Amount in Rupees
	Interest on Lease Liabilities	21,008	17,76,719
	Total	21,008	17,76,719
18	Depreciation and amortisation expense	Amount in USD	Amount in Rupees
	Depreciation on property, plant and equipment	22,991	19,44,455
	Depreciation Right -of -use-Assets	1,05,319	89,07,340
	Total	1,28,310	1,08,51,795
19	Other Expenses	Amount in USD	Amount in Rupees
	Sub-contracting cost	12,81,748	10,84,03,944
	Water, power and fuel	4,102	3,46,925
	Rent	74,495	63,00,395
	Software Expenses	24,905	21,06,325
	Allowance for doubtful debts	34,452	29,13,775
	Communication	17,000	14,37,748
	Rates and taxes	22,947	19,40,766
	Insurance	1,48,293	1,25,41,890
	Repairs and Maintenance -		
	- Others	18,407	15,56,756
	Travelling	2,73,762	2,31,53,420
	Legal and professional charges	1,55,350	1,31,38,748
	Advertisement and sales promotion	24,716	20,90,356
	Office expenses	22,514	19,04,149
	Miscellaneous expenses	1,08,278	91,57,654
	Management Fees Expenses	2,24,456	1,89,83,360
	Recruitment Fees Expenses	18,368	15,53,645
	Total	24,53,793	20,75,29,856

Onward Technologies Inc
Notes to financial statements for the year ended March 31, 2025
20 Related party transactions:

Related Party	Nature of transaction	March 31, 2025 USD	March 31, 2025 INR
<u>Holding Company :</u>			
Onward Technologies Limited (OTL)	Intercompany Purchase - OTL	67,26,788	56,89,18,752
	Management fees- OTL	2,24,456	1,89,83,360
	Professional services - OTL	3,39,890	2,87,46,247
	Recruitment expenses- OTL	18,370	15,53,645
	Income from marketing fees- OTL	6,04,126	5,10,94,012
	Income from management fees- OTUK	24,140	20,41,653
	Ind AS - Employee share based payment	7,079	5,98,721
<u>Subsidiary of Holding Company :</u>			
Onward Technologies Canada Inc. (OTCA)	Income from marketing fees- OTCA	45,327	38,33,535
	Income from management fees- OTCA	24,140	20,41,653
	Intercompany Purchase - OTCA	4,96,297	4,19,74,364
Onward Technologies B.V. (OTNL)	Income from management fees- OTNL	24,140	20,41,653
	Intercompany Purchase - OTNL	74,587	63,08,187
Onward Technologies GmbH (OTG)	Income from management fees- OTG	24,140	20,41,653

Outstanding Balances

Related Party	Nature of Balance	March 31, 2025 USD	March 31, 2025 INR
<u>Holding Company :</u>			
Onward Technologies Limited (OTL)	Trade receivables - OTL	7,99,177	6,82,99,656
	Trade payables - OTL	10,45,649	8,93,63,735
	Provision for trade payable - OTL	18,044	15,42,061
	Trade receivables - OTUK	36,850	31,49,258
	Trade payables - OTUK	40,191	34,34,787
<u>Subsidiary of Holding Company :</u>			
Onward Technologies Canada Inc. (OTCA)	Trade receivables - OTCA	2,45,364	2,09,69,417
	Provision for trade payable - OTCA	2,939	2,51,169
	Trade payables - OTCA	5,65,909	4,83,64,016
Onward Technologies B.V. (OTNL)	Trade receivables - OTNL	24,140	20,63,075
	Trade payables - OTNL	89,557	76,53,789
Onward Technologies GmbH (OTG)	Trade receivables - OTG	35,944	30,71,885