

YOUR TRUSTED OUTSOURCING PARTNER

FOR DIGITAL AND ER&D SERVICES



Annual Report
2023-24

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Numbers Defining Our Potential



Chairman's Communique

Forward-looking statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



For more details,
please visit:

www.onwardgroup.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Harish Mehta

Founder & Executive Chairman

Mr. Jigar Mehta

Managing Director

Mr. Jay Sonawala

Non-Executive Independent Director

Mr. Harsha Raghavan

Non-Executive Non-Independent Director

Ms. Niranjani Chandramouli

Non-Executive Independent Director

Mr. Jai Diwanji

Non-Executive Independent Director

Mr. Dhanpal Jhaveri

Non-Executive Independent Director

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants

INTERNAL AUDITORS

Ahuja Valecha & Associates LLP

SECRETARIAL AUDITORS

Nilesh A. Pradhan and Co., LLP

REGISTERED OFFICE

Sterling Centre, 2nd Floor

Dr. A.B. Road, Worli,

Mumbai – 400 018

Tel: 022- 24926570

CORPORATE IDENTITY NUMBER

L28920MH1991PLC062542

WEBSITE

www.onwardgroup.com

INVESTOR RELATIONS

investors@onwardgroup.com

Tel No.: +91 22 2492 6570

REGISTRAR AND TRANSFER AGENTS

Link Intime India Pvt Ltd.

C-101, 247 Park,

L.B.S Marg,

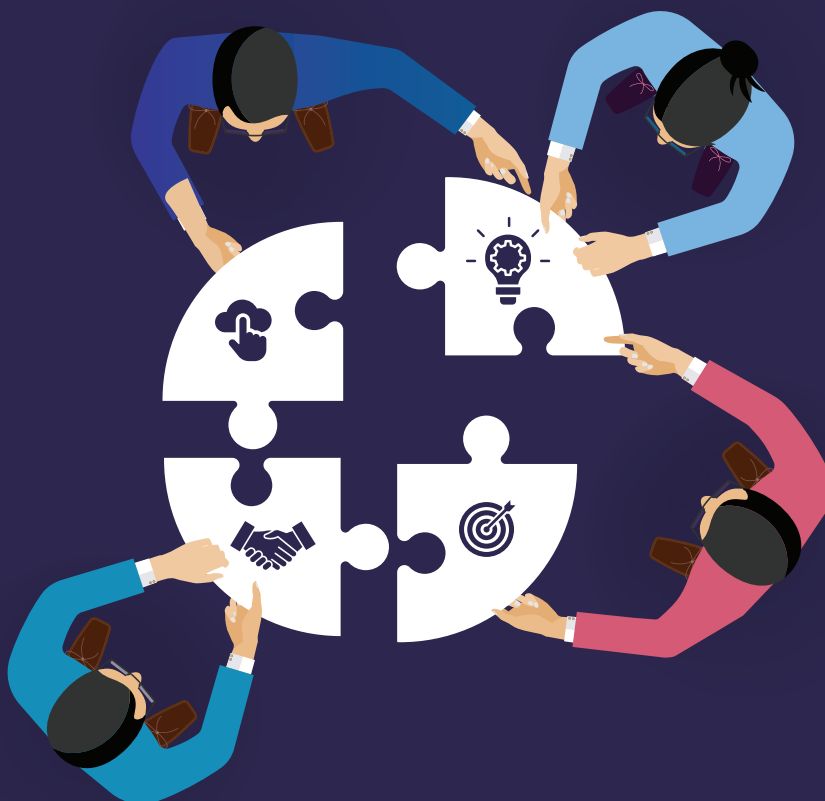
Vikhroli West,

Mumbai – 400 083

BANKERS

ICICI Bank

HSBC



In a dynamic environment characterised by profound changes, Onward Technologies stands at the forefront, empowering OEMs to adapt, innovate and thrive with our robust ER&D and digital services. We continuously push the boundaries of excellence and possibilities to deliver superior outcomes.

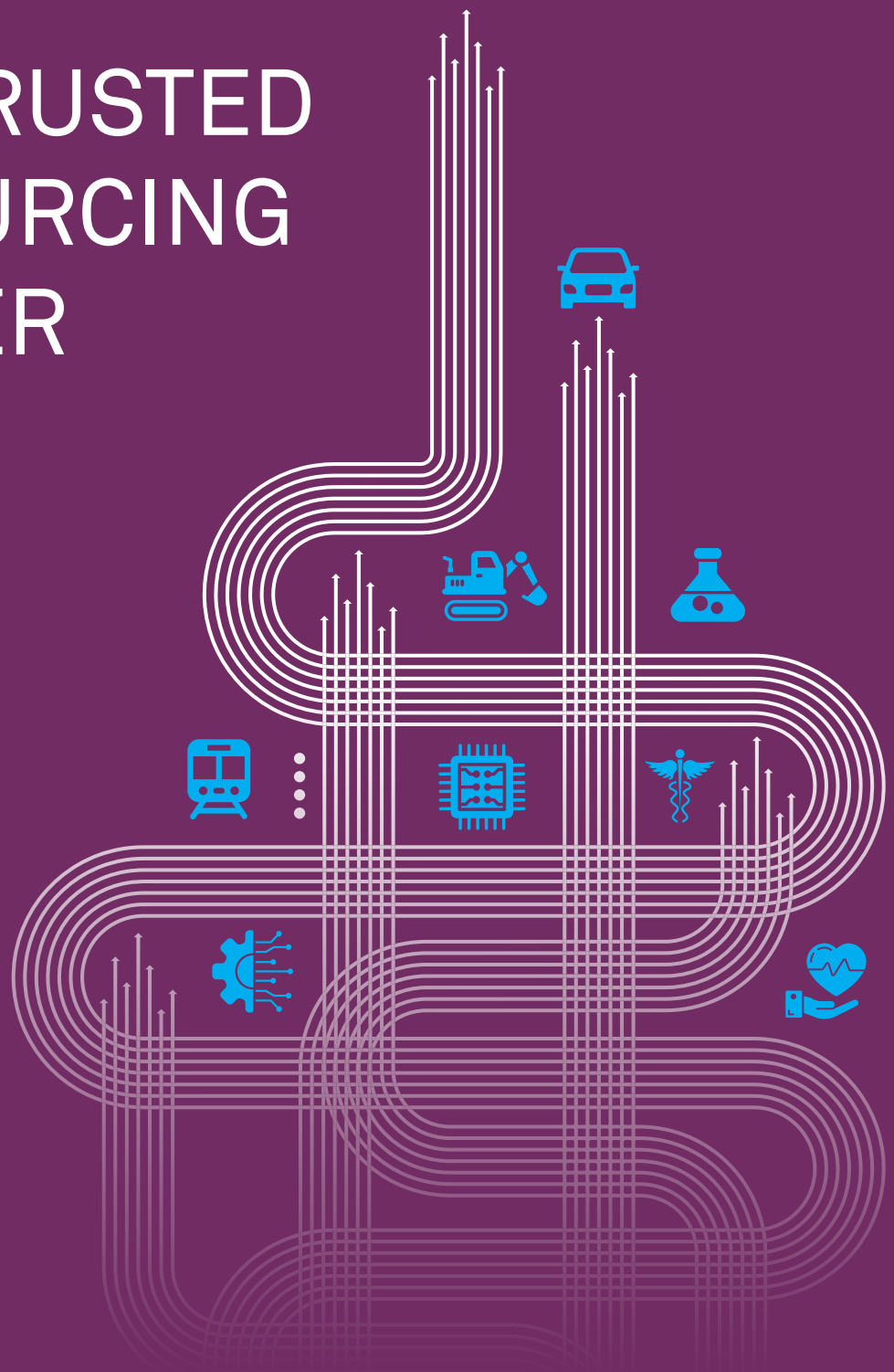
We have streamlined our operational structure to focus on three industry verticals: Industrial Equipment and Heavy Machinery, Transportation and Mobility, and Healthcare. Additionally, we have organised our operations into three business lines: Digital, Embedded, and Mechanical Engineering Services. We are proactively skilling our people in these key areas and advanced technologies while also hiring experienced professionals and senior leaders to build domain expertise.

We have rationalised our customer segments, exiting non-strategic ones, and are instead focussing on our core customers with higher R&D and outsourcing budgets. This allows us to cultivate deeper engagement with clients, deliver superior outcomes and unlock value for them through comprehensive offerings and a first-time-right approach.

We have consolidated our domestic and international presence and upgraded to newer offices with world-class infrastructure across multiple locations. This along with our robust onsite, nearshore and offshore delivery model reinforces our global delivery capabilities, ensuring we deliver the desired business outcomes to our clients.

These efforts position us to spearhead progress towards a future where, through transformative technology and advanced ER&D services, we can accelerate our clients' transformation and support their growth and success. It empowers us to exceed customer expectations, enhance engagements and climb up the value chain as their trusted outsourcing partner.

YOUR TRUSTED OUTSOURCING PARTNER



HIGHLIGHTS FY 2023-24

NUMBERS DEFINING
OUR POTENTIAL

STRONG FINANCIAL FOUNDATION AND INTEGRITY

₹ 472.4 Crores

Revenue from
operations

22.6%

Return on capital
employed

Zero-Debt

With strong balance
sheet and cash reserves

11.1%

EBITDA margins,
transition from single-digit
to double-digit

₹ 93.6 Crores

Total cash and bank
balance

9* Years

Of uninterrupted dividend
payments

*The latest dividend is recommended by the Board and subject to shareholders' approval

ROBUST REACH AND WORLD-CLASS INFRASTRUCTURE

12

Offices across

6

Countries

New Offices

Teams across London, Chicago, Pune and
Bengaluru shifted to new offices in tech parks

IMPROVEMENT IN OPERATIONAL PARAMETERS AND QUALITY

84%

Top 25 clients' contribution

8 of the
global top 11

Automotive companies are our clients

5 of the
global top 10

Industrial equipment manufacturers are our clients

35%

Digital business contribution

REINFORCING PEOPLE BANDWIDTH

2,529

Total employees

40%

Employees covered in skill-building initiatives in FY 2023-24

19%

Women employees

ABOUT ONWARD TECHNOLOGIES

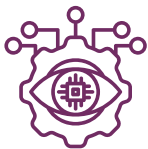
TRANSFORMING BUSINESS LANDSCAPES THROUGH DIGITAL AND ER&D EXCELLENCE

With over 33 years of experience, we are a premier software outsourcing company specialising in digital and ER&D (Engineering Research & Design) services. Empowered by our extensive delivery capabilities across India and other key global markets, expertise in diverse technology domains and focussed industry verticals, we assist major global enterprises in fulfilling their technology outsourcing needs. Our goal is to guide them through the intricacies of technological advancements, ensuring they stay ahead of the global market trends.



Our Mission

We are on a mission to help clients shape the imagination of a new world by leveraging our domain knowledge and delivery experience across connected systems, engineering R&D, and digital transformation. We strive to add value to every customer requirement with the right deployment of experts, capabilities, and systems for perfect execution and nimble turnaround.



Our Vision

To become one of the most preferred Technology Services partners for top global companies who are leading innovation at the intersection of the digital and physical worlds.



EXCELLENCE THAT POWERS US

Execution competence

- Global and flexible delivery model – onsite, offshore, and nearshore – supported by capability centres in India and presence in the USA, UK, Europe, and Canada
- Over three decades of proven technical and execution capabilities with low total cost of engagement
- Teams across India, the USA and Europe, including subject matter experts and experienced leaders
- Simplified business structure and client-centric approach for deeper client engagement

Comprehensive capabilities

- Capabilities in three business lines (digital, embedded, and mechanical engineering services) and three industries (transportation & mobility; industrial equipment & heavy machinery; and healthcare)
- Expertise in new-age technologies – Data Analytics & Data Science, AI/ML (Artificial Intelligence and Machine Learning), Industry 4.0, Internet of Things, Intelligent Automation, Digital Manufacturing, Smart Factory and Digital Twin

Marquee clientele

- Serving as an extended ER&D and digital team to OEMs in our focussed verticals, in the USA and Europe, which have large outsourcing budgets
- Top-25 clients contribute 84% of total revenues with 13 having annual billing of over USD 1 million

OUR AWARDS AND ACCOLADES



Featured as a cover story in Entrepreneur First Magazine capturing our transformation, customer-centric culture, international expansion and investments in talent



Best Family Managed Business at the Business Leader of the Year Awards 2024 for our integrity and excellence in teamwork



Best Employer Brand at the Employer Branding Awards (2023) for the second consecutive year, recognising excellence in people policies, job generation in Maharashtra and a culture of enablement



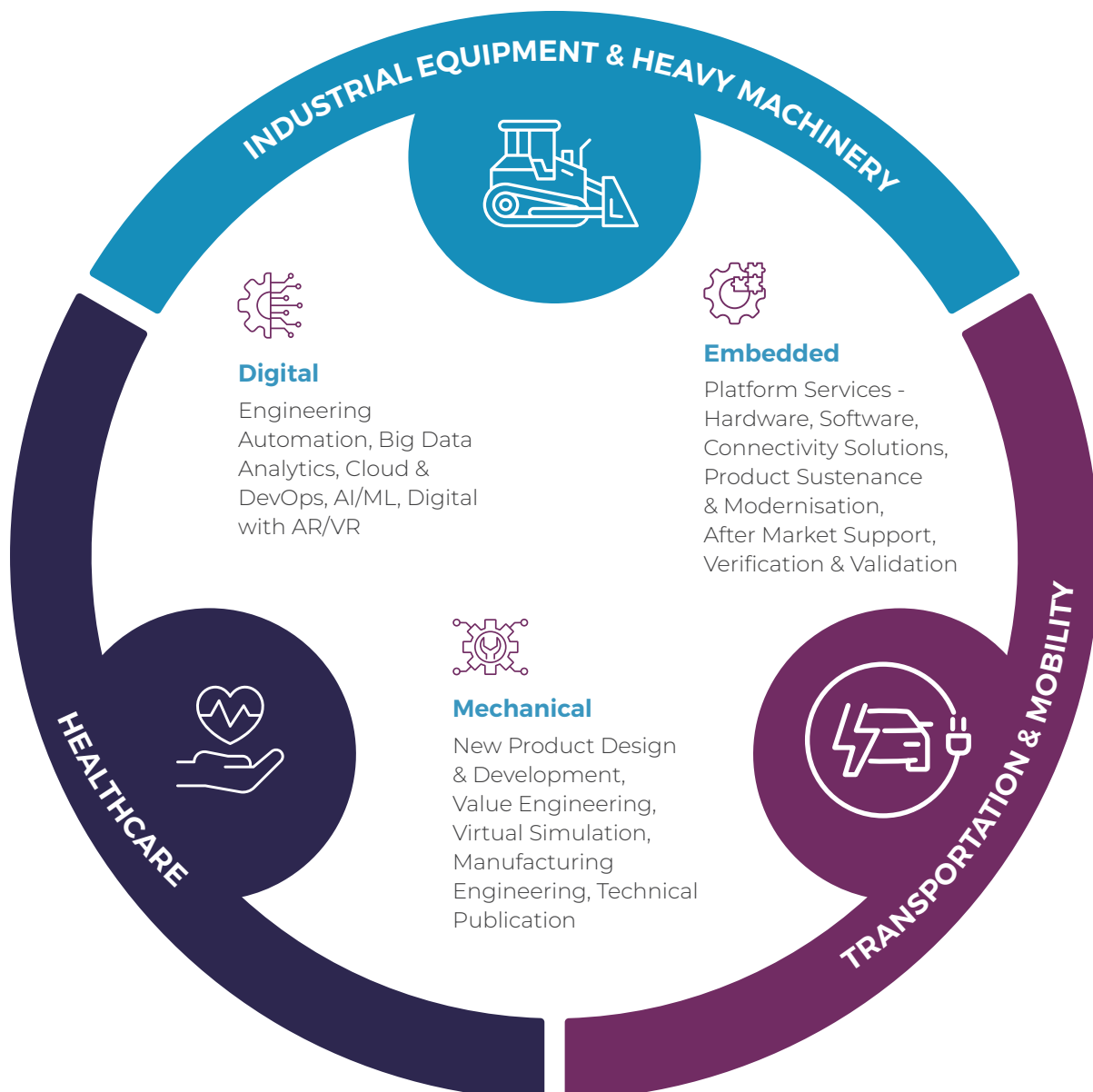
Major Contender positioning in the Everest Group's autonomous, connected, electric, and shared mobility focussed ACES Automotive Engineering Services PEAK Matrix® for electric mobility engineering services

OUR OFFERINGS

PIONEERING WITH FUTURE-READY ER&D AND DIGITAL SERVICES

We strategically operate in dedicated industry verticals and business lines where we have established core competencies. This sharply focussed approach, supported by a team comprising domain specialists, and ongoing efforts to expand capabilities and push the boundaries of innovation in these areas, gives us a leading edge. It positions us to lead the charge towards a future where through transformative technology solutions, we can drive the growth and success of our esteemed clients.

OUR FOCUSED INDUSTRY VERTICALS AND BUSINESS LINES



OUR INDUSTRY VERTICALS

TRANSPORTATION AND MOBILITY

We excel in delivering high-quality software services, with a focus on first-time-right project delivery and ensuring unmatched value through cost-effective engineering solutions.

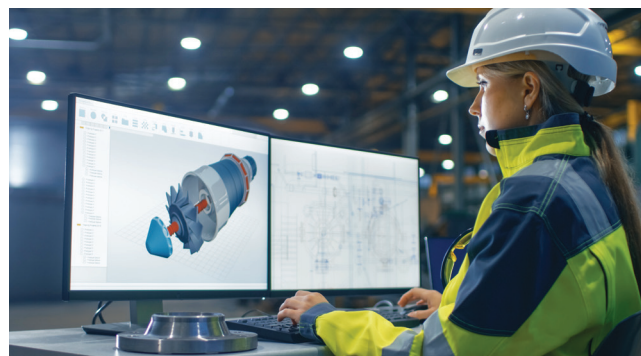
We specialise in diverse engineering services backed by highly skilled teams. These include traditional embedded software solutions such as adaptive/classic AUTOSAR, middleware stacks and bootloaders, Advanced Driver Assistance Systems (ADAS), electric and connected vehicles.



INDUSTRIAL EQUIPMENT & HEAVY MACHINERY

We specialise in developing solutions for equipment design, Industry 4.0 enablement, process modelling, IoT integrations, and virtual commissioning, ensuring that businesses are prepared for the next phase of industrial evolution. Leveraging the power of connected factories, we offer digital transformation services to the industrial equipment and heavy machinery sectors.

Sector served: Off-highway companies operating in construction, agriculture, mining, road building, and related industries, along with oil & gas, energy, water, steel, plastic.



OUR DIFFERENTIATOR

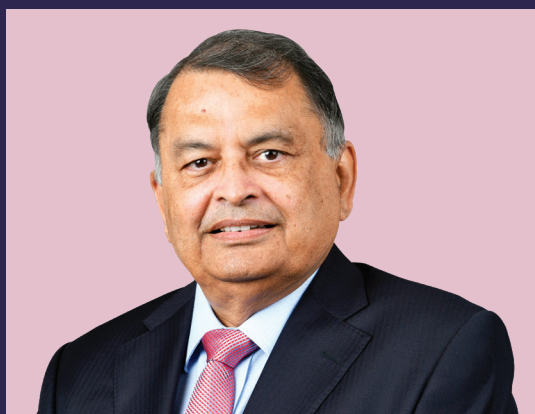
- Worldwide accessibility and adaptable engagement model (onshore/nearshore, or offshore)
- Access to global talent pools and domain experts with rapid mobilisation capability
- Proficiency in integrating technologies across industries
- Benefiting clients with improved ROI, low engagement costs and ready access to engineers and leadership

HEALTHCARE

We have expertise in accelerating the development and testing of medical devices, facilitating digital information solutions and supply chain innovations, empowering clients to prioritise patient-centricity at reduced total cost. This rapidly growing industry vertical remains a key focus for us, with incremental investments committed to enhancing our competencies.



BOARD OF DIRECTORS

INSPIRING LEADERS,
VISIONARY LEADERSHIP**MR. HARISH MEHTA**

Founder & Executive Chairman

**MR. JIGAR MEHTA**

Managing Director

**MR. JAY SONAWALA**

Non-Executive Independent Director



**MR. HARSHA RAGHAVAN**

Non-Executive Non-Independent Director

**MS. NIRANJANI CHANDRAMOULI**

Non-Executive Independent Director

**MR. JAI DIWANJI**

Non-Executive Independent Director

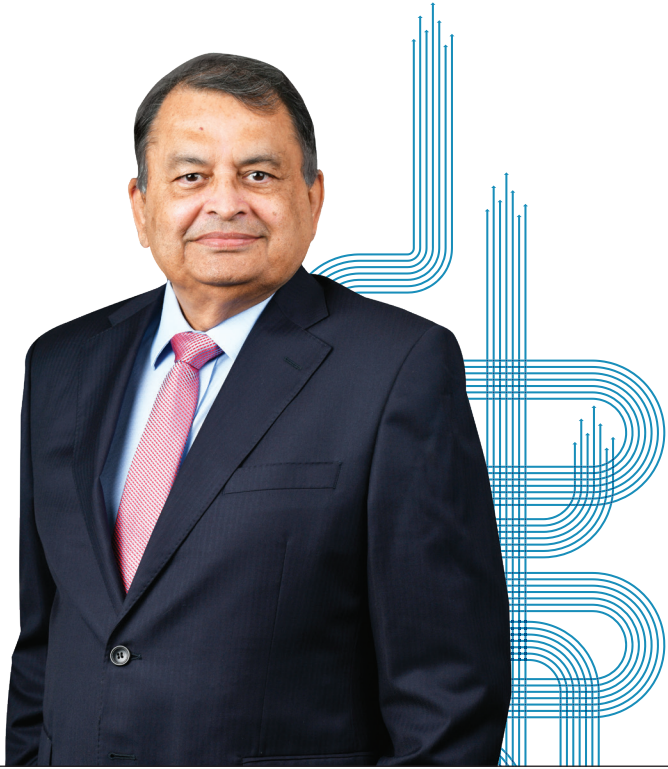
**MR. DHANPAL JHAVERI**

Non-Executive Independent Director



CHAIRMAN'S COMMUNIQUE

CHAIRMAN'S ADDRESS



The ER&D segment grew the fastest at 7.4%, AI activity expanded by a robust 2.7x, and the number of operational Global Capability Centres (GCCs) increased to more than 1,630, becoming key growth hotspots.

Dear Stakeholders,

The world is transforming, and fast. Every aspect of our daily lives and the business world is being revolutionised by the growing prevalence of emerging technologies and their applications. Think about how AI/ML has optimised operations, from digital reengineering in manufacturing to personalised retail marketing. Consider how analytics has reshaped supply chain management, or how cloud computing is altering the way businesses operate. Healthtech, edtech and precision agriculture are empowering rural communities, while IoT is elevating urban living through smarter cities.

These technologies and many more are catalysing progress and positive change. Inevitably, the world will increasingly embrace their enormous potential to shape a better tomorrow.

INDIA LEADS THE GLOBAL TECHNOLOGY LANDSCAPE

India has emerged as a formidable force in the global technology landscape, particularly for its Engineering Research & Development (ER&D) outsourcing and technological expertise. Even amidst global economic uncertainties and lower tech spending, the Indian IT industry remained resilient. As per NASSCOM, the industry's revenue grew by 3.8% in FY 2023-24 to USD 254 billion with a 57-58% share in global sourcing.

The ER&D segment grew the fastest at 7.4%, AI activity expanded by a robust 2.7x, and the number of operational Global Capability Centres (GCCs) increased to more than 1,630, becoming key growth hotspots. The segments are expected to remain the driving forces in the future.

Deloitte's Technology Trends 2024 report projects India's GCC market to exceed USD 100 billion by 2030, employing more than 4.5 million people across 2,500 GCCs nationwide. In ER&D outsourcing, NASSCOM projects India's share to grow the fastest and reach 22% by 2030 from 17% in 2023. This growth, against the backdrop of a significant rise in global business ER&D spending from USD 1.8 trillion to over USD 3.3 trillion during the same period, highlights the rapid expansion and competitive edge of India's ER&D industry.

As the global scenario stabilises, businesses will likely resume increased spending on IT modernisation and digital transformation. Emerging technology domains like AI and GenAI, IoT, blockchain, advanced robotics and the industrial metaverse are poised to continue witnessing increased adoption

Chairman's Communique

for their scalable and impactful outcomes. By fostering a culture of innovation and embracing emerging technologies, India will be a key player in these technology domains.

These developments are clear indicators of India's increasing ability to meet international technology demands and its growing status as a global tech talent hub for innovative solutions.

ONWARD TECHNOLOGIES AS A RELIABLE ER&D PARTNER

The transformational changes brought by digitalisation provide our OEM clients with an opportunity to differentiate within the industry. By reassessing operations, right from products and services to customer engagements and market strategy, they can gain a competitive edge. Success depends on swiftly transitioning to new operational landscapes, embracing digital transformation and harnessing the potential of cutting-edge technologies. Importantly, it will be about harmonising digital tools with human potential, ensuring technologies ultimately empower employees and enhance interactions and experiences for customers and the world around them.

Onward Technologies stands at the forefront of this. With our ER&D and digital service offerings that are intuitive, responsive to human needs and tailored to address evolving needs, we support our clients' journey of adaptation and innovation, enabling them to thrive in this dynamic environment.

Our edge in this transformative era is rooted in the significant investments made over the years in scaling our innovation and excellence, augmenting people skills and adding subject matter experts. This year, we reinforced our team with senior, experienced

leadership. These strategic efforts position us to support our esteemed clients and partners in achieving their business objectives with transformative, human-centred technologies.

We remain steadfast in our commitment to accelerating clients' digital transformation efforts and delivering futuristic ER&D services. We will persistently invest in initiatives to deliver first-time-right outcomes, leverage our domain specialists' expertise, and nurture robust client partnerships.

PERFORMANCE POWERED BY STRATEGY

During the year, with our enhanced capabilities, we successfully served our global clients more effectively, empowering them to stay ahead of technological trends. These efforts were greatly appreciated and yielded positive results in terms of growing recognition of our expertise and deeper relations. We also progressed in our strategic decision to exit all non-strategic clients. Our clients are global OEMs in our focussed industry verticals and service lines with large outsourcing budgets. The intent is to engage at a deeper level with these marquee clients to deliver greater outcomes.

Financial performance was equally commendable. We registered a 7.1% growth in revenues, almost entirely coming from our Industrial Equipment & Heavy Machinery, Transportation & Mobility and Healthcare verticals. The share of ER&D revenues remained strong at 63%, while digital revenues grew to 35%, highlighting our technology competence.

Our expertise and commitment to quality outcomes in connected, autonomous, shared, and electric mobility domains position us at the forefront of innovation in the industry. As a testament to our automotive engineering

capabilities, renowned industry analyst, Everest Group, designated us as a Major Contender in Electric Mobility in its ACES Automotive Peak Matrix 2023 study, conducted in October 2023.

A FUTURE OF SHARED SUCCESS

Moving ahead, our commitment to profitable and sustainable long-term growth and creating value for all stakeholders remains unwavering.

We are optimistic about the industry's immense growth opportunities. By focussing on our three core verticals and three service lines where we have domain expertise, establishing capabilities in the right technologies and engaging our global clients invested in R&D outsourcing, we are better positioned as a preferred Digital and ER&D Services outsourcing partner. This provides a significant runway for growth. We will continue to innovate and leverage emerging technologies to move up our customer's value chain and play a greater role in their digital transformation efforts.

Our vision extends beyond business; we strive for a more equitable, inclusive and sustainable world, and believe technology can achieve this. We collaborate with clients to deliver exceptional solutions that can make meaningful differences to their customers as well as the community at large. Governance and ethical business practices are our cornerstones, upheld through industry best practices, policies, and guidance from our capable Board members.

I thank all our stakeholders for their trust in us. Together with your support, we are confident in navigating the dynamic landscape and scaling new heights of success to maximise value creation for all.

Harish Mehta

Founder & Executive Chairman

MANAGING DIRECTOR'S LETTER

MESSAGE FROM THE
MANAGING DIRECTOR'S DESK

As a niche software outsourcing firm, we continue to specialise in ER&D and Digital Engineering Services for global OEMs in sectors such as Industrial Equipment, Heavy Machinery, Automotive, Rail Transportation, Healthcare, and Medical Devices.

Dear Shareholders,

I am delighted to present this annual report, highlighting our continued performance and strategic advancements in fiscal year 2024.

In FY2024, we achieved an all-time high of ₹ 472.4 Crores in consolidated revenue from operations. Even more impressively, our Profit After Tax (PAT) soared by 195.5% YoY, reaching ₹ 33.9 Crores. Our Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA) stood at ₹ 52.2 Crores, with an EBITDA margin of 11.1%. These remarkable results reflect our unwavering dedication to excellence and the hard work of our global team of 2,529 employees.

With immense gratitude, we announce the recommendation of a final dividend of 50%, amounting to ₹ 5 per share, by our Board of Directors. This proposal awaits your approval at our upcoming 33rd Annual General Meeting. We deeply appreciate your continued support and confidence in Onward Tech. Notably, this will be our 9th consecutive year of declaring a dividend.

As a niche software outsourcing firm, we continue to specialise in ER&D and Digital Engineering Services for global OEMs in sectors such as Industrial Equipment, Heavy Machinery, Automotive, Rail Transportation, Healthcare,

and Medical Devices. We are committed to strengthening our partnerships with clients in North America and Europe, who invest heavily in ER&D and digital services outsourcing annually. Our revenues from our top 25 clients continue to grow and now contribute 84% of the consolidated revenues. We continue to invest in these relationships and see numerous opportunities to grow with them globally, both for onsite and offshore services.

Our client base is robust, with significant growth potential. We serve 84 clients, including 43 clients in the Industrial Equipment and Heavy Machinery vertical, and 27 clients in the Automotive

Managing Director's Letter

and Rail Transportation vertical. These are our largest verticals, and our continued focus on existing customers in these areas remains a top priority. Notably, research shows over 40 of these OEM clients have global R&D budgets of USD 500 million per year, which translates into enormous growth potential for us. We plan to invest in local touchpoints - agile project offices with professional services like client account management and project management – to ensure we deliver value right where our clients operate.

Looking ahead, we aim to reach even greater heights. Our vision for the upcoming year includes:

- **Expanding our market presence** in North America and Europe, leveraging our strong client relationships and proven track record in India by bringing in new customers and deepening client engagement.
- **Investing in cutting-edge technologies** and enhancing our software R&D capabilities to bring innovative solutions to our clients. This includes advancements in AI, IoT, and embedded technologies.
- **Strengthening our sustainability and CSR efforts**, with a focus on reducing our environmental footprint and contributing positively to the communities we operate in.

To realise this vision, we are launching several key initiatives through focussed investments:

- **Opening new project offices** in multiple cities in North America and Europe, close to or in the same cities as our new OEM customers. This demonstrates our commitment and investment in existing customers with dedicated offices, employees, account management, bridging the cultural gap, and providing a local presence.

- **Investing in new embedded/SW leaders, teams and labs** across our Pune, Chennai, and Bengaluru offices to drive growth in our largest verticals.
- **Enhancing employee development programmes**, ensuring our team remains at the forefront of industry trends and technologies. We are committed to creating a workplace that promotes diversity, inclusion, and employee well-being.

We have completed major capex investments in automation over the last five years. This year, we do not expect to make significant new investments and will instead focus on consolidating our existing advancements.

Our clients are at the heart of everything we do. From providing specialised mechanical, manufacturing, robotic, and control engineering services for the last decade, more and more of our clients are giving us the opportunity to build capabilities in embedded, electronics, and digital services. Our continued focus on existing customers in our largest - Industrial Equipment and Heavy Machinery, and Automotive and Rail Transportation – remains a cornerstone of our strategy. We have hired experts from the industry across multiple locations to build these capabilities and service these clients, which is delivering great growth momentum across the three verticals. Our digital engineering services, which include Artificial Intelligence (AI) capabilities, and our embedded/electronic services continue to grow and now contribute 50% of our revenues.

Our strong financial performance in FY2024 provides a solid foundation for future growth as we aim to meet our first milestone of USD 100 million in revenues with a double-digit EBITDA margin. We are well-positioned to capitalise on emerging opportunities and deliver long-term value to our shareholders. Additionally, we expect all our internal ratios to improve

in parallel, including revenue per employee and gross margin per employee, as we continue to optimise our operations and enhance productivity.

For a company of our size, we believe that maintaining a client base of 50-75 customers is the ideal range to achieve our target milestone. This focussed approach allows us to concentrate on execution, maintain discipline, and truly show our customers the love and attention they deserve.

We remain committed to driving digital transformation for our clients. Our focus on mechanical engineering, embedded systems, and digital services will enable us to continue delivering high-quality solutions that meet the evolving needs of the market. We are poised to sustain and build on the momentum we achieved in FY2024, laying the groundwork for long-term growth. We are committed to rising to the challenge with optimism and purpose.

Thank you for your steadfast trust and support. To our esteemed clients, we appreciate your collaboration on this journey of innovation and transformation. And to our dedicated team, your commitment to our business objectives is truly commendable. As a dynamic and ambitious organisation, we are driven to accelerate our growth trajectory and deliver unparalleled value to all stakeholders.

Together, we are charting a course toward a future of innovation, excellence, and shared prosperity.

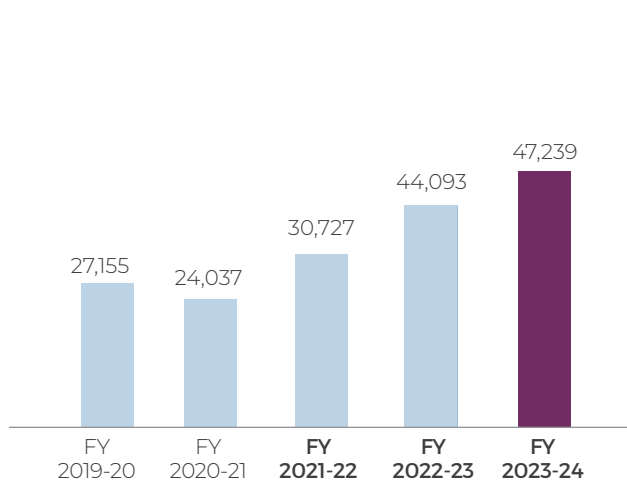
With warm regards,

Jigar Mehta
Managing Director

FINANCIAL HIGHLIGHTS

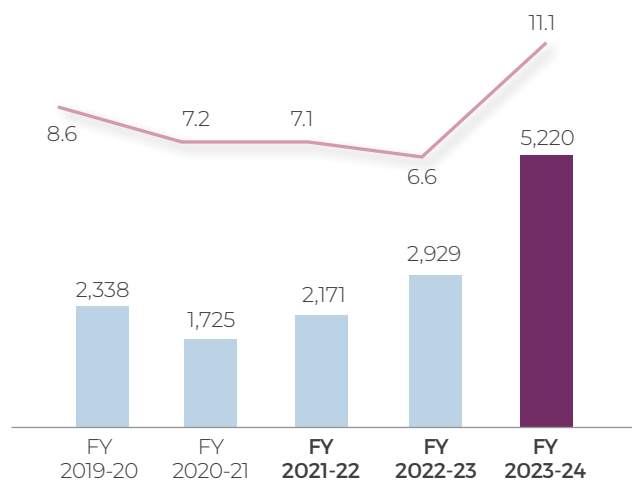
FUELLING PROGRESS WITH
FINANCIAL PERFORMANCE

REVENUE FROM OPERATIONS (₹ in Lakhs)



Revenue from Operations Growth $\uparrow$ 7.1% (YoY)

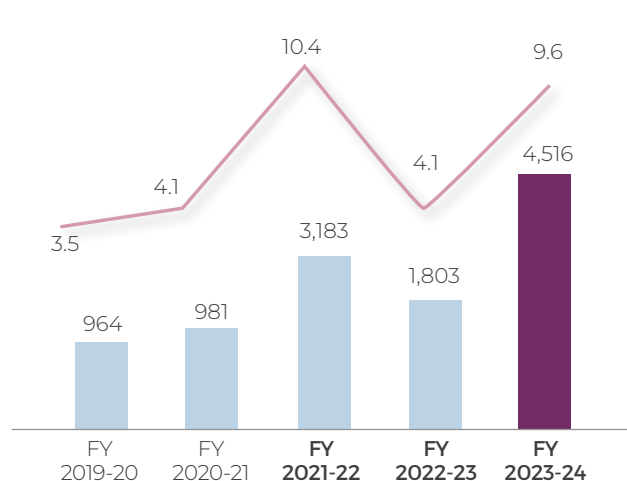
EBITDA & EBITDA MARGINS (₹ in Lakhs and %)



EBITDA Growth $\uparrow$ 78.2% (YoY)

EBITDA margin Growth $\uparrow$ 450 bps (YoY)

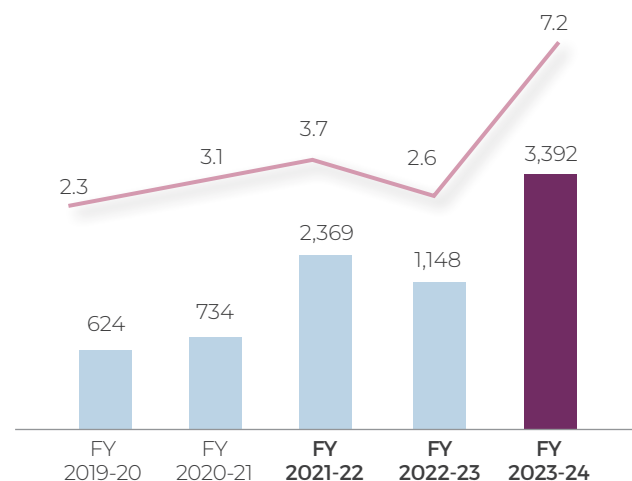
PBT & PBT MARGINS (₹ in Lakhs and %)



PBT Growth $\uparrow$ 151.1% (YoY)

PBT Margin Growth $\uparrow$ 550 bps (YoY)

PAT & PAT MARGINS (₹ in Lakhs and %)

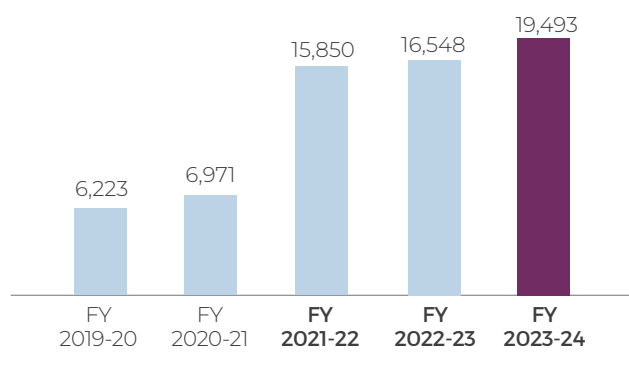


PAT Growth $\uparrow$ 195.5% (YoY)

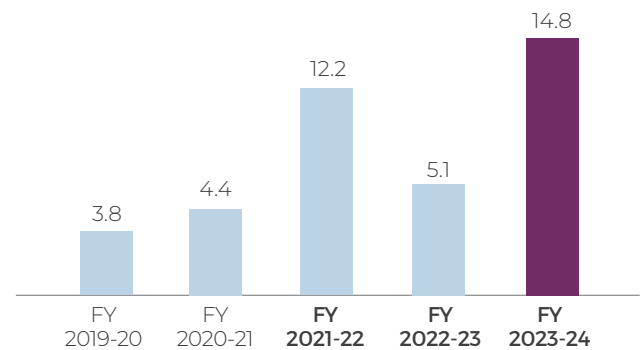
PAT Margin Growth $\uparrow$ 460 bps (YoY)

Financial Highlights

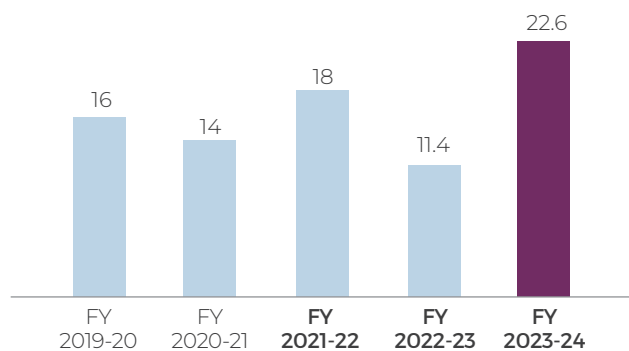
NET WORTH (₹ In Lakhs)



EARNINGS PER SHARE (₹)

Earnings Per Share Growth ↑ 190.2% (YoY)

ROCE (%)

ROCE Growth ↑ 1,120 bps (YOY)

During the year, the Company has changed its accounting policy w.r.t. government grants, which were earlier included under 'Other Income', however, from the current year such government grants are presented under 'net of employee benefit expenses' to showcase appropriate representation of financial statements. Accordingly, this change is applied retroactively to the previous year, does not affect the profit, earnings per share, or opening retained earnings as of April 1, 2023.

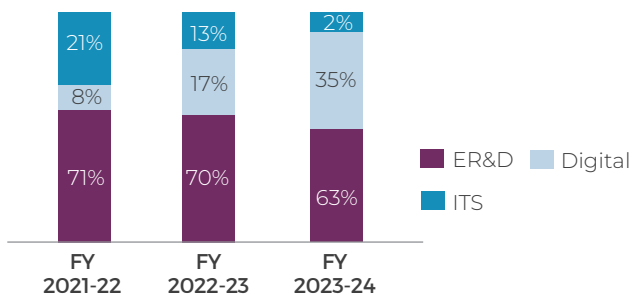
OPERATING HIGHLIGHTS

FROM STRATEGY TO EXECUTION

Our sharp focus on executing strategy has resulted in a robust well-diversified operating model, prioritised around focussed industry verticals, business lines, geographies and customer segments. This positions us not only to meet the evolving needs of our clients through continued excellence and innovation but also to deepen engagement with them, securing long-term, scalable and de-risked growth.

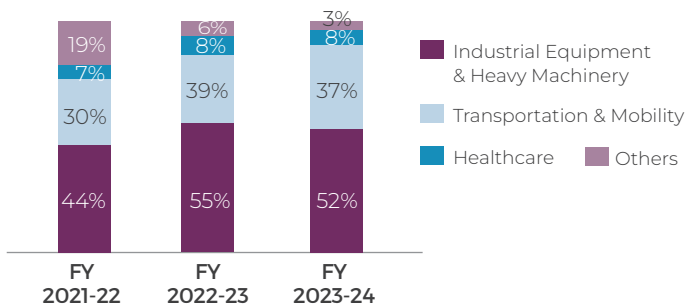
REVENUE BY BUSINESS (%)

We operate a distinctive model, focussed on three key business lines: Digital, Embedded, Mechanical engineering services. During the year, guided by our strategy, we successfully reinforced our business offerings, phasing out the traditional low-margin IT services business and enhancing contribution from digital business.



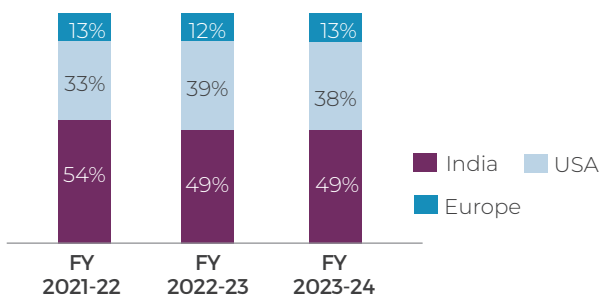
REVENUE BY INDUSTRY (%)

We are focussed on three industry verticals: Industrial Equipment and Heavy Machinery, Transportation and Mobility, and Healthcare, where we see major growth prospects.



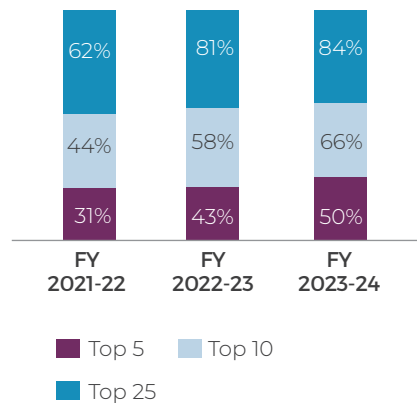
REVENUE BY REGION (%)

We have a diversified presence across three key regions and continue to invest in their growth. We have increased focus on the USA and Europe (including the UK) where we see rising opportunities.



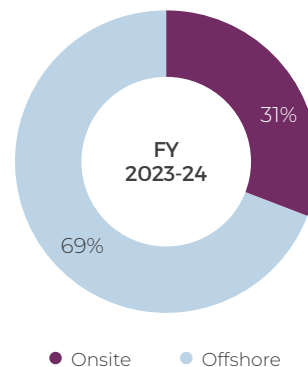
REVENUE BY CUSTOMER CONCENTRATION (%)

Our customer-centric ethos underscores a commitment to quality, by operating as an extended ER&D and digital team of our 84 clients, 57 of which are OEMs. All clients present a potential runway for sustainable growth, given their outsourcing maturity and million-dollar budgets across multi-year programmes.



REVENUE BY ENGAGEMENT MODEL (%)

We have a balanced blend of onsite and offshore delivery, ensuring effective service delivery aligned with our client's needs, alongside the advantage of low engagement costs.



Updated Classification of Onsite : Offshore Revenue mix as per industry definition, and applicable from Q2FY24

OUR PEOPLE

INVESTING IN A HIGH-PERFORMANCE, CLIENT-CENTRIC CULTURE

Our aspiration to be a trusted outsourcing partner is driven by our strong sense of purpose and core values of Openness, Hunger for Excellence, Customer First, Responsiveness and Integrity. We ensure this by attracting and retaining the best talent, facilitating comprehensive learning interventions for professional development and providing a wellbeing-driven workplace where they can innovate, excel and push boundaries to achieve transformational outcomes. This commitment is reinforced by fostering an environment that sustains people-centricity, growth and high performance.

HIRING THE BEST TALENT

Being at the forefront of Digital and ER&D services, we have reinforced our reputation as an employer of choice for those seeking to achieve, innovate and learn in an evolving business environment. We actively attract and hire top-tier talent from leading organisations and engage in campus programmes to recruit high performers from leading engineering and management institutes.

1,146

New employees hired in
FY 2023-24



25% OF EMPLOYEES WERE REWARDED THROUGH VARIOUS REWARDS AND RECOGNITION PLATFORMS, FOSTERING A CULTURE OF HIGH PERFORMANCE."



CULTIVATING A FUTURE-READY WORKFORCE

We promote a culture of continuous learning, enabling and guiding our employees on their desired career journey. Our L&D programmes are designed to facilitate comprehensive growth, covering both functional and behavioural aspects. We consistently nurture and support our people's growth, providing them with opportunities for development.



DIVERSITY, EQUITY, AND INCLUSION

We aim to create a sustainable, equitable, and inclusive workplace where employees of different abilities, races, ethnicities, religions, ages, and genders can thrive together. We consistently assess ourselves against pertinent benchmarks to foster a more open, diverse, and inclusive environment. This enables us to attract a diverse group of people, ensuring a workplace that nurtures diverse thoughts and perspectives, which are critical to driving innovation and excellence in solution delivery.



300 hours
Of training conducted

40%
Employees covered in
skill-building initiatives in
FY 2023-24



OUR VARIED EMPLOYEE ENGAGEMENT FORUMS HAD 16,743 TOUCHPOINTS ACROSS LOCATIONS. THESE FORUMS REINFORCED THE COMPANY'S VISION, MISSION AND CORE VALUES, INSTILLING A SENSE OF BELONGINGNESS IN OUR EMPLOYEES. WE FURTHER ENHANCED THEIR WORKPLACE EXPERIENCE BY MOVING TO NEW OFFICE SPACES IN PUNE, HYDERABAD, LONDON AND DETROIT."

OUR CSR ACTIVITIES

CARING FOR COMMUNITY

At Onward Technologies, we understand our role within the larger ecosystem and are dedicated to making a positive contribution to the community. Through our efforts, we aim to foster a more sustainable future for everyone. Our commitment extends to actively enhancing the quality of life for individuals in these communities.

₹ 32.90 Lakhs
Contribution towards CSR

EMPOWERING FUTURES THROUGH EDUCATION

Onward Technologies believes in the pivotal role of education in unlocking opportunities and shaping brighter futures.

We supported Avasara Academy, Pune a transformative space for young girls, providing world-class education and holistic development programmes. This school empowers students to unlock their potential and become leaders and change-makers. Additionally, we supported Saraswati English Medium School in Wagholi, Pune, dedicated to providing quality education to underprivileged children. We actively engaged in enhancing their infrastructure, educational resources, and overall learning experience.



WOMEN EMPOWERMENT THROUGH FOOTBALL PROJECT

Onward Technologies supported Aspire Football Club (AFC), a women's football team dedicated to empowering girls through sports. This venture transforms school and college girls across Maharashtra into professional players by providing them with the skills and opportunities to compete at regional and national levels. Our support facilitated training facilities and covered various expenses including registration costs, player remuneration, and travel, among others.

Directors' Report

Dear Members,

The Board of Directors are pleased to present the 33rd Annual Report of the Company along with Financial Statements (Consolidated and Standalone) for the financial year ended March 31, 2024.

1. FINANCIAL AND OPERATIONAL HIGHLIGHTS

Your Company's financial performance for the year ended March 31, 2024 as compared to the previous financial year ended March 31, 2023 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2024	Year ended 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
Revenue from Operations	34,595.20	31,516.54	47,239.17	44,092.83
Other Income	1,028.02	769.92	727.24	338.70
Finance costs	144.10	165.67	134.09	166.38
Depreciation	1,289.66	1,270.29	1,297.46	1298.16
Operating profit	3,724.77	2,173.45	4,515.70	1803.19
Exceptional items	-	-	-	-
Profit before Tax	3,724.77	2,173.45	4,515.70	1803.19
- Current Tax	943.53	496.91	1,120.81	527.11
- Deferred Tax	8.14	47.24	3.12	128.07
Total tax expense/(credits)	951.67	544.15	1,123.93	655.18
Profit after Tax	2,773.10	1,629.30	3,391.77	1,148.01
Other Comprehensive Income	(52.97)	(72.87)	29.08	161.80
Total Comprehensive Income for the Period	2,720.12	1556.43	3,420.85	1309.81

Company's Performance Highlights:

During the financial year 2023-24, your Company's revenue from Operations on standalone basis for the year ₹ 34,595.20 lakhs as compared to previous year of 31,516.54 lakhs, thereby registering growth of 9.77% on YoY basis. The Operating profit for the year was at ₹ 3,724.77 lakhs as compared to ₹ 2,173.45 lakhs previous year i.e. an increase of 71.38% YoY. The net profit for the year on standalone basis stood at ₹ 2,773.10 lakhs as compared to ₹ 1,629.30 lakhs in the previous year i.e. a growth of 70.20% YoY.

Your Company's revenue from Operations for the year ended as on March 31, 2024 on consolidated basis stood at ₹ 47,239.17 lakhs as compared to ₹ 44,092.83 lakhs previous year, registering a growth of 7.14 % on YoY basis. The Company's net profit for the year ended March 31, 2024 on consolidated basis stood at ₹ 3,391.77 lakhs as compared to the previous year of ₹ 1,148.01 lakhs.

The basic Earnings per share (EPS) on standalone basis for the year stood at ₹ 12.37 per share, shows a growth of 68.52% as compared to ₹ 7.34 per share for the previous year.

2. DIVIDEND AND TRANSFER TO RESERVES

Your Company's policy on Dividend Distribution is available at www.onwardgroup.com/investors.php

In accordance with the said policy and based on the Company's performance, your Directors at their meeting held on May 17, 2024, have recommended payment of ₹ 5 (50%) per equity share of the face value of ₹ 10/- (Rupees Ten only) each as final dividend for the financial year ended March 31, 2024. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company. The total outflow towards payment of final dividend will be ₹ 11.27 crores resulting in a dividend payout ratio of 40.42% of standalone profits of the Company.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, the dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly make the payment of the final dividend after deduction of tax at source.

Your Directors' do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire profits for the financial year ended March 31, 2024 in the profit and loss account.

3. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

In accordance with the applicable provisions of Companies Act, 2013 (hereinafter referred to as "the Act") read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the "IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the de-mat account of the IEPF Authority. During the Financial Year 2023-24 the Company has completed Seven (7) years of dividend declaration for FY 2015-16 and the unclaimed dividend amount of ₹ 2,10,051 according to IEPF Rules was transferred to the IEPF Authority.

4. FIXED DEPOSITS

In terms of the provision of Sections 73 and 74 of the Companies Act, 2013 read with the relevant rules, your Company has not accepted any fixed deposits during the year under review.

5. DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2024, the Company has one Indian subsidiary and four foreign subsidiaries:

Sr. No.	Name of Subsidiary Companies	Country of Incorporation	Percentage of holding
1.	Onward Technologies Inc.	USA	100%
2.	Onward Technologies GmbH	Germany	100%
3.	Onward Technologies BV.	Netherlands	100%
4.	Onward Technologies Canada Inc., Canada	Canada	100%
5.	OT Park Private Limited	India	100%

There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

As per the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary (which includes associate companies and joint ventures) in Form AOC-1 is attached to the financial statements of the Company as **Annexure - I.**

The financial statements of the Company including consolidated financial statements along with the relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company www.onwardgroup.com/investors.php

Your Company's policy on material subsidiary is also available on the website at www.onwardgroup.com/investors.php

6. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations" through this report) and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2023-24, together with the Auditors' Report form part of this Annual Report.

7. BOARD OF DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Harsha Raghavan (DIN: 01761512) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The composition of Board of Directors as on March 31, 2024 is as follows:-

Sr. No	Name of the Director	Category
1.	Mr. Harish Mehta	Executive Chairperson
2.	Mr. Jigar Mehta	Managing Director
3.	Mr. Jay Sonawala	Independent Director
4.	Mr. Harsha Raghavan	Non-Independent Director
5.	Ms. Niranjani Chandramouli	Independent Director
6.	Mr. Dhanpal Jhaveri	Independent Director
7.	Mr. Jai Diwanji	Independent Director

Change in the Directors

During the year, Mr. Parish Meghani, Mr. Rahul Rathi and Mr. Subrata Kumar Mitra completed

their term as an Independent Director with effect from end of day on July 20, 2023 and consequently ceased to be the Independent Director of the Company thereafter. The Board of Directors and the Management of the Company place on record their deep appreciation for the contributions made by them during their association with the Company over the years.

Based on the recommendations of Nomination and Remuneration Committee, Mr. Jai Diwanji (DIN: 00910410) and Mr. Dhanpal Jhaveri (DIN: 02018124) were appointed as an Additional Non-Executive Independent Directors on the Board of the Company with effect from May 12, 2023 and were regularized by the shareholders and appointed as Non-Executive Independent Directors of the company at the AGM held on July 17, 2023.

In the opinion of Board, Mr. Jai. Diwanji and Mr. Dhanpal Jhaveri are persons of integrity and fulfils requisite conditions as per applicable laws and are independent of the management of the Company.

Details, as required under the Companies Act, 2013 and SEBI Listing Regulations, in respect of Directors seeking re-appointment subject to approval of shareholders at the ensuing annual general meeting (AGM) are given in the notice of AGM.

Declaration of Independence by Independent Directors

The Company has received the following declarations from all the Independent Directors confirming that:

1. They meet the criterion of independence as prescribed under Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. They have registered themselves with the Independent Director's Database maintained by the IICA.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014

8. KEY MANAGERIAL PERSONNELS

Pursuant to the provisions of Section 2(51) and 203 of the Act, the Key Managerial Personnel of the Company are Mr. Harish Mehta, Chairman & Whole-time Director and Mr. Jigar Mehta,

Managing Director, Mr. Pawankumar Nathani, Chief Financial Officer and Mr. Vinav Agarwal, Company Secretary & Compliance Officer.

Company Secretary and Compliance Officer:

During the year, Ms. Shama Pawar, Company Secretary and Compliance Officer of the Company resigned from the services of the Company. The resignation was effective June 15, 2023. Consequent to Ms. Shama's resignation, the Board appointed Mr. Vinav Agarwal as the Company Secretary, KMP and Compliance Officer of the Company. The appointment was effective October 20, 2023.

9. SHARE CAPITAL

Authorized Capital

As on March 31, 2024, the Authorized Share Capital is ₹ 44,62,00,000/- comprising of 4,46,20,000 equity shares of ₹10/- each 3,36,20,000/- Ordinary (Equity) Shares of ₹ 10 each and 10,00,000 Unclassified shares of ₹10 each and 1,00,00,000 Preference Shares of the face value of ₹10/- each.

Issued, subscribed and Paid-up share Capital

As on March 31, 2024, the issued, subscribed and paid-up capital of the Company is ₹ 22,51,95,700/- comprising of 2,25,19,570 Equity Shares of ₹10/- each.

Allotment of shares under ESOP Schemes

During the year under review, the Company has issued and allotted 65,300 and 149,000 fully paid-up equity shares of ₹ 10/- each were allotted to various employees under ESOP Scheme 2009 and ESOP Scheme 2019, respectively.

10. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Your Company follows the highest standards of Corporate Governance best practices. It adheres to and has implemented the requirements set out by SEBI's Corporate Governance norms. A separate section on Corporate Governance forms a part of the Directors' Report. A certificate confirming the compliance of the conditions of Corporate Governance as stipulated in Listing Regulations from Nilesh A. Pradhan & Co., LLP, Practicing Company Secretaries, is forming part of the Annual Report.

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

As stipulated under Regulation 34 of Listing Regulations, the Business Responsibility and Sustainability Reporting describing the initiatives taken by the Company from environmental, social and governance perspective forms part of this Annual Report.

11. CORPORATE SOCIAL RESPONSIBILITY

During the financial year ended March 31, 2024, the Company incurred CSR contribution of ₹ 32.90 Lakhs /- (Rupees Thirty two Lacs Ninety thousand Only). The CSR initiatives of the Company were under the area of education , health and Women Empowerment.

Further, the information pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in **Annexure – II** outlining the main initiatives during the year under review.

Further, your Company has obtained certificate from Chief Financial Officer as required under Section 135, of the Companies Act, 2013.

12. COMPANIES POLICIES UNDER THE COMPANES ACT 2013 AND SEBI LISTING REGULATIONS

A. Corporate Social Responsibility Policy

The CSR Policy of the Company is available on the website of the Company at www.onwardgroup.com/investors.php

B. Risk Management Policy

The Company has formulated the Risk Management Policy in accordance with the Regulation 21 of Listing Regulations to be read with Part D of Schedule II. The details with respect to the Risk Management Policy forms part of the Management Discussion and Analysis Report. The Policy is disclosed on our website at www.onwardgroup.com/investors.php

C. Vigil Mechanism/Whistle Blower Policy

Your Company has a Whistle Blower Policy in place as required under Section 177 of the Act and Regulation 22 of the Listing Regulations. The mechanism provides for adequate safeguards against victimization of persons who use such mechanism and makes provisions for direct access to the Chairman of the Audit Committee. More details in this regard have been outlined in the corporate governance report annexed to this report. The Policy is disclosed on the Company's website with the following link: www.onwardgroup.com/investors.php

D. Nomination and Remuneration Policy

Pursuant to the provisions of Section 134(3) (e) and Section 178(3) of the Act and the SEBI Listing Regulations, the policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualification, positive attributes, independence of directors and other matters like Board Diversity are given on the website of the Company at: www.onwardgroup.com/investors.php

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report. The said Policy of the Company, inter-alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations.

E. Prevention of Sexual Harassment of Women at Workplace Policy

Your Company has in place a formal policy for the prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". The Company has formed Internal Complaint Committee who periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act. During the year, there were no complaints received relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

13. LISTING ON STOCK EXCHANGES

The Company's shares are listed on BSE limited and the National Stock Exchange of India Limited.

14. COMPLINACE WITH CODE OF CONDUCT

A declaration signed by the Managing Director affirming compliance with the Company's Code of Conduct by the Directors and Senior Management Personnel, for the financial year

2023-24 as required under Schedule V of the SEBI LODR Regulations forms part of this Annual Report.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge states that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for the year ended on that date;
- c) they 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 your Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts had been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial control are adequate and operating effectively and;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. EMPLOYEES

Employees' Stock Option Schemes

The Company has two employee stock options plans namely Onward Employee Stock Option Plan 2009 (ESOP 2009) and Onward Employee Stock Option Plan 2019 (ESOP 2019) from time to time to motivate, incentivise, attract new talents and inculcate the feeling of employee ownership, and reward employees of the Company and its Subsidiaries. The Nomination and Remuneration Committee administers these ESOP Scheme. There have been no material changes to these plans during the financial year. The disclosures required to be made under relevant provisions of the Act and the SEBI (Share Based Employee Benefits) Regulations, 2014 is given as **Annexure - III** to this report.

Particulars of Employees and related disclosures

In accordance with the requirements of Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended regarding employees is given in **Annexure - IV**. In terms of the provisions of Section 136 of the Act, the Annual Report is being sent to members excluding the aforementioned information. Any member interested in obtaining such information may write to the Company Secretary of the Company.

17. BOARD AND ITS COMMITTEES

Meetings of the Board

During the financial year 2023-24, 4 (four) meetings of the Board of Directors were held on May 12, 2023; July 17, 2023; October 20, 2023 and January 19, 2024. For further details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

Committees of Board

Currently, the Company has four Board level Committees: Audit Committee ('AC'), Nomination and Remuneration Committee ('NRC'), Stakeholders' Relationship Committee ('SRC'), Risk Management Committee ('RMC'). All the recommendations made by the Committees of Board including the Audit Committee were accepted by the Board. For details of the committee, please refer to the corporate governance report which forms a part of this report.

Performance Evaluation of the Board, its Committees and Directors

Pursuant to the provisions of the Companies Act, 2013, the Board is required to carry out annual evaluation of its own performance and that of its committees and individual Directors. Accordingly, your Company has carried out the performance evaluation as required during the year under review. The Independent Directors at their separate meeting review the performance of non-independent directors and the Board as a whole, Chairperson of the Company after taking into account the views of Executive Director and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation Programme for Independent Directors

Pursuant to the SEBI Listing Regulations, the Company has devised a familiarisation

programme for the Independent Directors, with a view to familiarise them with their role, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

Through the familiarisation programme, the Company appraises the independent directors about the business model, corporate strategies, business plans and operations of the Company. These directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarised with Company's vision, mission, core values, and corporate governance practices. Details of familiarisation programme of Independent Directors are available on the website of the Company at www.onwardgroup.com/investors.php

18. AUDITORS AND INFORMATION ON AUDITORS' OBSERVATIONS

Statutory Auditors

M/s. BSR & Co, LLP Chartered Accountants, (Firm Registration No. 101248W/W-100022 were appointed as the Statutory Auditors of the Company for the period of 5 years starting from conclusion of 31st AGM till the conclusion of 36th AGM of the Company to be held in calendar year 2027. The statutory auditor has confirmed that they are not disqualified from being re-appointed as auditor of the Company.

The Auditor's Report on standalone and consolidated financial statements for the year ended March 31, 2024 forms part of the Annual Report and contains an unmodified opinion without any qualification, reservation or adverse remark. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

Secretarial Auditors

The Board of Directors of the Company has appointed Nilesh A. Pradhan & Co., LLP, (FCS No: 7478), Practicing Company Secretary, as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2023-24.

The Secretarial Audit Report for the financial year ended March 31, 2024 under Act, read with Rules made thereunder and Regulation 24A of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **Annexure-V** to this report. The observation/

remark made in the Secretarial Audit Report is self-explanatory and hence do not call for any further explanations or comments by the Board.

Cost Auditors and Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, Cost Audit is not required for the Company for the financial year ended March 31, 2024. The Company is not required to maintain cost records under the provisions of Section 148(1) of the Companies Act, 2013.

Reporting of Frauds by Auditors

During the year under review, none of the auditors have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be form part of the Board's report.

19. CONTRACTS/ARRANGEMENT WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the year under review with Related Parties were in ordinary course of business and on arm's length basis in terms of provisions of the Act. There are no materially significant related party transactions made by the Company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions. The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Note 29 to the Standalone Financial Statements of the Company.

Your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.onwardgroup.com/investors.php

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. The organisation is appropriately staffed with qualified and experienced personnel for

implementing and monitoring the internal control environment. The internal audit function reports to the Audit Committee. Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with Generally Accepted Accounting Principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors. The policies to ensure uniform accounting treatment are prescribed to the subsidiary of your Company. The accounts of the subsidiary company are audited and certified by their respective Auditors for consolidation.

The statutory auditors of your Company have audited the financial statements including this Annual report and have stated on the Company's internal control under Section 143 of Companies Act, 2013 in their report. Further, the Company has appointed Ahuja Valecha & Associates LLP, Chartered Accountants, as an internal auditor of the Company to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan and approved by the Audit Committee.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of notes to the Financial Statements.

22. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO

Particulars required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption, foreign exchange earnings and outgo, are given in **Annexure – VI** forming part of this report.

23. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website on www.onwardgroup.com/investor-news.php

24. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders have been passed by the Regulators/Courts/Tribunals impacting the going concern status and Company's operations in future.

25. OTHER DISCLOSURES

Your directors state the during the financial year under review:

1. Neither the Managing Director or whole time director of the Company received any remuneration or commission from any of its subsidiaries.
2. There was no change in the nature of business of your Company.
3. There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2023-24 and the date of this report.
4. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;
5. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
6. The Company has not issued any sweat equity shares to its directors or employees;
7. There was no revision of financial statements and Boards report of the Company during the year under review.
8. There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
9. There was no instance of one time settlement with any Bank or Financial Institution.

26. APPRECIATION

Your Directors takes this opportunity to express their deep sense of gratitude to high degree of professionalism, commitment and dedication displayed by employees at all levels. Your Directors also wish to thank its esteemed corporate clients, dealers, agents, suppliers, technology partners, investors, Government Authorities and bankers for their continued support and faith reposed in the Company. Your Directors are deeply grateful to the shareholders for the confidence and faith that they have always reposed in the Company.

For and on behalf of the Board of Directors

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Date: May 17, 2024
Place: Mumbai

“Annexure - I” to the Directors Report

Form AOC-1

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

PART A: Statement containing salient features of the financial statements of subsidiary companies

						(₹ in Lakhs)
Sr. No.	Name of the subsidiary	Onward Technologies Inc. (USA)	Onward Technologies GmbH (Germany)	Onward Technologies Canada Inc. (Canada)	Onward Technologies B.V, (Netherlands)	OT Park Pvt Ltd. (India)
1	Date since when subsidiary was acquired	Since 1996	Since 2003	Since 2021	Since 2021	Since 2022
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Parent Company				
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD Rates for Profit & Loss ₹ 82.784; Balance Sheet ₹ 83.3465	EURO Rates for Profit & Loss ₹ 87.3331; Balance Sheet ₹ 89.3995	CAD Rates for Profit & Loss ₹ 60.9044; Balance Sheet ₹ 60.6633	EURO Rates for Profit & Loss ₹ 87.3331; Balance Sheet ₹ 89.3995	INR
4	Share capital (including share application money) ()	951.70	219.98	302.14	86.33	25.38
5	Reserves and surplus	2,080.61	(230.46)	402.26	(116.78)	660.81
6	Total assets	4,517.11	1038.23	1104.74	162.10	793.37
7	Total Liabilities	1,484.80	1048.71	400.53	192.54	107.19
8	Investments	-	-	-	-	-
9	Turnover	14,989.76	2959.17	2640.41	340.65	245.33
10	Profit before taxation	161.81	23.93	597.74	(80.86)	166.76
11	Provision for taxation	0	-	143.26	-	34.17
12	Profit after taxation	161.81	23.93	454.48	(80.86)	132.59
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100	100	100	100	100

Note: There were no subsidiaries which were yet to commence operations or which were liquidated or sold during the year under review.

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

The Company did not have any Associate Companies or Joint ventures during the year under review. Further, there were no associates or joint ventures which were yet to commence operations or which were liquidated or sold during the year under review.

For and on behalf of the Board of Directors

Date: May 17, 2024
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

“Annexure - II” to the Directors Report

Annual Report on Corporate Social Responsibility

1. A brief outline on CSR policy of the Company:

Corporate Social Responsibility (CSR) is a step towards making a positive impact on the world. Similar to business activities, we aim to become a perfect partner for the communities we are a part of. Our CSR policy focuses on using the capabilities of the business to uplift the community by making significant contributions, monetary and through effort, to make education accessible and relevant for future generations. Like every year this year as well the Company's Centre area for CSR contribution was promoting education.

This year your Company has contributed to the tune of ₹ 32.90 Lakhs. Primary focus being education the contribution was made to in line with our focus on health, education initiatives and women empowerment. Onward Tech made its CSR Contribution for FY2023 24 to Pune Sports City Rotary Trust, a foundation which works towards Empowering young women in our community through sports by providing them with the necessary training, coaching, and resources to excel in the field of football.

The Society for the Rehabilitation of Crippled Children, SRCC in facilitating holistic development of children having dyslexia, dysgraphia, dyscalculia, ADHD mild autism, or any such differential learning needs. SRCC has engaged the Centre for Child Development to conduct various therapies and the CASE Special Education Therapy Department to conduct special education therapy for children aged 8-18 years with learning difficulties.

RA Foundation, provides Education to Children in the urban slums of Mumbai and also to Avasara Leadership Institution & Athang Manch towards

education in Pune city. It prides in its focus on holistic and innovative learning methods which have helped students to raise bar in the field of education.

Onward Technologies CSR policy has been prepared in line with the provisions of Section 135 of the Companies Act, 2013 ('Act'). The projects undertaken are within the broad framework of Schedule VII of the Act. Details of the CSR policy and projects or programs undertaken by the Company are available on links given below: <https://www.onwardgroup.com>

2. The Composition of the CSR Committee as on March 31, 2024:

Pursuant to Section 135(9) of Act, the constitution of CSR Committee is not applicable to our Company and the functions of such Committee is transferred to the Board of Directors of the Company.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of the CSR committee: Not Applicable

CSR Policy: <https://www.onwardgroup.com>

CSR Projects: <https://www.onwardgroup.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

During the year under review, the Company has not undertaken any projects for which impact assessment report is applicable.

Directors' Report

5.	a)	Average net profit of the Company as per Section 135(5)	:	₹ 1,642.76 Lakhs
	b)	2% of average net profit of the Company as per Section 135(5)	:	₹ 32.86 Lakhs
	c)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	:	Nil
	d)	Amount required to be set off for the financial year, if any	:	Nil
	e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	:	₹ 32.86 Lakhs
6.	a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) (Note)	:	₹ 32.90 Lakhs
	b)	Amount spent in Administrative Overheads	:	Nil
	c)	Amount spent on Impact Assessment, if applicable	:	Nil
	d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	₹ 32.90 Lakhs
	e)	CSR amount spent or unspent for the financial year	:	₹ 32.90 Lakhs

(₹ in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
₹ 32.90 Lakhs	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
	Nil	—	—	Nil	—

f) Excess amount for set off, if any: ₹ 0.03 Lakhs

(₹ in Lakhs)

Sr. No.	Particulars	Amount
(1)	(2)	(3)
i)	Two percent of average net profit of the Company as per section 135(5)	₹ 32.86
ii)	Total amount spent for the financial year	₹ 32.90
iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.04
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(₹ in Lakhs)

1	2	3	4	5	6	7	8	9
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1.	FY - 2023				Not Applicable			
2.	FY - 2022				Not Applicable			
3.	FY - 2021				Not Applicable			

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
					CSR Registration No.	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

Note: Details of CSR amount spent during the financial year 2023-24

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the project in the Current FY (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Empowering young women in our community through sports by providing them with the necessary training, coaching, and resources to excel in the field of football.	Women Empowerment	Yes	Maharashtra	Pune	7.00	Yes	Pune Sports City Rotary Trust	CSR00003639
2.	Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Special Education	Yes	Maharashtra	Mumbai	6.15	Yes	The Society for the Rehabilitation of Crippled Children (SRCC)	CSR00003225
3.	Ecosystem where vulnerable children can live in a positive environment with human care, access quality education, allowing them to follow their passions and eventually contribute meaningfully to society	Education	Yes	Maharashtra	Mumbai	5.00	Yes	RA Foundation	CSR00006966
4.	Accelerating academic and leadership outcomes for India's brightest girls.	Education	Yes	Maharashtra	Pune	10.00	Yes	Avasara Leadership Institution	CSR00003007
5.	Empowering marginalised children with holistic interventions in health, livelihood, education and disaster relief.	Education	Yes	Maharashtra	Pune	4.75	Yes	Athang Manch	CSR00024832

For and on behalf of the Board of Directors

Date: May 17, 2024
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

“Annexure - III” to the Directors Report

Disclosure of details pertaining to the shares allotted under Onward ESOP 2009 and Onward ESOP 2019 under the provisions of Section on 62(1)(b) of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 during the year under review.

Description	ESOP 2009		ESOP 2019	
	2023-24	2022-23	2023-24	2022-23
Date of Meeting	August 31, 2009		July 25, 2019	
Total number of shares covered by ESOP Scheme approved by the shareholders	35,00,000	35,00,000	35,00,000	35,00,000
Vesting requirements	1 option equals to 4 shares to vested in 4 years		1 option equals to 4 shares to vested in 4 years	
Options granted	Nil	Nil	68,050	25,500
Maximum term of options granted	5 years	5 years	5 years	5 years
Source of shares	Primary	Primary	Primary	Primary
Options vested (in shares)	62,800	96,400	1,54,400	169,500
Options exercised	65,300	95,400	1,49,000	189,000
The total number of shares arising as a result of exercise of option	65,300	95,400	1,49,000	189,000
Options forfeited	Nil	Nil	Nil	Nil
Options lapsed	Nil	16,000	56,800	56,300
Extinguishment or modification of options	Nil	Nil	Nil	Nil
The exercise price	₹ 10/- per share		₹ 20/- per share	
Pricing formula	Face Value		FV ₹ 10/- & Premium ₹ 10/-	
Variation of terms by exercise of options	None	None	None	None
Money realised by exercise of options	6,53,000	954,000	29,80,000	37,80,000
Total number of options outstanding at the end of the year	7,000	69,300	458,700	391,100
Employee - wise details of options granted to:				
Key managerial personnel and Senior Managerial Personnel	Details available on the website of the Company			
Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	None			
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None			
Issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	₹ 22,51,95,700 (22,51,95,70) equity shares	₹ 22,30,52,700 (22,30,52,70) equity shares	₹ 22,51,95,700 (22,51,95,70) equity shares	₹ 22,30,52,700 (22,30,52,70) equity shares
Method used to accounting of options	Fair Value			
Diluted EPS calculated in accordance with International Accounting Standards (IAS) 33	12.10	7.16	12.10	7.16

For and on behalf of the Board of Directors

Date: May 17, 2024
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

“Annexure - IV” to the Directors Report

THE INFORMATION REQUIRED PURSUANT TO SECTION 197 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 IS FURNISHED HEREUNDER

The Ratio of remuneration of each director to the median remuneration of employees:

	(₹ in Lakhs)
Median remuneration (A)	7.80
Remuneration of Mr. Harish Mehta (Executive Chairman) (B)	385.53
Remuneration of Mr. Jigar Mehta (Managing Director) (C)	347.20
Ratio of A to B	49
Ratio of A to C	44

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director/Key Managerial Personnel	% increase in remuneration
Mr. Harish Mehta (Executive Chairman)	Nil
Mr. Jigar Mehta (Managing Director)	Nil

The percentage increase in the median remuneration of employees in the financial year:

Percentage increase in median remuneration	2.00%
--	-------

The number of permanent employees on the rolls of the Company as on March 31, 2024: 2400

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year:	5.1%
Comparison of average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year with the percentile increase in the managerial remuneration and justification thereof	NA
Point out if there are any exceptional circumstances for increase in the managerial remuneration:	NA
Affirmation that the remuneration is as per the remuneration policy of the Company:	Yes

For and on behalf of the Board of Directors

Date: May 17, 2024
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

“Annexure - V” to the Directors Report

MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of,
ONWARD TECHNOLOGIES LIMITED
Sterling Centre, 2nd Floor, Dr. A.B. Road,
Worli, Mumbai – 40 0018

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Onward Technologies Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/Statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by “the Company” and submitted by the Company for verification through electronic mode and also the information provided by “the Company”, its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended March 31, 2024 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended March 31, 2024 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 and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any further share capital during the financial year under review)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the during the financial year under review)
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable as the Company has not delisted /propose to delist any of its securities during the financial year under review.); and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back /propose to buy back any of its securities during the financial year under review).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has paid Late Submission fees (LSF) on August 24, 2023 levied by Reserve Bank of India for delay of submission of Form ESOP with respect to grant of 1550 ESOP Options on July 17, 2023 to one non-resident employee due to additional query raised by Authorised Dealer Bank. The said Form ESOP was filed on August 18, 2023.
2. There was delay of in submission of Form FCGPR towards allotment done to one non- resident employee due to late receipt of KYC of the employee from the bank. The FCGPR for allotment of 5000 Equity Shares pursuant to ESOP Plan on December 05, 2023 was submitted on April 29, 2024.

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

The decisions at Board meetings and committee meetings are carried out unanimously or as recorded in the minutes of the meeting of Board of Directors or committee of the Board, as the case may be.

We 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.

We further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Foreign Technical collaborations.

We further report that during the audit period the Company has not undertaken events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Nilesh A. Pradhan & Co., LLP
Company Secretaries

Prajakta V. Padhye

Partner

FCS No: 7478 | CP No: 7891

PR No: 1908/2022

Place: Mumbai

Date: May 17, 2024

UDIN: F007478F000379905

Note: This report should be read with our letter which is annexed as Annexure – A and forms integral part of this report.

ANNEXURE – A

To,
The Members,
Onward Technologies Limited
Sterling Centre, 2nd Floor, Dr. A.B. Road,
Worli, Mumbai – 400 018.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and internal Control System of the company.
4. Where ever required, more specifically with respect to the all other applicable laws , except as stated in Secretarial Audit Report we have obtained and relied upon the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 Nilesh A. Pradhan & Co., LLP
Company Secretaries

Prajakta V. Padhye

Partner

FCS No: 7478 | CP No: 7891

PR No: 1908/2022

UDIN: F007478F000379905

Place: Mumbai
Date: May 17, 2024

“Annexure - VI” to the Directors Report

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

S. No	Particulars	
1	The steps taken or impact on conservation of energy	Your Company requires energy for its operations and the Company is making all efforts to conserve energy by monitoring energy costs and periodically reviews of the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance / installation / upgradation of energy saving devices.
2	The steps taken by your Company for utilizing alternate sources of energy	
3	The capital investment on energy conservation equipment	Your Company has not made any capital investment on energy conservation equipment.

B. Technology Absorption, Adoption and Innovation:

1	The efforts made towards technology absorption	Your Company uses latest technology and equipment into the business. Further, Your Company is not engaged in any manufacturing activities
2	The benefits derived like product improvement, manufacturing activities, cost reduction, product development or import substitution	-
3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	During the year under review your Company has not imported any new technology.
a)	The details of technology imported	Not Applicable
b)	The year of import	Not Applicable
c)	Whether technology been fully absorbed?	Not Applicable
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
4.	The expenditure incurred on Research and development	Your Company has not spent any amount towards research and developmental activities and has been active in harnessing and tapping the latest and the best technology in the industry.

C. Foreign exchange earnings and outgo:

Particulars	2023-24	2022-23
Foreign exchange earnings	8,792.50	8,806.59
Foreign exchange outgo	967.12	822.38

(₹ in Lakhs)

For and on behalf of the Board of Directors

Date: May 17, 2024
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the Listed Entity

Sr. No.	Determinants	Details
1.	Corporate Identity Number (CIN) of the Company	L28920MH1991PLC062542
2.	Name of the Listed Entity	Onward Technologies Limited
3.	Year of incorporation	1991
4.	Registered office address	Sterling Centre, 2nd floor, Dr Azznnie Besant Road, Worli, Mumbai, Maharashtra, 400018
5.	Corporate address	Sterling Centre, 2nd floor, Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018
6.	E-mail	compliance@onwardgroup.com
7.	Telephone	022-24926570
8.	Website	www.onwardgroup.com
9.	The financial year for which reporting is being done	FY2023-24
10.	Name of the stock exchange(s) where shares are listed	BSE Limited; National Stock Exchange of India Limited
11.	Paid-up capital	₹ 22,51,95,700
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sandeep Bhattacharya Sr. Vice President, Learning and Organizational Development 9168849464 sandeep_bhattacharya@onwardgroup.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	-
15.	Type of assurance obtained	Currently, Onward Technologies has not obtained any assurance

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Onward Technologies is an information technology and computer service provider, specializing in serving esteemed global clients across sectors including Transportation, Mobility, Industrial Equipment, Heavy Machinery, Healthcare, and Medtech. The company's offerings span diverse areas such as computer programming, consultancy, and various other information technology-related services.

Sr. No.	Description of main activity	NIC Code	% of total turnover contributed
1.	Computer programming activities, consultancy and other information technology related services.	62013	100%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Providing software support and maintenance to the clients	62013	100%

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	NA	8	8
International		6	6

19. Markets served by the entity:**a. Number of locations:**

Location	Number
National (No. of states)	4
International (No. of countries)	5

b. What is the contribution of exports as a percentage of the total turnover of the entity?

33%

c. A brief on types of customers

The company caters to a diverse range of industries worldwide, including Transportation & Mobility, Industrial and Heavy Machinery, Healthcare, Hi-Tech, and others. Its clientele comprises OEMs, service providers, and Global 2000 companies.

IV. Employees**20. Details as of the end of the financial year:****a. Employees and workers (including differently abled):**

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	2400	1941	80.87%	459	19.12%
2.	Other than permanent (E)	0			0	0%
3.	Total employees (D + E)	2400	1941	80.87%	459	19.12%
Workers						
4.	Permanent (F)		Not Applicable			
5.	Other than permanent (G)					
6.	Total workers (F + G)					

Not Applicable

b. Differently abled employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	We don't have differently abled employees and workers				
2.	Other than permanent (E)					
3.	Total employees (D + E)					
Differently abled workers						
4.	Permanent (F)	We don't have differently abled employees and workers				
5.	Other than permanent (G)					
6.	Total workers (F + G)					

We don't have differently abled employees and workers

We don't have differently abled employees and workers

Business Responsibility and Sustainability Report

21. Participation/inclusion/representation of women:

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	1	14.2%
Key Management Personnel refer note	2	0	0

22. Turnover rate for permanent employees and workers:

	FY 2023-24 (Turnover rate in current FY)			FY 2022-2023 (Turnover rate in previous FY)			FY 2021-2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.4	32.1	31.5	44.25%	35.96%	42.62%	23.91%	20.09%	23.26%
Permanent Workers	Not Applicable								

V. Holding, subsidiary and associate companies (including joint ventures)

23. (a) Name of holding/ subsidiary/ associated companies/ joint ventures:

Sr. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Onward Technologies, INC.	Subsidiary	100%	Yes
2	Onward Technologies GmbH	Subsidiary	100%	Yes
3	Onward Technologies Canada Inc.	Subsidiary	100%	Yes
4	Onward Technologies BV	Subsidiary	100%	Yes
5	OT Park Private Limited	Subsidiary	100%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes
(ii) Turnover (in lakhs ₹) as per 2024: ₹ 34,595.20Lakhs
(iii) Net worth (in lakhs ₹) as per 2024: ₹ 18,755.17Lakhs

VII. Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If yes, then provide web-link for the grievance redress policy	FY 2023-24		FY 2022-23	
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities	Whistleblower Policy https://onwardgroup.com/investors/investors-reports/CLT24TAB121CAT671_20190917110521.pdf	1	NIL	NIL	NIL
Investors (other than shareholders)	Investor grievances can be submitted via email: investors@onwardgroup.com	NIL	NIL	NIL	NIL
Shareholders	The company has established a Whistleblower Policy to empower stakeholders who observe any unethical behavior or breaches of laws to reach out to the Ombudsman. The reporting procedure enables anonymous submissions for whistleblowers who opt not to disclose their identity. The policy is available on the website: https://onwardgroup.com/data/investors-company-policies.php	NIL	NIL	NIL	NIL
Employees and workers		NIL	NIL	NIL	NIL
Customers		NIL	NIL	NIL	NIL
Value chain partners		NIL	NIL	NIL	NIL
Others		NIL	NIL	NIL	NIL

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Vendor Management	O	To us, vendor management ensures reliable partners, reducing delays and disruptions. It fosters better pricing through negotiation and eliminates risks by vetting suppliers. This translates to smoother operations, cost savings, and a competitive edge to us.	NA	Positive
2	Learning and Development	O	By investing in ongoing training programs, we equip our employees with the skills needed to continuously improve our offerings and stay ahead of the curve.	NA	Positive
3	Quality of Services	O	Quality service unlocks a treasure chest of opportunities to us and fosters loyal customers willing to pay more, builds a stellar reputation that attracts new business, and fuels innovation for future success.	NA	Positive
4	ESG Enhancement	O	Strengthens us by attracting eco-conscious investors, reducing waste and saving costs, and boosting employee morale. This focus on environmental responsibility, social good, and strong governance creates a resilient and future-proof business.	NA	Positive
5	Payment Mechanism	R	It can lead to customer dissatisfaction, disrupt operations and gives further negative consequences.	Strengthen the payment mechanism by improved stakeholder engagement.	Negative

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.

Sr. no.	Principle description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure question	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy /policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web-link of the policies, if available.	https://www.onwardgroup.com/investors.php								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes
4. Name of the national and international codes/certifications / labels /standards (e.g., Forest stewardship council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	ISO 27001: 2013 ISO 9001: 2015 TISAX								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	1. Increase the number of Training Programs to our Employees on Environmental and Social Aspects. 2. Enhance engagement levels with community. 3. To minimized Carbon footprint by 5 % every year. 4. To start initiatives for water and energy conservation.								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	In Process								

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	Yes*	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

*Note: As the nature of the business is Computer Programming, other relativities and consultancy & support services, P2 is not a material topic for us, hence NA.

Section C: Principle-wise Performance Disclosure

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% of persons in the respective category covered by the awareness programs
Board of directors	7	1. Company policies 2. Risk management policy & mitigation plan 3. BRSR reporting 4. Role of governance in ESG enhancement 5. Human Rights 6. Code of conduct 7. Environmental sustainability	100
Key managerial personnel	36	1. Employee Engagement 2. Organizational Performance 3. Customer Centricity 4. Human Rights 5. Code of Conduct 6. Whistleblower Policy 7. POSH 8. Anti-corruption & anti-bribery 9. ESG & sustainability awareness 10. Data privacy & Cyber Security 11. Grievance redressal mechanism 12. Health & mental wellness	100
Employees other than BoD and KMPs	32	1. Employee Engagement 2. Team Building 3. Safety Training Programs 4. Customer Centricity 5. Human Rights 6. Code of Conduct 7. Whistleblower Policy 8. POSH 9. Anti-corruption & anti-bribery 10. ESG & sustainability awareness 11. Data privacy & Cyber Security 12. Grievance redressal mechanism 13. Health & mental wellness	96
Workers		Not Applicable	

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Business Responsibility and Sustainability Report

Monetary					
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty	Principle 1	RBI	7500	Delay in filing of Form ESOP	NO
Settlement					
Compounding fees	-	-	-	-	-
Non-Monetary					
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision are preferred in cases where monetary or non-monetary action has been appealed.

The case was approved by payment of the late fee submission.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, Onward Technologies Limited has a separate anti-bribery policy ensuring socially responsible business conduct. The company adopts a zero-tolerance approach towards bribery and corruption, committed to acting professionally, fairly, and with integrity in all its business dealings across offices. The policy addresses aspects like bribery, gifts, facilitation payments, kickbacks, and political and charitable contributions. Anyone involved in such acts has to face setbacks including penalties, imprisonment, fines and other rigorous measures as taken by the company. Additionally, the company's zero tolerance approach against corruption and bribery is communicated to all customers, clients, vendors and business partners.

Anti-bribery policy: [BRSR-anti-bribery-policy.pdf \(onwardgroup.com\)](#)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs		
Employee		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issue of conflict of interest of the directors	0	No complaint received	0	No complaint received
Number of complaints received in relation to issue of conflict of interest of the KMPs	0	No complaint received	0	No complaint received

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	124	91

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	8286.02	5948.06
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

Leadership Indicators

1 Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company receives an annual declaration (changes from time to time) from its Board members and KMP on the entities they are interested in and ensures requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities/individuals.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe**Essential Indicators**

1. **Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.**

	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D			
Capex		NIL	

2. **(a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

As the nature of business of the Company is Information Technology, the consumption of resources is limited. Henceforth, sustainable sourcing is not a material for us, hence not applicable.

(b) If yes, what percentage of input was sourced sustainably?

Not Applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste type	Waste management procedure in place
Plastic (including packaging)	The Company is providing services to its customers and does not manufacture any products. The Company's generated e-waste and battery waste is sent to the authorized vendors/recyclers for recycling.
E-waste	
Hazardous Waste	
Other Waste	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable to Onward Technologies Limited

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life cycle perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes provide the web-link
Not Applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed,**

Not Applicable

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1941	1941	100%	1941	100%	-		1941	100%	0	
Female	459	459	100%	459	100%	459	100%	NA			
Total	2400	2400	100%	2400	100%	459	100%	1941	100%		
Other than permanent employees											
Male											
Female											Not Applicable
Total											

*We have day-care facilities for all employees. However, they have not been utilized thus far. In order to optimize the utilization of these facilities, we are actively seeking partnerships to provide daycare services near our offices.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male											
Female											Not applicable
Total											
Other than permanent employees											
Male											
Female											Not applicable
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY23-24 (Current Financial Year)	FY22-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company.	0.50%	0.42%

2. Details of retirement benefits

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.95	Not Applicable	Yes	99.95	Not Applicable	Yes
Gratuity	99.95	Not Applicable	Yes	99.95	Not Applicable	Yes
ESI	0.04	Not Applicable	Yes	1.20	Not Applicable	Yes
Others	Not applicable					

3. Accessibility of workplaces- are the premises/ offices of the entity accessible to differently abled employees and workers as per the requirements of the rights of persons with disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises and offices of Onward Technologies Limited adhere to the guidelines outlined in the Rights of Persons with Disabilities Act, 2016. The company's Equal Opportunity Policy affirms its commitment to ensuring proper infrastructure and reasonable accommodation is provided to persons with disabilities and enable them to effectively discharge their duties. The company premises include ramps, elevators, and other accommodation to ensure accessibility for differently abled employees and workers. Additionally, wheelchair-friendly ramps have been installed to facilitate easy navigation within our premises, demonstrating the commitment to inclusivity and equal opportunity in the workplace.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, Onward Technologies Limited has an Equal Opportunity Policy which affirms its commitment to providing equal opportunity to all its employees, regardless of their race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation, or disability. The company is dedicated to promoting a workplace that is free of discrimination, harassment, and retaliation. The company also follows action-based investigation approach in case of breach the policy either through discrimination, harassment, bullying or victimizing other employees or by making false claims.

Equal Opportunity Policy: <https://www.onwardgroup.com/investors/investors-reports/BRSR-equal-employment-opportunity-policy.pdf>

5. Return to work and retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Not applicable	
Female	96%	100%		
Total	99%	100%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers (Permanent workers, Other than permanent workers, Permanent employees, Other than permanent employees)? If yes, give details of the mechanism in brief.

Permanent Worker	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees	Onward Technologies Limited's whistleblower policy ensures that all employees can report any observed malpractices, whether concerning themselves or other employees. Any employee with a grievance must submit a written complaint to the Ombudsman. In cases where an employee needs to file a complaint against the Ombudsman, a copy of the complaint should be forwarded to the Chairman of the Audit Committee. If the matter is determined to be a personal dispute or is deemed suitable for resolution through the standard grievance settlement procedure, the Ombudsman may assist the complainant in resolving the matter amicably without further investigation. However, if the Ombudsman concludes that serious misconduct is involved, an investigation may be initiated, which may involve questioning and the involvement of third parties to gather evidence. Protected disclosures can be sent on whistleblower@onwardgroup.com and to the Vigilance and Ethics officer i.e. the Compliance Officer of the Company at compliance@onwardgroup.com . For grievances related to sexual harassment, employees may also contact: posh@onwardgroup.com
Other than permanent Employees	Not Applicable

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

No. There is no such employee association that is officially recognized by the Company.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and Safety measures		On skill upgradation		Total (D)	On health and Safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	1941	1890	97.37%	1853	95.47%	2249	2132	94.8%	2084	92.66%
Female	459	459	100%	459	100%	549	549	100%	549	100%
Total	2400	2349	97.88%	2312	96.33%	2798	2681	95.8%	2633	94.10%
Workers										
Male										
Female	Not applicable									
Total										

Not applicable

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1941	1787	92.06%	2249	2056	91.4%
Female	459	448	97.60%	549	522	95.1%
Total	2400	2227	92.80%	2798	2578	92.1%
Workers						
Male						
Female						
Total						

Not applicable

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?

Yes, Onward Technologies prioritizes the well-being of its workforce and has established a Safety and Security Policy applicable to all permanent and non-permanent employees. This includes coverage under health insurance, accidental insurance, and provision for maternal & parental leave.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At Onward Technologies, the process of identifying work-related hazards and assessing risks involves several key steps. Firstly, standard operating procedures are in place to regularly inspect workstations and ergonomic setups, ensuring they meet safety standards and are adjusted appropriately. Additionally, the Safety and Security Policy outlines procedures for identifying, reporting, and responding to any incidents or suspicious activities that may affect security at Onward Technologies through Incident Response Process. Employees have the means to report issues through email at ftpadmin_pune@onwardgroup.com, and incident reports are diligently filled out by administrators for every occurrence, contributing to a comprehensive approach to risk management and workplace safety. Furthermore, measures such as promoting awareness of correct posture and scheduling regular break periods are implemented to mitigate short-term strain for employees.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks.

Not applicable as the company does not have any worker

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the Company provides non-occupational medical and healthcare services to its employees and workers. Further, the Company ensures the provision of medical insurance to all its employees.

11. Details of safety-related incidents.

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (Per one million-person hours worked)	Employee	NIL	NIL
	Worker		
Total recordable work-related injuries	Employee		
	Worker		
No. of fatalities	Employee		
	Worker		
High-consequence work-related injury or ill-health (Excluding fatalities)	Employee	NIL	NIL
	Worker		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company is firmly committed to ensuring that all work activities are conducted safely, with every possible precaution taken to eliminate or minimize risks to the health, safety, and well-being of its employees, contractors, and authorized visitors. The responsibilities include:

- i. Implementation of Fire Safety Guidelines encompassing rules concerning fire-fighting equipment, emergency exits, fire drills, and other safety measures essential for maintaining office facilities.
- ii. Establishment of an Incident Reporting platform facilitated by employees to address physical, mental, emotional, and financial wellness needs comprehensively.
- iii. Implementation of a wellness calendar aimed at promoting the health of employees and their families.
- iv. Regular organization of health check-ups and mental health awareness sessions to tackle issues arising from sedentary lifestyles and stress.
- v. Provision of a comprehensive maternity care program catering to the needs of all female employees.

13. Number of complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions			NIL			
Health & safety						

14. Assessments for the year

	% of offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%*
Working conditions	100%*

*Internal Assessment

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions. NIL**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

(A) Employees	Yes, as per Workman compensation act & Group Personal Accident Policy
(B) Workers	Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

To ensure that statutory dues have been deducted and deposited by our value chain partners, we have implemented the following measures:

1. Contractual Obligations: We include specific clauses in our contracts with value chain partners that outline their responsibility to deduct and deposit statutory dues in accordance with applicable laws and regulations. These clauses clearly define the obligations of the partners regarding tax deductions, employee contributions, and other statutory payments.
2. Verification and Documentation: We require value chain partners to provide documentation

demonstrating compliance with statutory requirements, including proof of tax deductions and deposits. This may include copies of tax returns, payment receipts, and other relevant documentation. We verify the accuracy and completeness of these documents through regular audits and assessments.

3. **Training and Guidance:** We offer training and guidance to our value chain partners to ensure they understand their obligations regarding statutory dues. This includes providing information on relevant laws and regulations, as well as offering support in navigating tax compliance requirements.
4. **Monitoring and Reporting Mechanisms:** We have established monitoring mechanisms to track the compliance of value chain partners with statutory requirements. This may involve regular reporting requirements, where partners are required to provide updates on their compliance status. Additionally, we conduct periodic audits to verify compliance and identify any areas of non-compliance that require corrective action.
5. **Remedial Measures:** In cases where non-compliance is identified, we take appropriate remedial measures to address the issue. This may include working with the partner to rectify the non-compliance, imposing penalties or sanctions as specified in the contract, or terminating the partnership if necessary.
6. **Collaboration with Regulatory Authorities:** We collaborate with regulatory authorities to ensure compliance with statutory requirements. This may involve sharing information and cooperating in investigations to address instances of non-compliance effectively.

By implementing these measures, we strive to ensure that statutory dues are deducted and deposited by our value chain partners in accordance with applicable laws and regulations. We are committed to upholding high standards of legal and regulatory compliance throughout our value chain.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Not Applicable

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Our entity recognizes the importance of supporting employees through transitions in their careers, whether it be retirement or termination of employment. To facilitate continued employability and assist in managing career endings, we have implemented robust transition assistance programs. For employees nearing retirement, our program includes comprehensive workshops and seminars designed to help them plan for life after their career. These sessions cover topics such as financial planning, healthcare options, and personal development to ensure a smooth transition into retirement. Additionally, we offer one-on-one counselling sessions with retirement experts to address individual concerns and provide tailored guidance.

In the case of termination of employment, we provide a range of support services aimed at helping affected employees navigate their next steps. This includes resume writing workshops, interview preparation sessions, and networking opportunities to aid in securing new employment opportunities. Furthermore, we offer access to career counselling services and job placement assistance to support individuals in finding suitable roles aligned with their skills and interests. Our transition assistance programs are designed to empower employees during times of change, equipping them with the resources and support needed to transition successfully into the next phase of their professional lives. We understand the importance of fostering a supportive environment that values the well-being and career development of our employees, and our programs reflect this commitment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	87%
Working conditions	83%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners below:

To address significant risks or concerns arising from assessments of health and safety practices and working conditions of value chain partners, we have implemented several corrective actions. These actions are aimed at ensuring the safety and well-being of workers throughout our value chain:

1. **Enhanced Audits and Assessments:** We have intensified our audits and assessments of value chain partners to identify any gaps or deficiencies in health and safety practices and working conditions. These assessments are conducted regularly and involve thorough inspections of facilities and processes.
2. **Training and Capacity Building:** We provide comprehensive training programs to our value chain partners to enhance their understanding of health and safety protocols and best practices. This includes workshops on occupational health and safety, hazard identification, and emergency response procedures.
3. **Collaborative Initiatives:** We collaborate with value chain partners to develop and implement joint initiatives aimed at improving health and safety standards. This may involve sharing resources, expertise, and best practices to address common challenges and drive continuous improvement.
4. **Supplier Engagement Programs:** We engage with suppliers and other value chain partners in constructive dialogues to address concerns and identify opportunities for improvement. These engagements foster open communication and enable us to work together towards shared health and safety goals.
5. **Remediation Plans:** In instances where significant risks or concerns are identified, we develop and implement remediation plans in collaboration with the affected partners. These plans outline specific actions to address the issues identified, with clear timelines and responsibilities assigned to ensure timely resolution.
6. **Monitoring and Evaluation:** We conduct regular monitoring and evaluation of the effectiveness of corrective actions implemented. This involves tracking key performance indicators related to health and safety outcomes, as well as conducting follow-up assessments to verify compliance and identify any further areas for improvement.

By taking these corrective actions, we are committed to mitigating risks and addressing concerns related to health and safety practices and working conditions within our value chain. We recognize the importance of upholding high standards of workplace safety and are dedicated to continuous improvement in this area.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

Onward Technologies holds a strong commitment to fostering and maintaining positive relationships with its stakeholders to drive long-term value creation. Internal and external stakeholders who significantly influence the company's operational performance are regarded as key stakeholders, highlighting their pivotal role in the company's success. Engaging with a diverse spectrum of stakeholders allows the company to gain deeper insights into their needs and expectations, enabling the development of sustainable strategies across short, medium, and long-term objectives. This proactive engagement with stakeholders not only helps in managing risks but also in identifying and seizing opportunities within the business operations. Key stakeholders encompass employees, vendors, customers, investors/shareholders, regulatory bodies, and communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalized group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/half-yearly quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	In-person meetings, Email, SMS, Website, Corporate Brochure	Annual and whenever required.	Customer communication and relationship management Operational & Administrative support Sales and Delivery Customer feedback Onward Technologies Limited compliance.
Employees	No	Town Halls, All hands meeting/In-person meetings, Email, SMS, Town Halls, Posters, Offsite meetings	Daily/ Weekly reviews / Monthly/	KRA goal setting and performance Corporate Culture Events Company performance and goals Ethical Business Conduct
Investors/Shareholders	No	Website/BSE/NSE Websites/	Quarterly as well as Half-Yearly and Annual ap-praisal	Corporate governance ESG disclosures Regulatory compliance Overall Company performance Key Business decisions
Communities (Healthcare & Education for the under-privileged)	Yes	CSR visits and interaction	Annually	CSR contributions and Community development
Value Chain Partners (Suppliers)	No	Emails, meetings	As and when required.	Supplier engagement Timely payments Collaboration
Regulatory Bodies	No	Statutes and regulations	Whenever required.	Statutory and Regulatory Compliances

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board below;**

To ensure comprehensive stakeholder involvement in ESG (Environmental, Social, and Governance) matters, we empower relevant departments to lead consultations. This fosters ongoing dialogue and collaboration with these key audiences.

Furthermore, we leverage a data-driven and consultative approach to identify our most material ESG issues. This process involves prioritizing topics based on their potential impact on both our stakeholders and our business operations. By focusing on these material issues, we ensure our ESG efforts address the areas of greatest significance.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Material topics were shortlisted and prioritized based on their impact on our stakeholders and our business

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

NA

Principle 5: Businesses should respect and promote human rights.**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	2400	2400	100%	2795	1189	42.5%
Other than permanent	0	0	0	3	3	100%
Total employees	2400	2400	100%	2798	1192	42.6%
Workers						
Permanent						
Other than permanent						
Total employees						

NA

2. Details of minimum wages paid to employees and workers

Category	FY 2023-24			
	Total (A)	Equal to minimum wage		More than minimum wage
Employees		No. (B)	%(B/A)	No. (C) % (C/A)
Permanent	2400	-	-	2400 100%
Male	1941	-	-	1941 100%
Female	459	-	-	459 100%
Other than permanent				
Male				Not Applicable
Female				
Worker				
Permanent				
Male				
Female				Not Applicable
Other than permanent				
Male				
Female				

Category	FY 2022-23			
	Total (A)	Equal to minimum wage		More than minimum wage
Employees		No. (B)	%(B/A)	No. (C) % (C/A)
Permanent	2795	-	-	2795 100%
Male	2246	-	-	2246 100%
Female	549	-	-	549 100%
Other than permanent	3	-	-	3 100%
Male	3	-	-	3 100%
Female	0	-	-	0 -
Worker				
Permanent				
Male				
Female				Not Applicable
Other than permanent				
Male				
Female				

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/ wages:

	Male		Female	
	Numbers	Median remuneration / salary / wages of respective category	Numbers	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	6	130000	1	135000
Key managerial personnel	2	3035014	0	0
Employees other than BoD and KMP	1937	750004	459	695512
Workers		Not Applicable		

b. Gross wages paid to females as % of total wages paid by the entity, in the following format.

	FY23-24 (Current Financial Year)	FY22-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	18.82%	17.57%

4. Do you have a focal point (individual/committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, we have a grievance redressal committee in place, which is responsible for addressing, investigating and resolution of any grievance raised by an employee, vendor, customer or other internal and external stakeholders.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Onward Technologies Limited strongly prohibits and has zero tolerance towards all forms of child labor, slavery, forced labor and harassment (physical, sexual, psychological or verbal abuse). We have a well-defined grievance redressal mechanism in place ensuring prompt and effective resolution of grievances and the grievance redressal committee is responsible for investigating, evaluating and deciding on the resolution. The grievance redressal mechanism includes below-mentioned four step process:

- Any grievance of an Employee should first be discussed verbally by him/her with the immediate supervisor.
- Post Employee should connect directly with HRBP.
- If not solved by HRBP; HRBP should communicate this to Escalation-1 for further proceedings and actions.
- If not resolved, then HRBP should take up the matter to final Escalation with MD through conciliation within 5 working days of the reporting thereof.

Human Rights Policy: <https://www.onwardgroup.com/investors/investors-reports/BRSR-human-rights-policy.pdf>

6. Number of complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labor/Involuntary labor	-	-	-	-	-	-
Wages	1	-	-	-	-	-
Other human rights-related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY23-24 (Current Financial Year)	FY22-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

At Onward Technologies Limited, ensuring the safety and well-being of our employees is of utmost importance. Any threats, adverse consequences, or retaliation against complainants are completely against our company's core values. As part of this commitment, we have implemented several mechanisms. Firstly, we provide mandatory Prevention of Sexual Harassment (PoSH) induction to all employees, including new hires, covering approximately 2000 to 3000 employees annually. Additionally, we conduct quarterly sessions led by external Internal Committee (IC) members to communicate our policies effectively.

Moreover, our offices across India prominently display posters conveying our zero-tolerance stance towards workplace harassment, accompanied by a dedicated email address (posh@onwardgroup.com) for lodging complaints. We also have a whistleblower policy accessible on both our HRMS and website, ensuring that employees can report violations without fear of reprisal and can expect full support from the company. Complaints are directly addressed to senior management via whistleblower@onwardgroup.com. Any form of threats or retaliation against employees who report violations or assist in investigations is strictly prohibited. All relevant policies are readily available on our website for easy reference.

PoSH Policy: <https://www.onwardgroup.com/investors/investors-reports/POSH%20Policy.pdf>

Whistleblower Policy: <https://www.onwardgroup.com/investors/investors-reports/Whistle%20Blower%20Policy.pdf>

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes, human rights are a part of all agreements with customers as well as contractors. Our human rights policy applies to all permanent and non-permanent employees, contractors, vendors, suppliers and other stakeholders in the company across all entities/geographies of Onward Tech. The policy covers aspects such as workplace health & safety, equal-opportunity, diversity & inclusion, no-discrimination, freedom of association, decent working hours, prevention of sexual harassment etc.

Human Rights Policy: <https://www.onwardgroup.com/investors/investors-reports/BRSR-human-rights-policy.pdf>

10. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	NA
Forced/involuntary labor	NA
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – Please specify	NA

*Internal Assessment

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

NIL

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

We had comprehensive review of our business processes to address Human Rights related grievances/complaints effectively.

1. Enhanced Supplier Assessment: Revised supplier assessment criteria to include stringent checks on labour practices and human rights compliance. This includes regular audits and assessments of working conditions.
2. Transparent Reporting Mechanisms: A new reporting mechanism is introduced to encourage employees to report any human rights violations anonymously. This platform ensures confidentiality and allows for swift action in addressing grievances.
3. Stakeholder Engagement: Established a dedicated email ID & compliance department focused on stakeholder engagement and human rights. This team actively collaborates with local communities, NGOs, and government agencies to understand concerns and implement appropriate solutions.
4. Employee Training and Awareness: Comprehensive training programs are developed to educate employees at all levels about human rights standards, ethical business practices, and their role in upholding these principles within the organization.
5. Supplier Capacity Building: We are investing in capacity-building initiatives for our suppliers, providing resources and training to improve labour standards, workplace safety, and employee welfare.
6. Incorporating Human Rights into Corporate Culture: Human rights principles are integrated into the company's core values and corporate culture. This includes regular communication, recognition of exemplary practices, and accountability for non-compliance.
7. Monitoring and Evaluation: Regular monitoring and evaluation mechanisms are established to track the effectiveness of these process modifications. Key performance indicators (KPIs) related to human rights compliance, such as reduction in complaints, improved labour conditions, and supplier adherence to standards, are closely monitored.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No such human rights due diligence is conducted in FY24

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises and offices of Onward Technologies Limited adhere to the guidelines outlined in the Rights of Persons with Disabilities Act, 2016. The company's Equal Opportunity Policy affirms its commitment to ensuring proper infrastructure and reasonable accommodation is provided to persons with disabilities and enable them to effectively discharge their duties. The company premises include ramps, elevators, and other accommodation to ensure accessibility for differently abled employees and workers. Additionally, wheelchair-friendly ramps have been installed to facilitate easy navigation within our premises, demonstrating our commitment to inclusivity and equal opportunity in the workplace.

Equal Opportunity Policy: <https://www.onwardgroup.com/investors/investors-reports/BRSR-equal-employment-opportunity-policy.pdf>

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	NIL
Child Labour	100%
Forced Labour/Involuntary Labour	NIL
Wages	100%
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in GJ) and energy intensity**

Parameter	FY 2023-24	FY 2022-23
From renewable source		
Total electricity consumption (A)	962.88	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	962.88	0
From non-renewable source		
Total electricity consumption (D)	2799.66	7261.37
Total fuel consumption (E)	606.13	162.434
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	3383.3	7423.81
Total energy consumed (A+B+C+D+E+F)	4346.17	7423.81
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00000126	0.00000236
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not applicable

3. Provide details of the following disclosures related to water:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source in kiloliters		
i. Surface water	-	-
ii. Groundwater	-	-
iii. Third party water	292	202.52
iv. Seawater / desalinated water	-	-
v. Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	292	202.52
Total volume of water consumption (in kiloliters)	292	202.52
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.000000084	0.000000064
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional)-the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment /evaluation /assurance has been carried out by any external agency? (Y/N), If Yes, name of the external agency. No

4. Provide the following details related to water discharged

S. No.	Parameter	Unit	Current Financial Year (FY23-24)	Previous Financial Year (FY22-23)
Water discharge by destination and level of treatment (in kiloliters)				
(i)	To Surface water	Kilolitre		Nil
	a. No Treatment	Kilolitre		
	b. With treatment – please specify level of treatment	Kilolitre		
(ii)	Groundwater	Kilolitre		Nil
	a. No Treatment	Kilolitre		
	b. With treatment – please specify level of treatment	Kilolitre		
(iii)	To Sea water	Kilolitre		Nil
	a. No Treatment	Kilolitre		
	b. With treatment – please specify level of treatment	Kilolitre		
(iv)	Sent to third parties	Kilolitre		Nil
	a. No Treatment	Kilolitre		
	b. With treatment – please specify level of treatment	Kilolitre		
(v)	Others	Kilolitre		Nil
	a. No Treatment	Kilolitre		
	b. With treatment – please specify level of treatment	Kilolitre		
	Total Water Discharged (in Kilolitres)	Kilolitre		Nil
	Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency			No

5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

Not Applicable

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2023.24	FY 2022-23
NOx	Kg	NIL	NIL
SOx	Kg		
Particulate matter (PM)	Kg		
Persistent organic pollutants (POP)	Kg		
Volatile organic compounds (VOC)	Kg		
Hazardous air pollutants (HAP)	Kg		
Others – please specify	KG		
		68	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Tonnes of CO ₂ equivalent	153.6	11.33
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Tonnes of CO ₂ equivalent	727.2	1633.81
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Tonnes of CO ₂ equivalent	0.00000025	0.00000052
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

8. Does the entity have any project related to reducing greenhouse gas emissions? If yes, then provide details.

Yes, Onward Technologies has taken the following projects as an effort to reduce Green House Gas (GHG) emissions:

- To reduce carbon footprint, the Company has implemented various measures in its Pune office such as Star certified appliances and LED lighting.
- Also reduced paper usage as a part of their digital transformation efforts and have taken steps to eliminate single-use plastics in their offices by providing insulated bottles for their employees.
- Onward has adopted wind power in FY2023-24 for electricity generation saving 510217KWH of energy

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Plastic waste (A)	0.13	0.108
E-waste (B)	0	0.335
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0.40
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). (Carton Box, White Paper, Book Cover Paper, Iron, Steel)	2.19	0.63
Total (A+B + C + D + E + F + G+ H)	2.32	1.473
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	-	-
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)

Parameter	FY 2023-24	FY 2022-23
Category of waste		
(i) Re-used	0	0
(ii) Other recovery operations	0	0
Total	0	0

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)

Parameter	FY 2023-24	FY 2022-23
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.

The nature of the business of Onward Technologies does not involve the use of hazardous or toxic chemicals. Whereas, the Company has adopted several wastes management practices in its pan India offices.

- i. It has Implemented an E-waste collection program across its branches throughout India and works with certified E-waste handlers to properly dispose of all the E-Waste.
- ii. The Company uses local vendors for the disposal of non-hazardous waste such as paper.
- iii. The Company has also reduced paper usage as a part of their digital transformation efforts, and have taken steps to eliminate single- use plastics in their offices by providing insulated bottles for their employees to use.
- iv. Dry and wet waste segregation process initiated

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format.

Not Applicable

12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances.

Yes

Leadership Indicators**1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):****For each facility/ plant located in areas of water stress, provide the following information:**

1. Name of the area:
2. Nature of operations:
3. Water withdrawal, consumption and discharge in the following format;

Parameter	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
1. Surface water	Nil	Nil
2. To Groundwater	Nil	Nil
3. Third party water	292	202.52
4. Seawater/ desalinated water	Nil	Nil
5. Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	Nil	Nil
Total volume of water consumption (in kilolitres)	292	202.52
Water intensity per rupee of turnover (Water consumed/turnover)	0.000000093	0.000000064
Water intensity (optional)- the relevant metric may be selected by the entity	Nil	Nil
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	NIL	
No treatment		
With treatment – please specify the level of treatment		
(ii) Into Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) Into Seawater		
No treatment		
With treatment – please specify the level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit (Metric tonnes of CO2 equivalent)	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	12	
	11.65	-	
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Wind Power: Electricity Generation	Electricity generated through wind power (267466 Kwh)	Onward saved 510217KWH of energy in the current financial year (FY2023-24)

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No such adverse impact found

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

Three

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	National Association of Software and Service Companies (NASSCOM)	National
2	The IndUS Entrepreneurs (TiE), Mumbai	National
3	Indian Merchant Chambers (IMC)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity-based on adverse orders from regulatory authorities.

Not applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link if available
1	Policy on Material Subsidiary		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
2	Policy on Related Party Transaction		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
3	Policy on determination of materiality for disclosures		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
4	Dividend distribution policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
5	Whistleblower policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
6	Policy on archival of documents		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
7	Policy on appointment of directors and board diversity		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
8	Corporate Social Responsibility Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
9	Policy relating to remuneration of the directors, key managerial personnel and other employees.		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
10	Insider Trading Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others - please specify)	Web Link if available
11	Familiarization Program of Independent Director		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
12	Criteria for Appointment of Independent Director		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
13	Risk Management Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
15	Prevention of Sexual harassment policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
16	Business Ethics & code of conduct Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
17	Human Rights Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php
18	Anti Bribery Policy		Yes	Others- as and when regulation amends	www.onwardgroup.com/investors.php

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

3. Describe the mechanisms to receive and redress the grievances of the community.

Onward Technologies Limited prioritizes the concerns of the community and provides accessible mechanisms for grievance redressal. Our Whistleblower policy encompasses all internal and external stakeholders across our various entities and geographies. Community members can raise their concerns directly to our Vigilance and Ethics Officer at compliance@onwardgroup.com or via whistleblower@onwardgroup.com. The Audit Committee is responsible for recording, investigating, and resolving all grievances within a timeframe of 90 days, with the flexibility for extensions if needed, ensuring timely and effective redressal while also implementing corrective actions as necessary.

Whistleblower Policy: <https://www.onwardgroup.com/investors/investors-reports/Whistle%20Blower%20Policy.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	20.12%	81.48%
Sourced directly from within the district and neighboring districts	29.09%	18.51%

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non- permanent/ on contract basis) in the following locations, as % of total wage cost;**

Location	FY 2023-24	FY 2022-23
Rural	0	
Semi- urban	0	
Urban	56	0
Metropolitan	44	0

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

NIL

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No, we do not have sustainable sourcing or procurement policy as the nature of the business is computer programming, consultancy & other IT-related support services

- (b) **From which marginalized /vulnerable groups do you procure?**

Not Applicable

- (c) **What percentage of total procurement (by value) does it constitute?**

Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

NIL

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

Sr. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Avasara Leadership Institute	467	98%
2	Pune Sports City Rotary Trust	30	30%
3	The Society for the Rehabilitation of Crippled Children	60	30%
4	Ra Foundation	32	100%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Onward Technologies is certified under ISO 9001:2015, ensuring its Quality Management System is top-notch. The organization has implemented a sturdy mechanism and framework to effectively track and address customer complaints, conducting thorough root cause analyses as part of its process.

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about.:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/ or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No Customer complaint received related to Data Privacy	0	0	No Customer complaint received related to Data Privacy
Advertising	0	0	-	0	0	-
Cyber-security	0	0	No Customer complaint received related to Cyber Security	0	0	No Customer complaint received related to Cyber Security
Delivery of essential services	6	0	RCA performed for identified Customer Complaints	6	0	RCA performed for identified Customer Complaints
Restrictive trade practices	0	0	-	0	0	-
Unfair trade practices	0	0	-	0	0	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues.

Location	Number	Reasons to recall
Voluntary recall	Not Applicable	
Forced recall		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes, Privacy policy is available on the website. This policy outlines the safety and security incident response protocol for all employees within the organization. The company is dedicated to ensuring that all work

activities are conducted safely, with every effort made to eliminate or minimize risks to the health, safety, and well-being of its employees, contractors, and authorized visitors. In the event of an accident or serious illness occurring while on duty, employees are required to promptly inform the Local Administrator, Reporting Manager, and respective HR Business Partner, despite our diligent efforts to maintain safe working conditions.

Safety & Security Policy: <https://www.onwardgroup.com/investors/investors-reports/BRSR-safety-and-security-policy.pdf>

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/ services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches	2
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	No impact

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

<https://www.onwardgroup.com/>

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not Applicable, as the nature of business of the company is Information Technology. The company does not offer any products or services that may pose safety concerns or be subject to misuse.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

OTL informs its consumers of any risks of disruption/discontinuation of services through frequent status reporting and email

4. a. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Not Applicable

- b. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

No

Management Discussion & Analysis

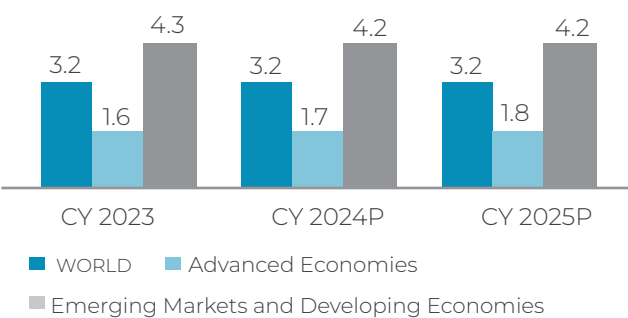
Macro Economy Review

Global Economy

The global economy exhibited remarkable resilience in FY 2023-24, rebounding strongly after experiencing a year of declining inflation. The resilience was evident in steady employment and income growth, supported by robust demand fuelled by increased government spending and household consumption, as well as expansions in labour force participation. Despite substantial central bank interest rate hikes to restore price stability, households in major advanced economies tapped into significant pandemic-era savings, contributing to the unexpected economic strength.

Global economy has grown by 3.2% in 2023 and is forecasted to maintain this growth pace throughout 2024 and 2025. Short-term factors like high borrowing costs and fiscal support withdrawal, coupled with geopolitical tensions, and weak productivity growth, contributed to this restrained global growth trajectory. Although headline inflation is projected to decline gradually, structural barriers impeding capital and labour mobility persist, hindering the convergence towards higher living standards for middle- and lower-income countries.

World Economic Growth (%)



Source: IMF April 2023 report

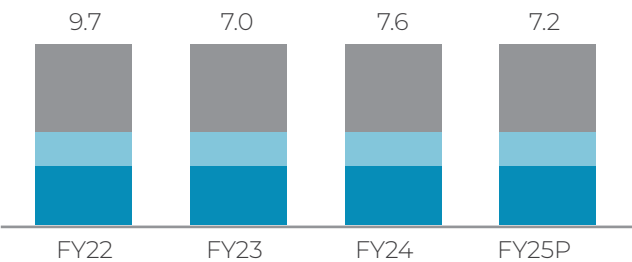
In 2024, advanced economies are expected to grow by 1.7%, with a slight uptick to 1.8% in 2025, compared to the 1.6% growth seen in 2023. While the emerging markets and developing economies are predicted to expand by 4.2% in both 2024 and 2025, a slight decrease from the 4.3% growth observed in 2023. The global economic outlook has been characterised with balanced risks along with concerns including potential price spikes from geopolitical tensions, declining inflation rates among major economies, and high government debt prompting disruptive fiscal policies. Prioritising medium-term fiscal consolidation and tailored policy responses, alongside multilateral

cooperation, are imperative for steering the global economy towards sustainable growth amidst evolving risks.

Indian Economy

India's economic growth has been fueled by strong domestic demand and robust expansion across various sectors. According to the National Statistics Office (NSO), the Indian economy is anticipated to experience accelerated growth, reaching 7.6% for FY 2023-24, surpassing the previous year's expansion rate of 7.0%. The expansion momentum was driven by several positive macroeconomic indicators, including improved labor market conditions, heightened urban demand, and increased government emphasis on capital expenditure. India's economic growth is propelled by various factors, including a significant emphasis on digitization. The adoption of digital technologies and services has streamlined processes, increased efficiency, and opened new avenues for business.

Indian Economic Outlook (%)



Source: NSO estimates dated 29th February 2024, RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 7th June 2024

On the demand side, household consumption is expected to strengthen. Prospects for fixed investment are also bright due to the upturn in the private capital expenditure cycle, improved business sentiments, healthy balance sheets of banks and corporations, and the government's continued focus on capital expenditure. The economy's strength and resilience, coupled with recent reforms, have laid a strong foundation for long-term growth. The Indian GDP is anticipated to achieve a growth rate of 7.2% in FY 2024-25. High-frequency indicators like automobile sales and GST (Goods and Services Tax) revenues have shown strong growth. Additionally, the improving global trade outlook and greater integration into the global supply chain will boost net external demand. However, potential challenges from geopolitical tensions, international financial market volatility, and geoeconomic fragmentation could pose risks to this outlook.

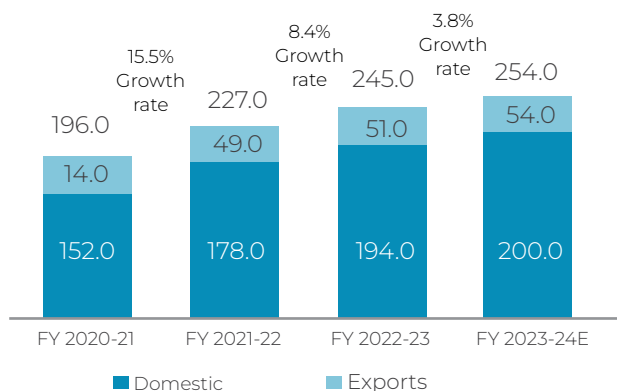
Industry Overview

Indian Information Technology (IT) Sector

India remains the top choice for the tech industry across the globe and has also consistently held the number one position as an offshore location for business services in the AT Kearney Global Services Location Index. Even during uncertainty, the Indian tech industry has shown resilience, highlighting its adaptability and inherent strength. It experienced increased momentum, marked by a surge in large tech deals, stable net profit margins, reduced attrition rates, heightened utilisation, and sustained market trust. India's IT industry revenue, including hardware, reached US\$ 254.0 billion in FY 2023-24, reflecting a year-on-year growth of 3.8%, according to the Nasscom Strategic Review 2024 report. The year experienced a decline in incremental revenue addition, from US\$ 19.0 billion in FY 2022-23 to US\$ 9.3 billion in FY 2023-24. The Indian IT industry's exports appeared promising, by reaching the significant milestone of US\$ 200.0 billion representing a YoY growth rate of 3.3% in FY 2023-24.

The domestic technology sector surpassed US\$ 54 billion, demonstrating a healthier growth rate of 5.9% YoY during the same period, primarily fueled by significant investments in digital technologies and tech transformation by Indian enterprises. Moreover, the expanding consumer market, driven by the growing purchasing power of middle-income groups, coupled with the rising adoption of Digital Public Infrastructure (DPI) to develop India-specific solutions, adds further momentum to the growth narrative in India. India held a crucial position as the world's leading technology sourcing hub, contributing 7% to the nation's GDP. The IT sector contributed about 47-50% of the entire service export of the country and about 57-58% share in global sourcing in FY 2023-24. During the year under review, the country had 38,000 tech firms, along with 31,000 tech startups and over 1,630 Global Capability Centers (GCCs).

India's Technology Market (in US\$ billion)



Source: NASSCOM

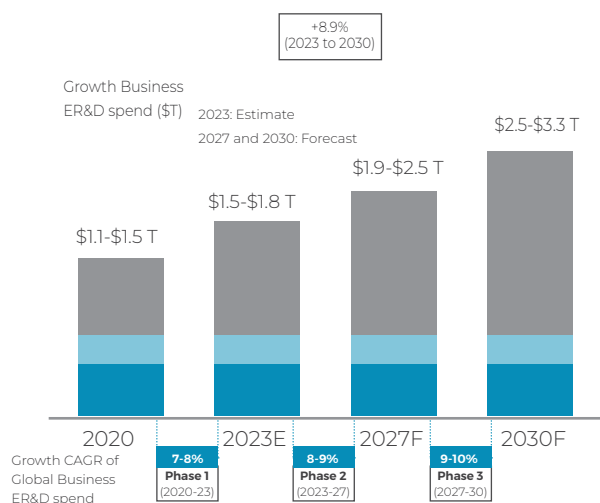
Every sector of the industry has witnessed healthy growth in FY 2023-24.

- IT Services:** IT services grew by 2.0% YoY, driven by the rising demand for infrastructure management and networking services in distributed environments, alongside cloud-based software testing and consulting services.
- Business Process Management (BPM):** BPM sector has also been evolving, incorporating specialised capabilities in data monetisation, cloud-based Artificial Intelligence (AI), and analytics, with a growth rate of 2.7% during the year.
- Engineering Research and Development (ER&D):** The ER&D segment remained the fastest growing at 7.4% YoY, fuelled by increasing emphasis on ER&D intensity across sectors, particularly with digital imperatives and the resurgence of AI and maintaining its focus on digital engineering. ER&D continued to shine as the paradigm for tech services, particularly as numerous industries undergo substantial digitisation, leading to heightened emphasis on engineering. Industries such as Aerospace and Defence, as well as Automotive, have experienced significant transformation due to factors like sustainability, efficiency, autonomous technology, electrification, among others, which are promoting innovation through substantial engineering investments.
- Software Products:** Software products grew by 1.8% YoY, as customer enterprises continue their investments in communication and collaboration, cybersecurity, and content management solutions.

Digital Engineering

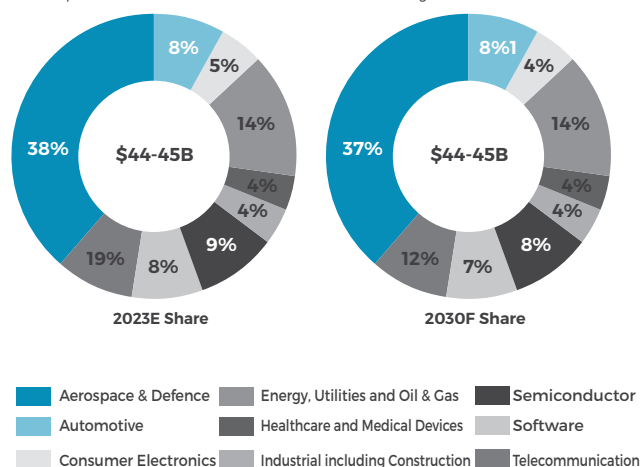
The global ER&D industry witnessed a significant recovery following the aftereffects of the pandemic, with companies enhancing their investments to address the evolving market demands. This improvement in spending has been reflected in a proactive approach by businesses to align their offerings with changing market dynamics and bridge any existing gaps. New technologies spurred a heightened demand for innovative engineering solutions as companies sought to adapt their offerings to meet the needs of consumers who were increasingly engaging from home. The inception of digital product and service adoption across various sectors acted as a catalyst for the growth of ER&D industry. Global ER&D spending has been estimated to have grown to US\$ 1.5 to US\$ 1.8 trillion in 2023 from US\$ 1.1 to US\$ 1.5 trillion in 2020. In addition, the technological advancements across sectors are anticipated to substantially elevate the global business ER&D intensity, resulting in an expenditure rise to over US\$ 3.3 trillion by 2030 from the current levels of US\$ 1.8 trillion.

Global Business ER&D Spending (in US\$ Trillion)



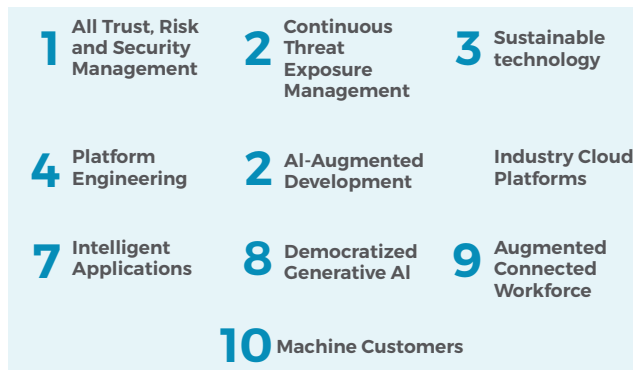
Source: Nasscom

India has been strongly positioned to capture a substantial portion of the global ER&D sourcing market, leveraging its unique strengths as a top five innovative middle-income powerhouse and its capacity to offer talent at scale. India's share in ER&D sourcing is projected to surge from US\$ 46.0 billion in 2023 to US\$ 170.0 billion by 2030, positioning it to increase its share of the Global ER&D sourcing market to 22.0% by 2030, up from 17.0% in 2023. The software sector will continue to hold the largest share in the global sourcing of Indian ER&D services, with the automotive sector closely following, reflecting the ongoing global sourcing trend. The semiconductor sector is also expected to see the most substantial growth, with its share in the global sourcing of Indian ER&D services rising from 9.0% to 12.0%, positioning it as the third-highest contributing sector by 2030. This growth is propelled by the global initiative to utilize India as a base for semiconductor manufacturing, further accelerating the development of a consolidated design and manufacturing ecosystem in the country. In addition, infrastructure development and policy support are poised to drive innovation and enhance competitiveness within the country.



Source: Nasscom

Tech Trends Outlook in CY 2024



Source: Gartner Inc. (<https://www.gartner.com/en/articles/gartner-top-10-strategic-technology-trends-for-2024>)

Digital Transformation

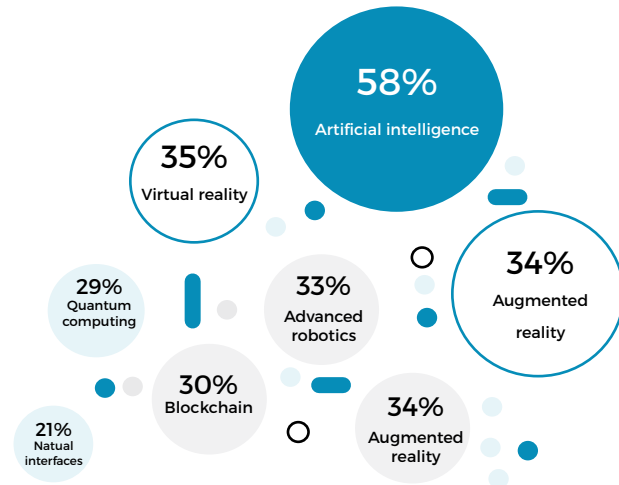
The technology-led transformation of traditional services has been prompting significant portfolio shifts throughout the industry, with a growing emphasis on Robotic Process Automation (RPA), digital analytics, application modernization, intelligent automation, and data engineering. These shifts are redirecting client spending towards emerging tech domains in IT modernization, including cloud computing, DevOps, data analytics, AI, Internet of Things (IoT), and security. In the future of digital transformation, business leaders are increasingly embracing the essential eight emerging technologies. These cutting-edge innovations, including AI, IoT, Blockchain, Virtual Reality (VR), Augmented Reality, Advanced Robotics, Quantum Computing, and Neuromorphic Computing, hold the key to unlocking unprecedented levels of efficiency, innovation, and competitiveness. AI has already reached a tipping point and are reshaping business models and operations, others such as Quantum Computing and Neuromorphic Computing are still in the nascent stages but show immense promise for driving future growth. The convergence of these technologies amplifies their impact, enabling seamless collaboration, data-driven decision-making, and the automation of complex processes.

AI became omnipresent in CY 2023, experiencing a remarkable 2.7x surge in activity. Around 80% of AI-related activity stemmed from industry collaborations, partnerships, and product/service launches, along with announcements of enterprise Generative AI (GenAI) strategies. Gen AI, driven by widespread adoption strategies among enterprises, witnessed a staggering 9x increase in activity, constituting over 70.0% of the total AI activity. RPA, Blockchain, and IoT stand out as the pivotal technologies propelling DeepTech adoption, which has exhibited steady growth among enterprises over the years. A remarkable sixfold increase in DeepTech intensity was observed, underscoring the significance of these technologies

in shaping the future of business operations. A recent survey by PWC indicates that most of the investments in emerging technologies are anticipated to focus on AI, with IoT and VR following closely behind.

Where investments will flow:

AI tops the list



Source: <https://www.pwc.com/us/en/tech-effect/emerging-tech/emtech-survey.html>

Industry Outlook

The IT industry is poised to reach its ambitious goal of achieving a total revenue of US\$ 350.0 billion by 2026. Robust growth momentum has been expected for CY 2024, particularly in sectors such as BFSI, telecom, media and entertainment, and hi-tech, which are leading digital spending efforts. Notably, the concept of Gen AI remains a focal point for over 95.0% of organizations in the coming period, underscoring the importance of adapting to and leveraging advancements in artificial intelligence within their operations and strategies.

The outlook for technology providers looks even more promising, with anticipated higher growth in FY 2024-25 compared to the previous year. In FY 2024-25, the industry is expected to prioritize capability building as the new normal. To navigate current challenges effectively, it is expected to focus on the 4Rs: Reshape by accelerating the transition to AI-first companies, Reskill to make talent the most significant competitive advantage, Rewire growth strategies, and Raise investments in IP creation and R&D.

Source: The Nasscom Annual Enterprise & Tech Services CXO Survey 2024

Company Overview

Company Background

Onward Technologies, (hereafter referred to as 'the Company' or 'Onward Technologies'), has been one of the key industry players in Engineering Research

& Development (ER&D), Digital Transformation, and IT Consulting. The Company excels in digital transformation, embedded systems, engineering technology, data analytics, artificial intelligence (AI), and machine learning (ML). The Company operates through three diversified business lines: Digital Engineering services, Embedded Electronics services, and Mechanical Engineering services. Onward Technologies experienced substantial growth in its three focused verticals - Industrial Equipment & Heavy Machinery contributing 52.0% of total revenue, Transportation & Mobility contributing 37.0%, and Healthcare contributing 8.0% of total revenue. The Company serves clients in the United States, the United Kingdom, Germany, Netherlands, Canada, and India, with its Registered Office located in Worli, Mumbai. Its sales offices in Chicago, Detroit, Toronto, London, Frankfurt, and Amsterdam, along with development and design centers in Mumbai, Pune, Chennai, Bengaluru, and Hyderabad, support prominent organizations globally.

The Company's highly qualified employees provide expert consulting and value-added services to clients across various industries, including multinational corporations. Onward Technologies serves 8 of the global top 11 automotive OEMs (Original Equipment Manufacturer) and 5 of the global top 10 industrial equipment manufacturers. As of March 31, 2024, the Company employed a diverse global workforce of over 2,529 employees.

Key Business Strategies and Developments

- **Developing Line of Business (LOB) segments with higher margins**

The Company's management team has extensive expertise across various industries. Most of its revenue is derived from two key industry verticals: transportation & mobility, including automotive & rail transportation, and industrial equipment & heavy machinery. Its digital line of business, the primary and largest investment area, continues to garner significant traction and contributed 35.0% to the Company's revenues in FY 2023-24. The Company plans to leverage its digital capabilities across all client verticals, strategically focusing on complex and more profitable ER&D and Digital Transformation ventures.

- **Deepening Client Relationships**

Over time, the Company has cultivated strong relationships with esteemed clients, resulting in recurring orders. A significant portion of its revenue stems from Global 2000 clients. The Company places a priority on securing long-term contracts and recurring revenue, which strengthens its revenue streams significantly. The deliberate shift of the Company towards larger,

strategically focused clients has had a significant impact on the overall business, establishing the groundwork for a sustainable and resilient business model in the foreseeable future. The Company's total client base has grown to 84, incorporating the net addition of new clients signed under Master Service Agreements (MSA).

- Talent Development**

The Company maintains its dedication to educating and hiring top-tier digital specialists. It remains steadfast in its commitment to human resource policies and benefits, aligning growth opportunities with industry standards to promote career development. During FY 2023-24, the Company maintained a total headcount of 2,529 skilled personnel within its organization.

- Profitability Enhancement and Shareholder Commitment**

The Company's margin expansion strategy is propelled by its agile operations and an increased share of business with global OEMs. Over the past eight years, consistent dividends have been paid, demonstrating a commitment to enhancing shareholder returns. In recent years, the Company has undergone a transformative journey, by consistently maintaining steady cash flows and remaining debt-free.

Financial Overview

Financial and operational performance

Standalone: The Company's revenue from operations in FY 2023-24 stood at ₹ 34,595.2 lakhs, an increase from ₹ 31,516.5 lakhs in FY 2022-23. This growth primarily resulted from increased outsourcing by all the Company's major clients. During the year, the Company recorded a profit before taxes (PBT) of ₹ 3,724.8 lakhs. In FY 2023-24, the net profit after taxes (PAT) amounted to ₹ 2,773.1 lakhs, compared to ₹ 1,629.3 lakhs in FY 2022-23.

Consolidated: On a consolidated basis, revenue from operations surged to ₹ 47,239.2 lakhs from ₹ 44,092.8 lakhs in the previous year, thereby growing by 7.1%. In FY 2023-24, PBT totaled ₹ 4,515.7 lakhs, witnessing a growth of 150.4%. PAT in FY 2023-24 amounted to ₹ 3,391.8 lakhs, compared to ₹ 1,148.0 lakhs in FY 2022-23, registering a growth of 195.5%.

Revenue breakdown indicates that 63.0% came from ER&D, 35.0% from digital, and 2.0% from IT services. Offshore revenues constituted 69.0% of the total revenue, with onsite revenues making up the remaining 31.0%. The subsidiaries continued to accelerate the Company's operations while adhering to operational discipline aligned with its customer-centric approach. In FY 2023-24, revenue from subsidiaries reached ₹ 21,164.7 lakhs.

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY2023-24	FY 2022-23	FY2023-24	FY 2022-23
Revenue from Operations	34,595.2	31,516.5	47,239.2	44,092.8
Total Expenses	31,898.5	30,113.0	43,450.7	42,628.3
EBITDA	4130.5	2,839.5	5,220.2	2929.0
EBITDA Margin (%)	11.9	9.0	11.1	6.6
Other Income	1,028.0	769.9	727.2	338.7
Depreciation	1,289.7	1,270.3	1,297.5	1,298.2
Finance Costs	144.1	165.7	134.1	166.4
Profit Before Taxes (PBT)	3,724.8	2,173.5	4,515.7	1,803.2
Tax	951.7	544.2	1,123.9	655.2
Profit After Taxes (PAT)	2,773.1	1,629.3	3,391.8	1,148.0
PAT Margin (%)	8.0%	5.2%	7.2%	2.6%
PAT (After NCI)	2720.1	1,556	3,420.9	1,309.8
Diluted EPS (₹)	12.1	7.2	14.8	5.1

Management Discussion & Analysis

Key changes in significant Financial Ratios

Details of significant changes in key financial ratios (i.e., change of 25% or more as compared to the immediately previous financial year

Standalone Basis

Key Ratios	FY2023-24	FY 2022-23	Variance %	Reason for such change
Debtors Turnover	4.9	3.7	32.0%	Better collections have resulted in improved ratio.
Inventory Turnover	NA	NA	NA	--
Interest Coverage Ratio	1.5	1.7	-10.9	No material variance.
Current Ratio	3.1	2.7	15.6%	No material variance.
Debt/Equity Ratio	0.0%	0.3%	-100.0%	During the year, Company repaid all borrowings.
Return on Equity	15.9%	10.5%	51.0%	Improved revenue and margins has resulted in increase in net profit.
Operating Profit Margin (%)	11.9%	8.45%	32.5%	Improved revenue and margins have resulted in increase in operating profit.
Net Profit Ratio	8.0%	9.0%	55.1%	Improved revenue and margins have resulted in increase in net profit.
Return on Capital Employed	20.9%	5.2%	41.7%	Improved revenue and margins have resulted in increase in net profit.

Consolidation Basis

Key Ratios	FY2023-24	FY 2022-23	Variance %	Reason for such change
Debtors Turnover	4.7	4.0	16.6%	No material variance.
Inventory Turnover	NA	NA	NA	--
Interest Coverage Ratio	1.8	1.6	10.7%	No material variance.
Current Ratio	3.8	3.0	25.0%	No material variance
Debt/Equity Ratio	0.0%	0.3%	-100.0%	During the year, Company repaid all borrowings.
Return on Equity	17.8%	6.8%	161.4%	Improved revenue and margins have resulted in increase in net profit.
Operating Profit Margin (%)	11.1%	6.6%	66.4%	Improved revenue and margins have resulted in increase in operating profit.
Net Profit Ratio	7.2%	2.6%	175.8%	Improved revenue and margins have resulted in increase in net profit.
Return on Capital Employed	22.6%	11.4%	97.8%	Improved revenue and margins have resulted in increase in net profit.

Business Outlook

The Company maintains a strong focus on gaining significant opportunities and aiding prospective clients in shaping their digital future. Through initiatives such as employee upskilling, subcontracting, and strategic partnerships, Onward Technologies is consistently enhancing its proficiency across various emerging technologies. Going forward, the Company's definitive growth strategy revolves around investing in talent, enhancing skills, and diving deep into complex high-tech digital transformations alongside its current "Global 2000" clients. The Company aims to prioritize Industry 4.0, AI/ML, ADAS (Advanced driver-

assistance systems), cloud, and DevOps engineering. Moreover, the Company's future growth prospects are underpinned by a management team having over three decades of experience in the IT services industry.

As it moves forward, the Company will continue to experience robust demand for its diverse range of services from existing clients and has secured new partnerships within the past 12-18 months. Onward Technologies remains committed to expanding its digital and embedded capabilities through ongoing investments. The Company has consciously adopted a balanced growth approach, simplifying operations into three focused verticals and structuring its

international business into nine regional business units (RBUs) to drive deeper client engagement. With the management team now strategically located in the USA and UK, closer to key clients, Onward Technologies is well-positioned to capitalize on growth opportunities and drive continued success in the coming years.

The Company's increased focus on the US and Europe markets ensures that Onward Technologies can leverage opportunities and drive innovation in these key regions. By maintaining a strategic presence and intensifying efforts in these markets, Onward Technologies aims to further strengthen its position and deliver enhanced value to its clients globally.

Internal Controls

The Company acknowledges the necessity of a robust internal control framework, given its global presence and significant network of associates. The Company's internal control systems are tailored to its size and scope of operations, aiming to ensure reliable financial and operational information, compliance with laws, asset protection, proper transaction execution, and policy adherence. A clearly defined plan governs the delegation of authority for revenue and expenditure approvals for the Company.

For the FY 2023-24, the Company has engaged M/s. Ahuja Valecha & Co., LLP, Chartered Accountants, as its internal auditors. The audit, conducted by M/s. Ahuja Valecha & Co., LLP, follows a plan reviewed annually in consultation with statutory auditors, M/s. BSR & Co. LLP, Chartered Accountants, and the Audit Committee.

Risk Management

Onward Technologies has implemented a risk management policy to integrate risk management into its core strategic and operational activities. This approach ensures that risk management becomes a collective responsibility across the organization. The Company has established an enterprise-wide risk management strategy, covering planning, implementation, monitoring, review, and continuous improvement. It has identified key risks and developed effective mitigation strategies to address them.

- **Rivalry Risks:** Indian IT companies, multinational IT organizations, and entrepreneurs operating in cost-effective locations and maintaining strong client relationships, in-house services, and captive units face fierce competition in the global engineering services sector. Competitors are intensifying their efforts in key growth areas like cloud computing, cybersecurity, and workforce transformation.

Mitigation: The Company is enhancing its solutions leveraging new technologies.

Additionally, it is expanding its service portfolio by exploring new verticals and geographic markets, all while prioritizing partnerships and strategic investments.

- **Compliance Risks:** Operating across multiple countries and sectors exposes the Company to the risk of non-compliance with essential regulatory standards, critical for its operations.

Mitigation: The Company has set up specialized units dedicated to assessing and monitoring regional and industry-specific regulatory requirements. Its global regulatory compliance framework aims to identify, evaluate, mitigate, and monitor regulatory risks that impact the Company. This framework is designed to protect the Company's reputation, its employees, and its customers. The Company conducts regulatory assessments and maintains comprehensive protocols to ensure compliance. If any non-compliance is discovered, mitigation plans are promptly implemented by the Company.

- **Attrition Risks:** As the Company expands, talent management and meeting the continuously growing demand for new talent persist as significant ongoing challenges.

Mitigation: The Company aims to establish a workplace culture centered on transparency and collaboration. To achieve this goal, it has instituted a robust training program tailored to meet the developmental needs of employees across all levels. This initiative covers areas such as professional, technical, functional, and leadership development. The HR team works tirelessly to engage with each employee, offering support for their growth and creating internal pathways for career progression. This approach enables individuals to achieve their goals by creating thorough career and talent development strategies.

- **Geopolitical Risks:** The IT industry's growth has historically been hindered by instability and uneven development in the global economy, a trend that may persist in the future. Potential economic or political uncertainties could result in IT spending reductions, project delays, contract terminations, or postponements in client purchasing. Moreover, heightened geopolitical tensions among key economies may impede the Company's international expansion efforts.

Mitigation: The Company has instituted a geopolitical framework to continuously assess geopolitical factors. This initiative involves regular evaluation and enhancement of the Company's global narrative for both clients and

employees. Additionally, to mitigate reliance on any single nation for revenue growth and service delivery, the Company has been diversifying its operations across multiple countries. In addition, to mitigate potential disruptions stemming from restrictions on employee mobility, the Company maintains a strategy of hiring local talent through various internal programs. The Company invests strategically in a flexible workforce strategy, including on-site, onshore, nearshore, and offshore employees, to effectively tackle challenges and empower top talent to meet client needs.

- **Tax-related Risk:** Changes in tax regulations in India and other countries where the Company maintains a significant presence could adversely affect its effective tax rate.

Mitigation: The Company mitigates its tax risk by engaging professional tax advisors who stay updated on the latest tax developments globally. They implement suitable tax planning strategies in response to changes in tax laws to ensure compliance and minimize tax liabilities.

- **Currency Risk:** Since approximately 50% of the Company's revenue originates from clients outside India, it is exposed to fluctuations in foreign exchange rates as its revenue is realised in foreign currencies.

Mitigation: The Company mitigates the risk of foreign exchange rate fluctuations associated with receivables and projected transactions in certain foreign currencies by utilizing foreign exchange forward contracts and options. The Board's policy and procedures determine the duration of hedges, the extent of risk to be covered, and the counterparty risk to be assumed.

- **Business Continuity Risks:** In a dynamic and intricate global risk environment, the Company's status as a leading technology enterprise hinge on its resilience to threats and its ability to efficiently address disruptive events. Failure to ensure operational continuity across clients, delivery sites, and support functions poses a significant risk to the Company's business continuity.

Mitigation: Over the years, Onward Technologies has diligently integrated resilience into its business continuity plan, focusing on outstanding IT architecture across its work, workforce, workspace, business processes, technology, supply chain, and leadership. Past experiences have equipped the Company to navigate through various uncertainties, ensuring its readiness to face future challenges.

Human Resources

Human resources play a pivotal role in Onward Technologies' sustained growth as a service Company with a sophisticated business model. The Company places a high priority on developing a discrimination-free environment that increases diversity and inclusion among its employees. The Company recognizes and respects the varied characteristics, experiences, needs, and aspirations within its workforce. In FY 2023-24, significant progress was made in policy and procedure enhancements, with a strong emphasis on prioritizing employee safety. Several digitization initiatives were introduced throughout the year to empower employees.

The implementation of the Human Resource Management System automated core HR functions and enabled remote access. Additionally, the Company entrusted the Indian payroll process to a global leader in payroll practices. As of March 31, 2024, Onward Tech had a workforce of 2,529 employees, with women representing 19.0% of the total workforce.

Cautionary Statement

Certain statements in this Management Discussion & Analysis Report concerning the future growth prospects are forward-looking statements, which involve several risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties. These include external factors intense competition in IT services including those that may affect the Company's cost advantage, wage increases in India, restrictions on immigration, reduced demand for technology in key focus areas, disruptions in telecommunication networks, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and general economic conditions affecting our industry. Internal factors include fluctuations in the Company's earnings, its ability to manage growth, ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-timeframe contracts, client concentration, ability to manage international operations, ability to successfully complete and integrate potential acquisitions, liability for damages on service contracts, the success of the companies in which it has made strategic investments, and unauthorized use of its intellectual property.

Report on Corporate Governance

1. ONWARD'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Onward Tech', we believe that good corporate governance is crucial in enhancing and retaining stakeholder's confidence. Our corporate governance practices are reflection of our culture, policies, relationship with stakeholders and the commitment towards the values, coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters. The Board of Directors and the Management at Onward Tech are committed to the enhancement of shareholder value. Over the last 33 years, we at Onward Tech, have developed a strong set of values where integrity is vital. "YOUR IMAGINATION. DELIVERED TO PERFECTION" that's what we stand for, that's what we promise our customers, and that's how we will continue writing success stories for our customers, and for us. We are committed to high standards of Corporate Governance and have in place appropriate structures and reporting mechanism.

The adoption of this Code of Conduct of the Board of Directors and Senior Management (the "**Code**") stems from the fiduciary responsibility which the Board Members and Senior Management have towards the stakeholders in Onward Technologies Limited ("**the Company**") and ensures compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("**Listing Regulations**"). Therefore, Board Members and Senior Management will act as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit. In the observance of the Code, the Directors in their capacity as Directors, per se, will have a Directional role and the Executive Directors and Senior Management Personnel will have executive responsibility. Apart from complying with the statutory requirements, effective systems and practices towards improving transparency and internal controls have been institutionalized. The Company firmly believes that corporate governance standards should go beyond the law and must satisfy the spirit of law and not just the letter of the law. This is a way of life at Onward Tech and is driven relentlessly across the organization.

2. BOARD OF DIRECTORS

The corporate governance structure of the Company comprises the Board, as the apex decision making body and the Leadership Team, which comprises of experts in running and managing the Company. The Board of Directors ("**the Board**") are elected by the shareholders to oversee the company's overall functioning. The Board is responsible for providing strategic supervision, overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgement and plays an important role in the overseeing of the Company's affairs. To sum up, the Board's key purpose is to ensure the company's prosperity by collectively directing the company's affairs, while meeting the appropriate interests of its shareholders and relevant stakeholders.

The conduct of Company's business shall be consistent with the core values, which are set out below:

- Openness
- Hunger for Excellence
- Customer First
- Responsive
- Integrity

The Company's Day to day affairs are managed by Executive Directors and Leadership Team, under the overall supervision of the Board. The Board is committed to representing the long-term interests of the stakeholders and in providing effective governance over the Company's affairs and exercising reasonable business judgement on the affairs of the Company.

Composition and category of Directors

Our Board represents an appropriate mix of Executive Directors ('EDs'), Non-Executive, Non-Independent Directors ('NEDs') and Independent Directors ('ID'), which is compliant with the Companies Act, 2013 ("**the Act**") and Listing Regulations. As on March 31, 2024, your Company's Board has a strength of 7 (seven) Directors. The Chairperson of the Board is the Executive Director. The Board comprises of (4) four Independent Directors (including (1) one-woman Independent Director), constituting majority of the Board

Report on Corporate Governance

strength which meets the requirements of the Act and Listing Regulations.

The name and category of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting along with the position of Board/Committee membership held by them is detailed below:

Name and Designation of Director	DIN	Category	No. of positions held			No. of Board Meetings Attended during FY2023-24	Presence at Last AGM
			Board ^	Chairman ^^	Committee Member		
Mr. Harish Mehta, Executive Chairperson	00153549	Promoter, Non-Independent	1	-	-	4	Yes
Mr. Jigar Mehta, Managing Director	06829197	Promoter & Non-Independent	1	-	1	3	Yes
Mr. Rahul Rathi, Director*	00966359	Non-Executive & Independent	1	-	-	1	Yes
Mr. Parish Meghani, Director*	02106768	Non-Executive & Independent	1	-	-	1	Yes
Mr. S. K. Mitra, Director*	00029961	Non-Executive & Independent	9	1	2	2	Yes
Mr. Jay Sonawala, Director	01401445	Non-Executive & Independent	1	1	2	4	Yes
Mr. Harsha Raghavan, Director	01761512	Non-Executive & Non-Independent	3	-	3	3	Yes
Ms. Niranjani Chandramouli	07128770	Non-Executive & Independent	1	-	1	3	No
Mr. Dhanpal Jhaveri **	02018124	Non-Executive & Independent	1	1	2	3	No
Mr. Jai Diwanji **	00910410	Non-Executive & Independent	6	3	8	2	Yes

^ Includes position held in the Company but excludes position of directorships held in Private Limited Companies, Foreign Companies & Government Bodies.

^^ Only Audit Committee and Stakeholders' Relationship Committee have been considered for the Committee positions and excludes Onward Technologies Limited. None of the Directors on the Board is a member of more than 10 committees or Chairperson of more than 5 committees across all companies in which he/she is a Director.

* Director's terms got ended on July 20, 2023

** Both the directors were appointed on May 12, 2023, and were regularized at the annual general meeting held on July 17, 2023

Video Conferencing facilities are used to participate in the meetings and are counted for the purpose of attendance.

Name of listed companies and category of directorship held by Directors is appended at the end of Corporate Governance Report as **Annexure - A**.

Board Procedure

The Board and Committee meetings are pre-scheduled based on the availability of the Director(s) and Committee Members. An annual calendar of the meetings is circulated to them in advance to facilitate planning of their schedules and ensure participation in the meetings. However, in case of urgent matters, subject to regulatory conditions, the Board's approval is taken by passing resolutions by circulation. The Board meets at least once in a quarter to review and approve the quarterly financial results/statements and other agenda items. The Committees of the Board usually meet before the Board Meetings on the same day.

The recommendations of the Committees are placed before the Board for necessary approval/ noting. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.

The Notice of Board Meeting is given to all the Directors as per the prescribed timelines under Companies Act, 2013 and Listing Regulations. The Board agenda along with notes and detailed background information and explanatory notes are prepared and circulated in advance to all the Board Members. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. The Agenda for the Board/Committee meetings are prepared by the Company Secretary in consultation with the Managing Director and CFO of the Company. Every Director is free to recommend inclusion of items on the agenda. All statutory and other matters of significant importance including information as mentioned in Part A of Schedule II of Listing Regulations are tabled before the Board for their discussions and consideration. The compliance reports of applicable laws, rules and regulations and the minutes of the meetings of the Audit Committee, Stakeholders Relationship Committee and other board committees are placed before the Board.

The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments. Pursuant to Secretarial Standard, draft minutes and signed minutes of the previous Meeting are circulated within 15 days of end of Board Meeting- prescribed time. Comments, if any, received from the Directors are also incorporated in the Minutes.

Board Meetings

During the financial year under review, four (04) Board Meetings were held on the following dates:

Sr. No.	Dates of Board Meetings	Total Number of directors associated as on the date of meeting	Attendance	
			Number of Directors attended	% of Attendance
1	May 12, 2023	8	7	87.50%
2	July 17, 2023	10	7	70.00%
3	October 20, 2023	7	5	71.43%
4	January 19, 2024	7	7	100.00%

Independent Directors

None of the Independent Director on the Board of the Company serve as an Independent Director in more than seven (7) Listed Companies nor holds the position of Whole-time Director in any Listed Company.

Independent Directors of the Company have been appointed in accordance with the applicable provisions of the Act read with relevant rules. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act.

Separate Meeting of Independent Directors

Schedule IV of the Act, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non-Independent Directors.

During the financial year 2023-24, a separate meeting of the Independent Directors convened on March 15, 2024. The Independent Directors, inter-alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairperson and Managing Director of the Company and assessed the integrity, fairness, timeliness of flow of information and disclosure and transparency between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Program of Independent Directors

The Company has devised a familiarization programme for independent directors of the Company. The objective of the programme is to help the director to understand the Company's business and the regulatory framework in which the Company operates, and regularly update the business strategies, operations, and other regulatory updates, to ensure that they are fully informed on current governance issues. The same is available on the Company's website www.onwardgroup.com/investors.php

Code of Conduct

The Company has laid down a “Code of Conduct Policy” for the Members of the Board of Directors and the Senior Management which is also available at the website: www.onwardgroup.com/investors.php. The Code serves as a guide to the Board and Senior Management employees of the Company to make calculative and prudent decisions and act on them.

Also, annual affirmation of compliance with the Code has been made by the Directors and senior management of the Company. A declaration to this effect signed by the Managing Director of the Company is given along with this report as ‘Annexure – B’. The Managing Director has also certified to the Board with reference to the financial statement and other matters as required in the Listing Regulations.

Key expertise and attributes of the Board of Directors, which are currently available with the Board

The Board comprises of individual members possessing the required skill/expertise/competencies in business management, M&A, Finance & Tax, Technology, corporate governance, risk management, marketing/sales, human capital/compensation, Industry experience, Legal & Regulatory affairs. Skill matrix for individual directors have been mapped below:

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

Sr. No.	Names of the Directors	Industry Knowledge	Leadership skills	Corporate Governance & Compliance	Finance & Risk Management	Strategic expertise	Mergers & Acquisitions	General Management & Administration
1.	Mr. Harish Mehta	✓	✓	✓	✓	✓	✓	-
2.	Mr. Jigar Mehta	✓	✓	-	✓	✓	✓	✓
3.	Mr. Jay Sonawala	✓	✓	✓	✓	✓	✓	✓
4.	Mr. Harsha Raghavan	✓	✓	✓	✓	✓	✓	-
5.	Ms.Niranjani Chandramouli	✓	✓	✓	✓	✓	✓	-
6.	Mr. Dhanpal Jhaveri	✓	✓	✓	✓	✓	✓	✓
7.	Mr. Jai Diwanji	✓	✓	✓	✓	-	✓	✓

3. COMMITTEES OF THE BOARD

During the year, The Company continued to have the mandatory committees. Each committee is directed by its charter which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the Committees are placed before the Board for its approval. The Company's guidelines relating to Board Meetings are also applicable to committee meetings as far as is practicable. Each committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/ function heads are invited to present various details called for by the committee at its meetings. Draft minutes of the committee meetings are circulated to the Members of those committees for their comments and thereafter, confirmed in their next meeting. The Board of Directors also take note of the minutes of the committee meetings held in the previous calendar quarter, at its meetings.

Committees of the Board are as under:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee

A. AUDIT COMMITTEE

Brief description as under:

The Company has constituted an independent Audit Committee (“AC”) which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is

responsible for effective supervision of the Company's financial reporting process by providing direction to the audit function, monitoring the scope and quality of internal and statutory audits and ensuring accurate and timely disclosures, with the highest levels of transparency, fairness, integrity and quality of financial reporting. The Audit Committee considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013.

Brief description of roles and objectives are as under:

- a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditors and the fixation of audit fee and also approval of payment for any other services rendered;
- c) Reviewing with the management the annual financial statements before submission to the Board for approval, focusing primarily on:
 - ✓ Any changes in accounting policies and practices.
 - ✓ Major accounting entries based on exercise of judgment by management.
 - ✓ Qualification in draft audit report.
 - ✓ Significant adjustments made in the financial statements arising out of audit.
 - ✓ The going concern assumption.
 - ✓ Compliance with accounting standards.
 - ✓ Compliance with listing and other legal requirements concerning financial statements.
 - ✓ Any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.
- d) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- e) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- f) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- g) Discussion with internal auditors on any significant findings and follow up thereon;
- h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- i) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
- j) Reviewing the Company's financial and risk management policies;
- k) Scrutiny of inter-corporate loans and investments;
- l) Valuation of undertakings or assets of the Company, if necessary;
- m) Reviewing of financial statements and investments made by subsidiary companies;
- n) Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- o) To review the functioning of the whistle blower mechanism;
- p) Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- q) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- r) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Composition and attendance of the members of Audit Committee

The Audit Committee presently comprises of 4 members, out of which 3 members are Non-Executive Independent Directors and one is a Non-Executive Non-Independent Director. The Chairman of the Committee is an Independent Director. All the members of the Audit Committee have accounting and financial management expertise.

All members are well versed with finance, accounts, corporate laws, and general business practices. The Chief Financial Officer, the Partner/Representative of the Statutory Auditors and the Internal Auditors are some of the invitees to the Audit Committee. The Company Secretary of the Company acts as the Secretary of the Audit Committee. Minutes of the Committee meetings are circulated to the Members and placed before Board meetings for noting. Mr. Rahul Rath, Chairman of the Audit Committee had attended the 32nd Annual General Meeting held on July 17, 2023.

Due to completion of tenure of Mr. Rahul Rath, Mr. S.K. Mitra and Mr. Parish Meghani on July 20, 2023 the composition of the committee had been changed via passing a circular resolution on July 16 2023 and the new composition of the committee is stated below.

During the financial year ended March 31, 2024, the Audit Committee meetings met four (04) times on **May 12, 2023; July 17, 2023; October 20, 2023** and **January 19, 2024** and the gap between the two meetings did not exceed one hundred and twenty days. Necessary quorum was present at the meetings.

The composition of the Committee and attendance details of the members for the financial year ended March 31, 2024 are given below:

Names of the Members	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. Jay Sonawala	ID	Chairman	4	4	100%
Mr. Harsha Raghavan	Non-ID	Member	4	3	75%
Ms. Niranjani Chandramouli	ID	Member	3	2	66.67%
Mr. Dhanpal Jhaveri	ID	Member	3	3	100%

ID – Independent Director

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee's (NRC) constitution and terms of reference are in compliance with provisions of the Act and Regulation 19 of the Listing Regulations.

Brief description of roles and responsibilities of the NRC are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.
- Administration of Employee Stock Option Scheme(s);
- Such other matters as the Board may from time to time request the committee to examine and recommend/approve.

Performance evaluation criteria

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV to the Act states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

- i. Attendance and contribution at Board and Committee meetings;
- ii. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align Company's value and standards;
- iii. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance;
- iv. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions;
- v. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency;
- vi. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity;
- vii. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;
- viii. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc;
- ix. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc;
- x. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
- xi. His/her contribution to enhance overall brand image of the Company.

In a separate meeting of Independent Directors held on March 15, 2024, performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

Remuneration Policy

Your Company has a well-defined policy for remuneration of the Directors, Key Management Personnel and Senior Management. The Nomination and Remuneration Committee, has designed the remuneration policy in order to attract, motivate and retain the executive talent needed to achieve superior performance in a competitive market. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Policy is always revamped according to the amendments in the regulations. The Nomination and Remuneration Policy is available at website of the Company at www.onwardgroup.com/investors.php

Composition and attendance of the members of Nomination and Remuneration Committee

The Nomination and Remuneration Committee presently comprises of 2 Non-Executive Independent Directors and 1 Non-Executive and Non-Independent Director. The Company Secretary acts as Secretary to the Committee.

Due to completion of tenure of Mr. S.K. Mitra and Mr. Parish Meghani on July 20, 2023 the composition of the committee had been changed via passing a circular resolution on July 16, 2023 and the new composition of the committee is stated below.

During the financial year ended March 31, 2024, the Committee met four (4) times on **May 12, 2023; July 17, 2023; October 20, 2023; and January 19, 2024**. Necessary quorum was present at the meetings.

The composition of the NRC and attendance details of the members for the year ended March 31, 2024 are given below:

Names of the Member	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. Dhanpal Jhaveri	ID	Chairman	3	3	100%
Ms. Niranjani Chandramouli	ID	Member	3	2	66.67%
Mr. Harsha Raghavan	Non-ID	Member	4	3	75%

ID – Independent Director

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of roles and responsibilities of the SRC are as under:

The Company has constituted a Stakeholders' Relationship Committee ('**SRC**') pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.

- Monitoring and reviewing service functioning of Registrar and Transfer Agents;
- Providing guidance and making recommendations to improve investor service levels for the investors.
- Review process of share transfers, non-receipt of annual reports, Dividend payments, issue of duplicate share certificates, dematerialization and re-materialization of shares, transmission of shares and other shareholder related queries and complaints etc;
- Analyzing the top shareholders of the Listed Entity.

Composition of the SRC Committee and attendance details:

The SRC of the Company comprised of three (03) Members namely Mr. Jai Diwanji, Chairman; Mr. Jigar Mehta, Member and Mr. Jay Sonawala, Member.

Due to completion of tenure of Mr. S.K. Mitra on July 20, 2023 the composition of the committee had been changed via passing a circular resolution on July 16, 2023 and the new composition of the committee is stated below.

During the financial year ended March 31, 2024, the SRC met 1 (one) time on **January 19, 2024**. Necessary quorum was present at the meeting. The Composition and attendance record of the members of the SRC for the financial year 2023-24 is as follows:

Name of the Members	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. Jai Diwanji	ID	Chairman	1	1	100%
Mr. Jigar Mehta	ED	Member	1	1	100%
Mr. Jay Sonawala	ID	Member	1	1	100%

ID – Independent Director

The Company Secretary acts as the Secretary to the Committee and also the Compliance Officer under the provisions of the Listing Regulations.

During the financial year under review, all the requests, queries received during the financial year ended March 31, 2024, were duly redressed and no queries are pending at the year end. There were no complaints received by the Company. All requests for dematerialization of shares were carried out within the stipulated time period and no share certificate was pending for dematerialization.

D. RISK MANAGEMENT COMMITTEE:

Brief description of terms of reference:

The Company has constituted a Risk Management Committee ('RMC'), which assist the Board of Directors in timely identification, assessment and mitigation of risks (i.e. financial, operational, strategic, regulatory, statutory, industry, political and others) faced by the Company. The Committee has overall responsibility for monitoring and approving the enterprise risk management framework and is capable of effectively addressing and monitoring these risks. The Committee also approves and oversees a Company-wide risk management framework, capable of effectively addressing these risks.

The terms of reference of the RMC are in line with the provisions of the Act and Regulation 21 of the SEBI Listing Regulations.

Role of the committee shall, inter-alia, include the following:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The RMC shall co-ordinate its activities with other committees, instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Composition of the Risk Management Committee and attendance details:

The Risk Management comprised of three members. During the year under review, RMC met 2 (two) times that is on July 17, 2023 and January 05, 2024. Necessary quorum was present at the meetings.

Due to completion of tenure of Mr. Parish Meghani on July 20, 2023 the composition of the committee had been changed via passing a circular resolution on July 16, 2023 and the new composition of the committee is stated below.

The composition of the RMC is as under:

Name of the Director	Designation	Category	*No of Meetings attended during FY 2023-24
Ms. Niranjani Chandramouli	Chairman	Executive Director	2
Mr. Jai Diwanji	Member	Independent Director	2
Mr. Jigar Mehta	Member	Independent Director	2

4. DIRECTORS REMUNERATION

i. Remuneration to Executive Directors (EDs):

The elements of remuneration to the Executive Directors include fixed and variable salary, performance bonus, contribution to provident fund, gratuity, perquisites and allowances, reimbursement of expenses

etc., as applicable to employees of the Company. The Executive Directors are employees of the Company and are subject to service conditions as per the Company policy.

The details of remuneration paid to the EDs during the year 2023-24 are given as under:

(₹ in Lakhs)				
Name	Salary	Allowances, Perquisites and other benefits	Incentives	Total
Mr. Harish Mehta	141.99	26.45	217.09	385.53
Mr. Jigar Mehta	129.91	0.20	217.09	347.20

ii. Remuneration to Non-Executive Directors

The Non-Executive Independent Directors are also entitled for sitting fees for attending meetings of the Board of Directors. As a part of investor's policy, they are not taking sitting fees for attending any meetings of the Board and Committee. Accordingly, the Company has not paid sitting fees to Mr. Harsha Raghavan. The details of sitting fees paid to the other Non-Executive Directors during the financial year 2022-23 are given as under:

(₹ in Lakhs)			
Names of the Directors	Sitting Fees paid during FY2022-23		Total
	Board Meeting	Committee Meetings	
Mr. Parish Meghani	0.75	0.60	1.35
Mr. Rahul Rathi	0.75	0.50	1.25
Mr. S. K. Mitra	1.50	0.55	2.05
Mr. Jay Sonawala	3.00	2.15	5.15
Mr. Harsha Raghavan	-	-	-
Ms. Niranjani Chandramouli	2.25	1.20	3.45
Mr. Dhanpal Jhaveri	2.25	1.65	3.90
Mr. Jai Diwanji	1.50	0.15	1.65

iii. Pecuniary Relationship or Transactions of the Non-Executive Directors

There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company, which has potential conflict with the interest of the organization at large.

5. PROHIBITION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company. The Company Secretary has been appointed as the Compliance Officer for ensuring compliance with and for the effective implementation of the Listing Regulations and the Code across the Company.

The Company has also adopted a Fair Code of Practices and procedure for Corporate Disclosure, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares. The same has been posted on Company's website at www.onwardgroup.com/investors.php

6. OTHER DISCLOSURES

A. Related Party Transactions

During the financial year 2023-24, no materially significant transactions or arrangements were entered into between the Company and its promoters, management, Directors or their relatives, subsidiaries, etc. that may have potential conflict with the interests of the Company at large. The related party transactions entered into with the related parties as defined under Companies Act, 2013 and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and the same have been approved by the Audit Committee. The disclosure of transactions with related parties is disclosed in the Notes to accounts of

the Standalone Financial Statements. The Company has formulated a policy on dealing with Related Party Transactions, which specifies the manner of entering into Related Party Transactions. This policy has also been uploaded on the Company's website: www.onwardgroup.com/investors.php

B. Whistleblower/Vigil Mechanism

The Board of Directors have formulated a Whistleblower Policy/Vigil Mechanism in compliance with the provisions of Section 177(10) of the Act and Clause 49 of the Listing Agreement and is also available on the Company's website: www.onwardgroup.com/investors.php

The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The Statutory Auditors as well verify with the management if there has been any information through this mechanism.

C. Policy for determining Material Subsidiary

Regulation 16 of the Listing Regulations relating to Corporate Governance defines a 'Material Subsidiary' as a subsidiary, whose income or net worth exceeds 10 percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The Audit Committee reviews the Consolidated Financial Statements of the Company. The Board of Directors reviews every quarter the financial statements of the subsidiary company. The minutes of the Board of Directors of the subsidiary company are periodically placed before the Board of Directors of the Company, thereby bringing to their attention all significant transactions and arrangements entered into by the subsidiary companies. The Company has adopted policy on determining material subsidiaries. The web link to the said policy on the website of the Company is: www.onwardgroup.com/investors.php

D. Risk Management

The Company has formulated Risk Management in its procedures itself. The Company has further strengthened its Risk Management system and has laid down procedures to inform Board Members about risk assessment and minimization procedures. These procedures are being periodically reviewed and analysed to ensure that Executive Management controls risk through means of a properly defined framework and takes corrective action for managing/ mitigating the same.

E. Compliances

All Returns/Reports were filed within the stipulated time with the Stock Exchanges/ other authorities. The Company has complied with the requirements of corporate governance specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation of Regulation 46 of the Listing Regulations.

The status of Adoption of the non-mandatory requirements as specified in Sub- Regulation 1 of Regulation 27 of Listing Regulations, 2015 are as follows:-

- (i) The Board: Mr. Harish Mehta is the Executive Chairman of the Company. Being an Executive Director of the Company, requirements of having separate office for a non-executive chairman at the expense of the Company shall not be applicable.
 - (ii) Shareholder Rights: Half yearly and other quarterly financial statements including summary of the significant events in the last six/three months are published in newspapers, uploaded on the Company's website: www.onwardgroup.com/investors.php
 - (iii) Modified opinion on the Audit Reports: The Company strives towards having an unmodified audit opinion on the financial statements for the financial year 2023-24
 - (iv) Reporting of Internal Auditor: M/s. Ahuja Valecha & Associates LLP, Chartered Accountant, Internal Auditors of the Company for the financial year 2023-24 reports directly to the Audit Committee of the Company.
 - (v) The Company has appointed separate person to the post of the Chairman and the Managing Director. Mr. Harish Mehta is an Executive Chairman and Non-Independent Director of the Company. He is related to Managing Director of the Company as per the definition of the term of "relative" defined under the Companies Act, 2013.
- F. In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and Employees including Senior Management Personnel of the Company have

affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

- G. Details of Non-compliance:** During the last three years, there were no instances of non-compliances by the Company related to capital markets and no penalty or restrictions were imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities except during the FY 2022-23 on one instance where penalty was levied by the stock exchanges for the non-compliance of composition of NRC.

H. Utilization of funds raised through Preferential Allotment

During Financial Year 2023-24, no funds were raised through issue of Non-Convertible Debentures or any other Preferential Issue. The CFO confirms the utilization of funds raised through preferential allotment. The funds are used for working capital, renovation of the infrastructure of the Company etc.

I. Credit Ratings and any Revisions Thereto For Debt Instruments

Onward Tech had withdrawn their credit rating obtained from CARE during the Financial Year

J. Disclosures in relation to the Sexual Harassment of Women at Workplace

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe and secure work environment. The Company has also constituted Internal Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The Company has not received any complaint of sexual harassment during the financial year 2023-24.

K. Annual Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has appointed Nilesh A. Pradhan & Co., LLP, Practicing Company Secretary as Secretarial Auditor of the Company for providing Secretarial Audit Report for the FY 2023-24. The Company has obtained the said Secretarial Compliance Report, on voluntary basis from Secretarial Auditor of the Company.

L. Fees payable to Statutory Auditor's

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part is ₹ 38.59 Lacs (including LR, Certification fee, audit fee etc.)

M. CEO/CFO Certification:

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2023-24 signed by Mr. Jigar Mehta, Managing Director and Mr. Pawankumar Nathani, Chief Financial Officer, was placed before the Board of Directors of the Company at their meeting held on May 17, 2024 and is annexed to this Report as **Annexure – C**.

N. Certificate on disqualification of Directors

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on May 17, 2024. In this connection, the Company has obtained a certificate from M/s. Nilesh A. Pradhan & Co., LLP, Pr. Company Secretary on May 17, 2024 is attached as **Annexure – D**.

- O. During the financial year 2023-24, the Board has accepted all the recommendations of its Committee.
- P. The Company also complies with the provisions of the Secretarial Standards on Board Meetings and General Meetings as issued by The Institute of Company Secretaries of India.

7. GENERAL BODY MEETINGS

i. Date and Venue of last three Annual General Meetings were held as under:

Year	General Meeting	Date of Meeting	Time	Location
2022-23	32 nd Annual General Meeting	Monday, July 17, 2023	3.00 p.m.	
2021-22	31 st Annual General Meeting	Monday, July 18, 2022	3.00 p.m.	Online via video conferencing/other audio-visual means ("VC/OAVM")
2020-21	30 th Annual General Meeting	Thursday, July 15, 2021	3.00 p.m.	

ii. Details of special resolutions passed in the previous three General Meetings

Year	Date of Meeting	Subject matter of special resolutions
2022-23	32 nd AGM Monday, July 17, 2023	a) re-appointment of Mr. Jay Sonawala, as an Independent Director on the Board of the Company for a second term of three years b) appointment of Mr. Jai Diwanji, Additional Director of the Company, as a Non Executive Independent Director on the Board of the Company c) appointment of Mr. Dhanpal Jhaveri, Additional Director of the Company, as a Non-Executive Independent Director on the Board of the Company
2021-22	31 st AGM Monday, July 18, 2022	a) Continuation of directorship of Mr. S. K. Mitra (DIN:00029961) as a Non-Executive Independent Director of the Company for his remaining tenure up to July 21, 2023 as he attains the age of 75 (Seventy Five) years during the tenure;
2020-21	30 st AGM Thursday, July 15, 2021	a) Re-appointment of Mr. Harish Mehta as a Whole-time Director designated as Executive Chairman of the Company for a period of five (5) years, commencing from May 14, 2021 to May 13, 2026, not liable to retire by rotation. b) Re-appointment of Mr. Jigar Mehta as a Managing Director of the Company for a period of five (5) years, commencing from May 14, 2021 to May 13, 2026, not liable to retire by rotation.

All special resolutions set out in the notices for the AGMs were passed by the shareholders at the respective meetings with requisite majority.

iii. Postal Ballot

No postal ballot was conducted during the financial year 2023-24

8. MEANS OF COMMUNICATION

Financial Results:

The Company's financial results are submitted to the stock exchanges and also available on the website of the Company. Extract of financial results is also published in leading newspapers having circulation such as 'Free Press Journal' in English language and 'Navshakti' in regional language of the state in which the registered office of the Company is situated viz. Mumbai.

News and Media releases: Official news and media releases are disseminated to stock exchanges and displayed on the Company's website.

Presentations to institutional investors/analysts: Presentations are made to institutional investors and financial analysts on the Company's financial results on quarterly basis. These presentations are disseminated to the stock exchanges and also available on the Company's website. No unpublished price sensitive information is discussed in meeting/presentation with institutional investors and financial analysts.

Compliance reports, corporate announcements, material information and updates: The Company disseminates the requisite compliance reports and corporate announcements/updates to the stock exchanges through their designated portal.

Annual Report: Annual Report is circulated to members and other stakeholders entitled to the Report. The Annual Report inter-alia contains financial and operating performance of the Company, Management Discussion and Analysis Report, statutory reports such as Board's Report, Corporate Governance Report, Business Responsibility Report, Corporate Social Responsibility Report and the financials of the Company. The Annual Report is disseminated to the stock exchanges as well as uploaded on the Company's website.

Website: The Company's website <https://www.onwardgroup.com> contains a separate section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Leadership Team, Annual Reports, various policies, intimation to stock exchanges are available on the website.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre') and NEAPS (NSE Electronic Application Processing System): BSE's Listing Centre is a web-based application designed for corporates. NEAPS is a web-based application designed by NSE for corporates. NSE has now floated a new website on which the corporate announcement are submitted and published. All periodical compliance filings, inter-alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others, are in accordance with the Listing Regulations filed electronically. Further, in compliance with the provisions of Listing Regulations, the disclosures made to the stock exchanges, to the extent possible, are in a format that allows users to find relevant information easily through a searching tool.

Exclusive email-id: The Company has an exclusive email id – investors@onwardgroup.com dedicated for prompt redressal of shareholders' queries, grievances etc

9. GENERAL SHAREHOLDER INFORMATION

9.1 33rd Annual General Meeting

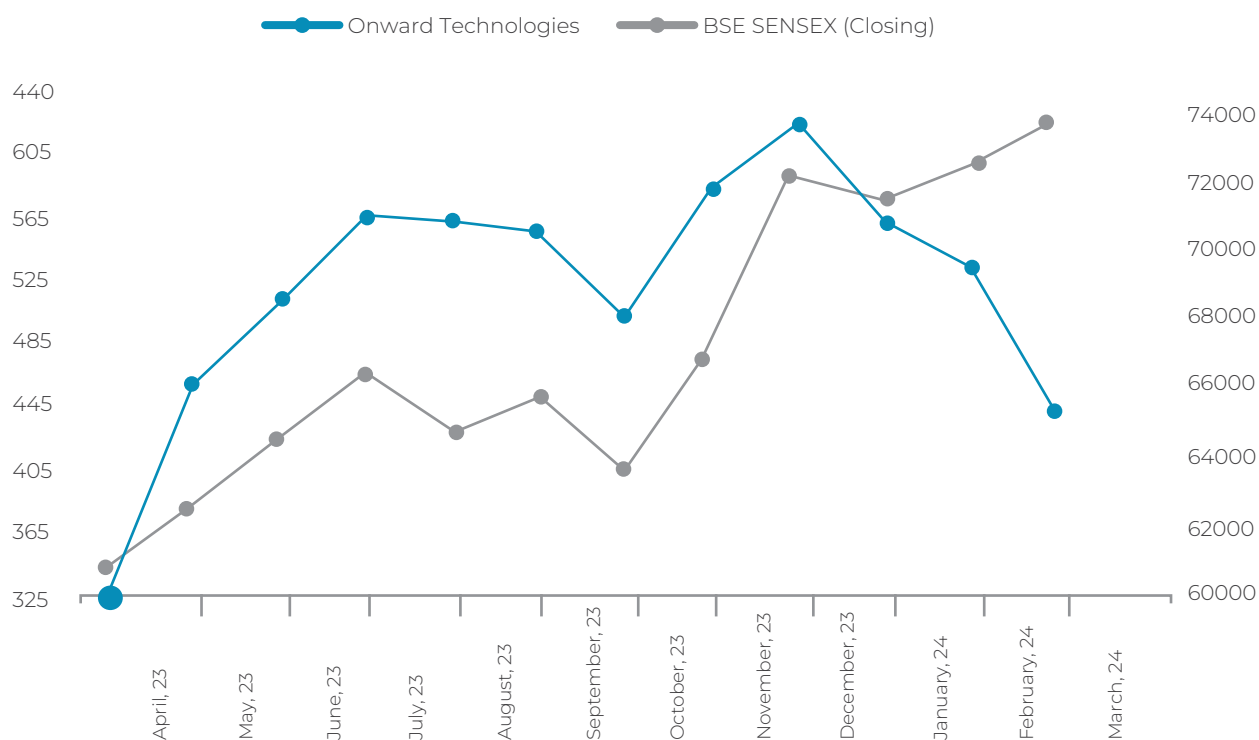
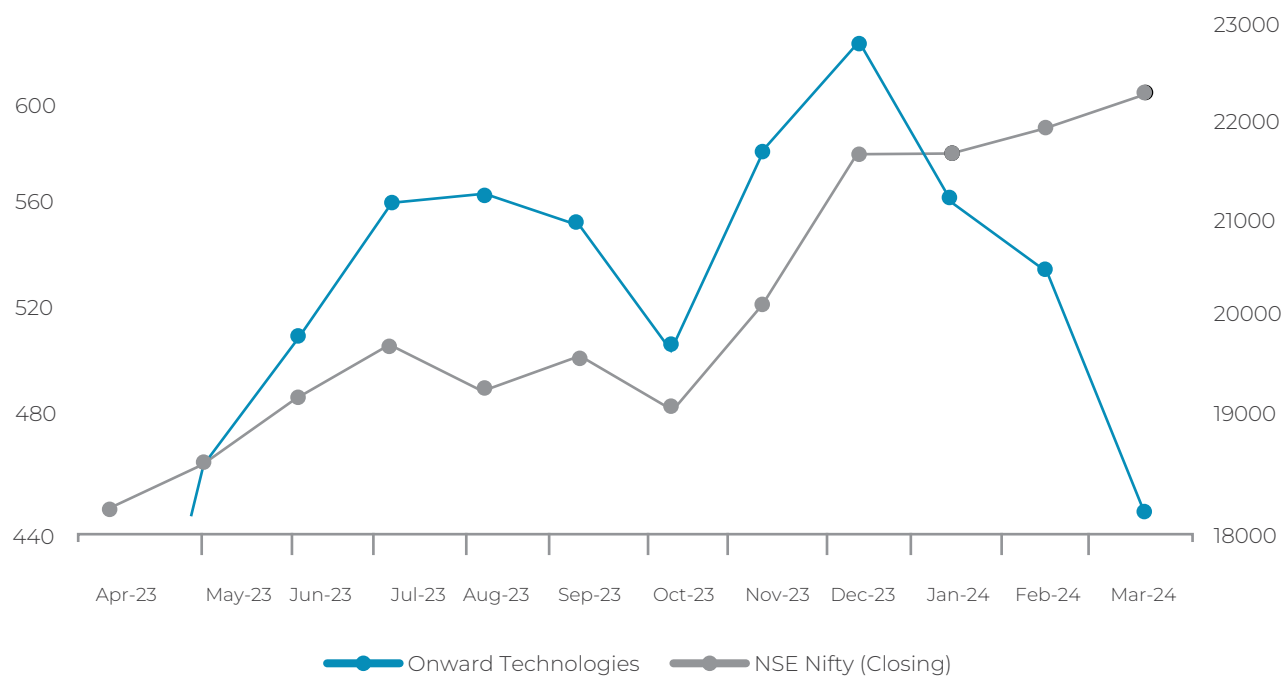
Day, Date and Time	Friday, July 19, 2024 at 3.00 PM
Venue	via VC/OAVM
Financial Year	April 1, 2023 to March 31, 2024
Final Dividend	Final dividend of 5/- per equity share i.e. @ 50% for the financial year 2023-24.
Record Date (e-voting)	July 12, 2024
Date of Book Closure	July 13, 2024 to July 19, 2024
Listed on Stock Exchanges	National Stock Exchange of India Limited ('NSE') Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 BSE Limited ('BSE') PJ Towers, Dalal Street, Mumbai- 400 001
Stock Code/Symbol	BSE – 517536 NSE – ONWARDTEC
International Securities Identification Number ("ISIN")	INE229A01017
CIN	L28920MH1991PLC062542
Payment of Annual listing fees to Stock Exchanges	Yes, within stipulated time

9.2 Market Price Data:

Details of high and low price and the number of shares traded during each month in the last financial year on BSE Limited and National Stock Exchange of India Limited are as under:

Month	BSE (₹)		NSE (₹)	
	High Price	Low Price	High Price	Low Price
April – 2023	355.00	283.30	354.45	286.20
May – 2023	478.65	319.85	478.00	460.10
June – 2023	548.80	458.95	549.90	456.05
July – 2023	637.45	480.05	637.80	481.30
August – 2023	632.00	521.75	633.00	521.10
September – 2023	662.70	545.00	663.00	546.00
October – 2023	621.55	480.05	624.95	480.55
November – 2023	636.00	492.10	636.80	492.35
December – 2023	738.95	552.95	740.00	552.05
January – 2024	656.25	560.95	655.50	560.05
February – 2024	589.35	529.00	592.00	529.00
March – 2024	541.50	425.00	541.25	424.85

Source: www.bseindia.com & www.nseindia.com



9.3 Unpaid/Unclaimed Dividend:

Pursuant to the provisions of Companies Act, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Central Government under the provisions of the Companies Act. Shareholders are advised to claim the un-encashed dividend lying in the unpaid dividend account of the Company before the due date.

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules, 2016), amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years in the name of IEPF Suspense Account. The details of unpaid/unclaimed dividend and number of shares liable to be transferred are available on our website: www.onwardgroup.com/investors.php

Given below are the dates of declaration of dividend, corresponding last date for claiming unclaimed dividends and the same is due for transfer to IEPF on next day.

Year of Declaration	Date of Declaration	Interim/Final	Unclaimed Amount as on March 31, 2024	Date of Transfer to IEPF
2015-16	July 18, 2016	Final	Nil	September 25, 2023
2016-17	July 21, 2017	Final	₹ 2,28,088	NA
2017-18	July 20, 2018	Final	₹ 2,43,652	NA
2018-19	July 25, 2019	Final	₹ 3,29,698.50	NA
2019-20	July 16, 2020	Final	₹ 150	NA
2020-21	July 15, 2021	Final	₹ 6,59,294	NA
2021-22	July 18, 2022	Final	₹ 6,45,163	NA
2022-23	July 17, 2023	Final	₹ 6,02,766	NA

9.4 Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Tel: +91 22 49186270

9.5 Share Transfer System:

The Company's equity shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Equity Shares in physical form are processed by the Registrar and Share Transfer Agents, Link Intime India Private Limited and approved by the Stakeholders Relationship Committee of the Board of the Company. In order to expedite the process of share transfer and for administrative convenience, the authority for all physical share transfers is delegated to Company's RTA. The transferee is required to furnish the transfer deed, duly completed in all respects, together with the share certificates to RTA at the above said address in order to enable RTA to process the transfer.

9.6 Distribution of Shareholding as on March 31, 2024:

Sr. No.	Shareholding No. of Shares		No. of Shares	% To Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	1415841	90.62	15674	6.29
2	501	1000	563796	4.12	713	2.50
3	1001	2000	565363	2.25	390	2.51
4	2001	3000	348635	0.79	136	1.55
5	3001	4000	244723	0.40	69	1.09
6	4001	5000	347861	0.43	74	1.54
7	5001	10000	858109	0.68	117	3.81
8	10001	*****	18175242	0.71	123	80.71
TOTAL			22519570		17,296	100

9.7 Dematerialization of shares and liquidity:

As on March 31, 2024, 2,23,56,943 Equity Shares out of 2,25,19,570 Equity Shares of the Company, constituting 99.28% of the Company's paid-up capital is held in the dematerialized form. The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the Central Depository Services (India) Limited [CDSL] and National Securities Depository Limited [NSDL]. The International Security Identification Number [ISIN] is an identification number of traded shares. This number is to be quoted in each transaction relating to the dematerialized shares of the Company. The ISIN of the Company is mentioned above.

9.8 Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs.

9.9 Commodity Price Risk:

The Company is not involved into any activities relating to commodity price risks and hedging thereof. The Company has in place a Risk Management Policy and a mechanism to assess risk, periodically review it and ensure that steps are taken to mitigate the risks. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies. The details of foreign currency exposure and hedging are disclosed in Notes to Standalone Financial Statements.

9.10 Plant Locations:

The Company does not have any manufacturing plant. However, details with regards different office locations of the Company forms part of this Annual Report.

9.11 Address for Correspondence

For any queries, shareholders are requested to either write to

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai - 400 083
Tel: +91 22 49186270
Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in
Contact person: Ms. Nayna Wakle

ANNEXURE – A

CORPORATE GOVERNANCE REPORT

Name of listed companies in which board members hold directorship along with their categories below:

Sr. No.	Name and Designation of Directors	No. of Positions held		Category of directorship held in respective listed company(ies)
		Board	Name of the listed company where holding the position of director	Executive/Non-Executive/Independent
1.	Mr. Harish Mehta, Executive Chairperson	1	Onward Technologies Limited	Executive Non-Independent Director
2.	Mr. Jigar Mehta, Managing Director	1	Onward Technologies Limited	Executive Non-Independent Director
3.	Mr. Rahul Rathi, Director*	2	1. Onward Technologies Limited 2. Plastiblends India Limited	Non-Executive Independent Director
4.	Mr. Parish Meghani, Director*	1	Onward Technologies Limited	Non-Executive Independent Director
5.	Mr. S. K. Mitra, Director*	5	1. Onward Technologies Limited 2. AGS Transact Technologies Limited 3. IL&FS Engineering and Construction Company Limited 4. IL&FS Transportation Networks Limited 5. Centrum Capital Limited	Non-Executive Independent Director
6.	Mr. Jay Sonawala, Director	1	Onward Technologies Limited	Non-Executive Independent Director
7.	Mr. Harsha Raghavan, Director	3	1. Onward Technologies Limited 2. Camlin Fine Sciences Limited 3. Jagsonpal Pharmaceuticals Limited	Non-Executive - Non Independent Director
8.	Ms. Niranjani Chandramouli Director	1	Onward Technologies Limited	Non-Executive Non-Independent Director
9.	Mr. Dhanpal Jhaveri** Director	2	1. Onward Technologies Limited 2. Indostar Capital Finance Limited	Non- Executive Independent Director Non- Executive Non-Independent Director
10.	Mr. Jai Diwanji** Director	6	1. Onward Technologies Limited 2. Alembic Pharmaceuticals Limited 3. Kaira Can Company Limited 4. Batliboi Limited 5. Nesco Limited 6. Elecon Engineering Limited	Non-Executive Independent Director

* Mr. Rahul Rathi , Mr. Parish Meghani & Mr. S.K. Mitra completed their terms as Independent Directors w.e.f July 20, 2023.

** Mr. Dhanpal Jhaveri and Mr. Jai Diwnaji were appointed as Independent Directors w.e.f May 12, 2023

ANNEXURE - B

DECLARATION BY MANAGING DIRECTOR

To,
The Members,
Onward Technologies Limited

This is to certify that pursuant to the Regulation 17(5) and Clause D of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Jigar Mehta, Managing Director of Onward Technologies Limited ("the Company"), hereby declare that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, laid down and adopted by the Company, during the year ended March 31, 2024.

For Onward Technologies Limited

Jigar Mehta

Managing Director

DIN: 06829197

Place: Mumbai

Date : May 17, 2024

ANNEXURE - C

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

We, Jigar Mehta, Managing Director and Mr. Pawankumar Nathani, Chief Financial Officer of Onward Technologies Limited ('the Company') to the best of my knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year 2023-24 and that to the best of our 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
43. We have indicated to the Auditors and the Audit Committee:
 - 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) There are no instances of significant fraud of which we 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.

Place: Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN: 06829197

Pawankumar Nathani

Chief Financial Officer

To
The Members of
Onward Technologies Limited

We have examined the compliance of conditions of Corporate Governance by ONWARD TECHNOLOGIES LIMITED ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2024.

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

For Nilesh A. Pradhan & Co., LLP
Company Secretaries

Prajakta V. Padhye
Partner
FCS No: 7478
CP No: 7891
PR No.: 1908/2022
UDIN: F007478F000379872

Place: Mumbai
Date: May 17, 2024

ANNEXURE - D

Certificate on Non-Disqualification of Directors

(Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Onward Technologies Limited

We have examined the relevant disclosures provided by the Directors (as mentioned in below table) to the Onward Technologies Limited (CIN:L28920MH1991PLC062542) having its Registered Office at Sterling Centre, 2nd Floor, Dr. A.B. Road, Worli, Mumbai-400018 ("hereinafter referred to as 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 and 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 verification of Director Identification Number status at the portal www.mca.gov.in) and the relevant disclosures provided by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below during the year 2023-24 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 (MCA) or any such other statutory authority.

Sr. No.	Name of Directors	Director Identification Number (DIN)	*Date of Appointment in the Company
1	Mr. Harish Mehta Shantilal	00153549	18/07/1991
2	Mr. Jigar Mehta	06829197	16/05/2016
3	Mr. Harsha Raghavan	01761512	30/06/2021
4	Ms. Niranjani Chandramouli	07128770	29/09/2022
5	Mr. Jai Shishir Diwanji	00910410	12/05/2023
6	Mr. Dhanpal Arvind Jhaveri	02018124	12/05/2023
7	Mr. Jay Nitin Sonawala	01401445	15/05/2020
8	**Mr. Subrata Kumar Mitra	00029961	15/05/2020
9	**Mr. Rahul Ramkumar Rathi	00966359	24/04/2017
10	**Mr. Parish Arun Meghani	02106768	10/05/2017

* the date of appointment is as per the MCA Portal.

** Ceased to act as Director with effect from July 20, 2023

Ensuring the eligibility of 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 Nilesh A. Pradhan & Co., LLP
Company Secretaries

Prajakta V. Padhye

Partner

FCS No:7478 | CP No:7891

PR No.: 1908/2022

UDIN: F007478F000379828

Place : Mumbai
Date : May 17, 2024

Independent Auditor's Report

To the Members of Onward Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Onward Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Matter

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

Key audit matter - Revenue Recognition

See Note 2(e) and 21 to consolidated financial statements

The key audit matter

The Group enters into contracts with the customers which are time and material or fixed price contracts.

Time and material contracts represent contracts in which the Group is compensated on the basis of time delivered to a customer. Fixed price contracts represent contracts where the Group is compensated on the basis of a fixed monthly billing for performance of services.

Revenue recognition has been identified as a key audit matter because there is an inherent risk and presumed fraud risk around existence of revenue.

Further, accounting for revenue arising out of such contracts with customers involves judgement in respect of recognition of revenue based on fulfilment of the performance obligation.

How the matter was addressed in our audit

Our audit procedures include:

- Obtained an understanding of the processes and controls implemented by the Group;
- Evaluated the design, implementation and operating effectiveness of key Internal financial controls with reference to financial statements for the measurement, recognition and accounting of revenue;
- On a selected sample of contracts, we tested the recognition of revenue in accordance with the relevant standards by performing the procedures below
 - a. Read master service agreements and other relevant documents forming part of contracts with the customer.
 - b. Tested contract terms to determine the transaction price and identification of performance obligation.
 - c. Verified the underlying evidence for recognition of revenue.:
 - i. For revenue recorded in time and material contracts, tested approved time-sheets including customer acceptances, invoicing and trends of collection and disputes.
 - ii. For revenue recorded in fixed price contracts, tested evidence to verify the service delivery including customer acceptances, invoicing and trends of collection and disputes.
- Assessed the appropriateness of the revenue recognition accounting policies and its compliance with Ind AS 115.
- Evaluated the adequacy of disclosures in the Consolidated Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting

principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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:

- 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements of such entities or business activities 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 statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matter" in this audit report..

We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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 consolidated 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.

Other Matters

We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 1,994.44 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 3,479.82 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 382.34 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiaries, as was audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 statements have been kept so far as it appears from our examination of those books and the report of the other auditor except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 to 10 April 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2024.
 - d.
 - (i) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 42(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 42(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 34 to the consolidated financial statements, the respective Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Holding Company and its subsidiary incorporated in India have used accounting softwares for maintaining its books of account which have the feature of recording audit trail (edit log) facility. However;

- In case of the Holding Company and its subsidiary company incorporated in India, the feature of audit trail (edit log) was not enabled in full at the application layer of the accounting softwares used for maintaining books of accounts;
- In case of the Holding Company and its subsidiary company incorporated in India, database of accounting softwares for maintaining books of account is operated by a third party software service provider. In the absence of System and Organisation Controls (SOC) 1 Report, we are unable to comment on whether audit trail feature of the said accounting softwares at database level was enabled to log any direct data changes in the accounting softwares used for maintaining books of accounts and operated throughout the year for all relevant transactions.

Consequently, we are unable to comment on instances of audit trail feature being tampered with during the year.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

ICAI UDIN:24215165BKBKPJ1245

Place: Pune

Date: 17 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Onward Technologies Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following Company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by its auditor in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entity	CIN	Holding Company/ Sub sidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Onward Technologies Limited	L28920MH1991 PLC062542	Holding Company	Clause (ii)(b) and (vii) (a)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

ICAI UDIN:24215165BKBKJPJ1245

Place: Pune

Date: 17 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Onward Technologies Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Onward Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 with reference to financial statements.

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Onward Technologies Limited for the year ended 31 March 2024

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

ICAI UDIN:24215165BKBKPJ1245

Place: Pune

Date: 17 May 2024

Consolidated Balance Sheet

As at March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,237.58	3,568.84
Right-of-use assets	30	2,766.11	1,460.22
Intangible assets	4	250.95	332.55
Intangible assets under development	4A	64.18	-
Financial assets			
(a) Other financial assets	5	1,197.15	313.52
Deferred tax assets (net)	12(a)	200.68	191.00
Income tax assets (net)	12(b)	1,065.23	1,632.70
Other non-current assets	10	126.50	134.45
Total non-current assets		8,908.37	7,633.28
II. Current assets			
Financial assets			
(a) Trade receivables	6		
- Billed		7,357.52	9,122.69
- Unbilled		2,728.59	1,849.26
(b) Cash and cash equivalents	7	3,119.76	4,726.50
(c) Bank balances other than cash and cash equivalents above	8	27.09	23.27
(d) Other financial assets	9	5,617.04	148.72
Other current assets	11	935.76	721.51
Total current assets		19,785.76	16,591.95
Total assets		28,694.13	24,225.23
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13(a)	2,251.96	2,230.53
Other equity	13(b)	18,461.27	15,156.30
Total equity		20,713.23	17,386.83
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	14	-	40.28
(b) Lease Liabilities	30	1,938.01	730.57
Provisions	18	454.37	219.27
Deferred tax liabilities (net)	12(a)	325.83	330.85
Total non-current liabilities		2,718.21	1320.97

Consolidated Balance Sheet (Contd.)

As at March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
II. Current liabilities			
Financial liabilities			
(a) Borrowings	15	-	10.47
(b) Lease Liabilities	30	889.22	891.31
(c) Trade payables	16	1,297.28	1,137.88
(d) Other financial liabilities	17	1,988.27	2,511.84
Provisions	19	213.89	192.47
Income Tax Liabilities (net)	12(b)	204.76	7.20
Other current liabilities	20	669.26	766.26
Total current liabilities		5,262.69	5,517.43
Total liabilities		7,980.90	6,838.40
Total equity and liabilities		28,694.13	24,225.23

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is the consolidated balance sheet referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

Consolidated Statement of profit and loss

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year March 31, 2024	For the year March 31, 2023
Revenue from operations	21	47,239.17	44,092.83
Other income [Refer note 2 (v)]	22	727.24	338.70
Total Income		47,966.41	44,431.53
Expenses			
Employee benefits expense [Refer note 2 (v)]	23	35,764.65	35,107.51
Finance costs	24	134.09	166.38
Depreciation and amortisation expense	25	1,297.46	1,298.16
Other expenses	26	6,254.51	6,056.29
Total expenses		43,450.71	42,628.34
Profit before tax		4,515.70	1,803.19
Tax expense			
Current tax	12(b)	1,120.81	527.11
Deferred tax	12(a)	3.12	128.07
Total tax expense		1,123.93	655.18
Profit for the year		3,391.77	1,148.01
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of the defined benefit plans	19	(70.79)	(97.38)
Income tax relating to these items	12(b)	17.82	24.51
<i>Items that will be subsequently reclassified to profit or loss</i>			
Exchange differences in translating the financial statements of foreign operations	13(b)	82.05	234.67
Income tax relating to these items		-	-
Total other comprehensive income for the year, net of tax		29.08	161.80
Total comprehensive income for the year		3,420.85	1,309.81
Earnings per share			
Basic	27	15.13	5.17
Diluted	27	14.81	5.05

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes. This is the consolidated statement of profit and loss referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date : May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date : May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date : May 17, 2024

Consolidated

Consolidated statement of changes in equity

As at March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

A Equity share capital

Particulars	Notes	Amount
As at March 31, 2022		2,202.09
Change in equity share capital	13(a)	28.44
As at March 31, 2023		2,230.53
Change in equity share capital	13(a)	21.43
As at March 31, 2024		2,251.96

B Other Equity

Particulars	Notes	Securities premium	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve	Share Application Money pending allotment	Total
As at April 1, 2022		8,367.88	5,279.65	269.33	196.33	5.78	14,118.97
Profit for the year		-	1,148.01	-	-	-	1,148.01
Other Comprehensive Income		-	(72.87)	-	234.67	-	161.80
Total comprehensive income for the year		-	1,075.14	-	234.67	-	1,309.81
Transactions with owners in their capacity as owners							
Contributions and distributions							
Issue of equity shares under Employee Stock Option Plan	13(b)	248.34	-	(229.43)	-	-	18.91
Employee stock option expenses	13(b)	-	-	376.80	-	-	376.80
Transfer on account of lapsed option	13(b)	-	11.46	(11.46)	-	-	-
Shares allotted against the share application money received	13(b)	-	-	-	-	(47.34)	(47.34)
Shares application money received for allotment of shares	13(b)	-	-	-	-	43.73	43.73
Dividends paid	13(b)	-	(664.58)	-	-	-	(664.58)
As at March 31, 2023		8,616.22	5,701.67	405.24	431.00	2.17	15,156.30
Profit for the year		-	3,391.77	-	-	-	3,391.77
Other Comprehensive Income		-	(52.97)	-	82.05	-	29.08
Total comprehensive income for the year		-	3,338.80	-	82.05	-	3,420.85

Consolidated statement of changes in equity (Contd.)

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Securities premium	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve	Share Application Money pending allotment	Total
Transactions with owners in their capacity as owners							
Contributions and distributions							
Issue of equity shares under Employee Stock Option Plan	13(b)	255.58	-	(240.68)	-	-	14.90
Employee stock option expenses	13(b)	-	-	542.54	-	-	542.54
Shares allotted against the share application money received	13(b)	-	-	-	-	(36.27)	(36.27)
Shares application money received for allotment of shares	13(b)	-	-	-	-	34.10	34.10
Dividends paid	13(b)	-	(671.15)	-	-	-	(671.15)
As at March 31, 2024		8,871.80	8,369.32	707.10	513.05	-	18,461.27

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.
This is the consolidated statement of changes in equity referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner
Membership No.: 215165

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 17, 2024

Jigar Mehta

Managing Director
DIN :06829197

Place : Mumbai
Date: May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai
Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai
Date: May 17, 2024

Consolidated

Consolidated Statement of cash flows

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A) Cash flows from operating activities		
Profit before income tax	4,515.70	1,803.19
Adjustments for		
Depreciation and amortisation expense	1,297.46	1,298.16
Profit on disposal of property, plant and equipment	(30.92)	(10.62)
Property, plant and equipment written off	-	6.43
Interest income	(477.68)	(195.28)
Unwinding of discount on security deposit	(32.44)	(21.32)
Employee share based payment expenses	542.54	376.80
Finance costs	134.09	166.38
Net gain on termination of lease arrangements	(5.38)	-
Profit on sale of mutual funds	-	(26.81)
Unrealised foreign exchange (gain)/loss	(94.54)	(18.47)
Loss allowance	32.24	17.19
Bad Debts written off (Net of recoveries)	6.00	10.48
Operating profit before working capital changes	5,887.06	3,406.13
Working capital adjustments		
(Increase)/Decrease in trade receivables and unbilled receivables	887.18	(2,999.62)
(Increase)/Decrease in other financial assets	(21.98)	(90.06)
(Increase)/Decrease in other assets	(169.28)	98.41
Increase/(Decrease) in trade payables	222.28	39.15
Increase/(Decrease) in other liabilities	(97.00)	33.40
Increase/(Decrease) in other financial liabilities	(462.95)	630.18
Increase/(Decrease) in employee benefit obligations	186.69	(176.97)
Cash generated from/(used in) operations	6,432.00	940.62
Income taxes paid (net of refunds)	(197.13)	(366.02)
Net cash (outflow)/inflow from operating activities	6,234.87	574.60
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(128.55)	(524.27)
Purchase of intangible assets	(73.15)	(195.82)
Proceeds from sale of property, plant and equipment	37.22	41.64
Proceeds from fixed deposits	54.95	3,000.00
Fixed deposits placed	(6,158.79)	(1,960.70)
Proceeds from mutual funds (net)	-	26.81
Interest received	34.51	213.21
Net cash (outflow)/inflow from investing activities	(6,233.81)	600.87
C) Cash flows from financing activities		
Interest paid*	(4.42)	(8.70)
Repayment of lease liabilities*	(928.17)	(788.93)
Shares application money received for allotment of shares	34.10	43.73
Repayment of borrowings*	(50.75)	(9.29)
Payment of Dividend	(667.33)	(658.20)
Net cash (outflow)/inflow from financing activities	(1,616.57)	(1,421.39)

Consolidated Statement of cash flows (Contd.)

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net increase / (decrease) in cash and cash equivalents	(1,615.51)	(245.92)
Cash and cash equivalents at the beginning of the year	4,726.50	4,951.52
Effect of foreign exchange on cash and cash equivalents	8.77	20.90
Cash and cash equivalents at the end of the year/ period	3,119.76	4,726.50

Reconciliation of cash and cash equivalents as per the cash flow statement:

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	3,119.76	4,726.50
Balances as per statement of cash flows	3,119.76	4,726.50

The above statement of cash flows is prepared under Indirect Method of Ind AS 7 - Statement of cash flows.

*Reconciliation of liabilities from financing activities for the year ended March 31, 2024:

Particulars	Borrowings	Leases
Balance at the start of the year	50.75	1,621.88
Add: Cash inflow	-	-
Less: Cash outflow	(50.75)	(928.17)
Add: Non-cash changes (including additions to right of use assets)	-	2,133.52
Closing balance at the end of the year	-	2,827.23

*Reconciliation of liabilities from financing activities for the year ended March 31, 2023:

Particulars	Borrowings	Leases
Balance at the start of the year	60.04	1,809.77
Add: Cash inflow	-	-
Less: Cash outflow	(9.29)	(788.93)
Add: Non-cash changes (including additions to right of use assets)	-	601.04
Closing balance at the end of the year	50.75	1,621.88

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. This is the consolidated statement of cash flows referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

Notes to the Consolidated Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Background:

Onward Technologies Limited (referred as the “Holding Company”) and its subsidiaries (together referred as “Group”) is a leading global player in Mechanical Engineering Design and IT Services, listed at both Bombay Stock Exchange and National Stock Exchange. The Holding Company is a public limited Company domiciled in India and was incorporated on July 18, 1991 under the provisions of the Companies Act, 1956. The Holding Company has its registered office in Mumbai and in Pune.

2. Material accounting policies:

This note provides a list of the Material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied.

(a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Board of Directors have approved these consolidated financial statements for issue on May 17, 2024.

(b) Interest in Subsidiaries

Sr. No.	Name of the entity	% of Holding		Country of Incorporation
		March 31, 2024	March 31, 2023	
1	Onward Technologies Inc.	100%	100%	United States of America
2	Onward Technologies GmbH	100%	100%	Germany
3	Onward Technologies Canada Inc.	100%	100%	Canada
4	Onward Technologies B.V.	100%	100%	Netherland
5	OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	100%	100%	India

(ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial assets and liabilities which are measured at fair value;
- Defined benefit plans — plan assets measured at fair value.
- Share based payment measured at fair value as on the date of grant.

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

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Use of judgements and estimates

The preparation of consolidated financial statements requires the management of the Group to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognised when the results are known/materialised prospectively.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

(a) Note no. (e) - Revenue recognition – Recognition of revenue involves significant judgements in relation to fulfilment of performance obligations and determination of transaction price.

Critical accounting estimates

- (a) Note no. (e) - Revenue recognition – Recognition of revenue involves estimates around variable consideration.
- (b) Note no. (i) - Recognition of deferred tax assets/liabilities - The Group reviews carrying amount of deferred tax asset at end of each reporting period for availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.
- (c) Note no. (v(a)) - Business combinations - to ascertain the net fair value of acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values.
- (d) Note no. (s) – Measurement of defined benefit obligation: key actuarial assumptions involved in measurement
- (e) Note no. 38 - share based payments - Information about assumptions and estimation uncertainties in respect of share based payments

(iv) Principles of Consolidation

a) Business combinations

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in other comprehensive income and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

b) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are not consolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker are the Board of Directors. The Group has only one operating segment which is Engineering Design and IT services.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Transactions in foreign currencies are translated to the respective functional currencies of the Group companies at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the rates as at the reporting date. The exchange differences so determined and also the realised exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

(ii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at closing rates at the date of balance sheet; Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of transactions) and all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of gain or loss on sale.

(e) Revenue recognition

Ind AS 115 Revenue from contracts with customers standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A five-step process must be applied before revenue can be recognised:

- i. identify contracts with customers
- ii. identify the separate performance obligation
- iii. determine the transaction price of the contract

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- iv. allocate the transaction price to each of the separate performance obligations, and
- v. recognise the revenue as each performance obligation is satisfied.

a. Revenue recognition policy

The Group derives revenue primarily from engineering design services, IT services. Amounts disclosed as revenue are net of trade allowances, rebates, discounts, goods and service taxes, value added taxes and other amounts collected on behalf of third parties.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

The Group accounts for volume and/or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. The Group recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or a service to a customer and Group expects to receive consideration in exchange for those products or services. The method for recognising revenues and costs depends on the nature of the services rendered. The Group estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognised over time as it performs if any of the following criteria is met:

- (a) The customer simultaneously consumes the benefits as the Group performs, or
- (b) The customer controls the work-in-progress, or
- (c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date

If none of the criteria above are met, the Group recognised revenue at a point-in-time.

The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The billing schedule agreed with customers with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting up obligations exceed the economic benefits to be received. The Group disaggregates revenue from contracts with customers by nature of services and geography.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Sale of services

a) Time and material contracts:

Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b) Fixed- price contracts:

Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Revenue from fixed price maintenance is recognised based on the right to invoice for services performed for contracts in which invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognised as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on straight line basis over the specified period, unless some other method better represents the manner in which services are performed.

Contract balances

- a) Revenue in excess of invoicing is classified as unbilled revenue when such right to consideration in exchange for goods and services is conditional only on passage of time, while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).
- b) Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.
- c) Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).
- d) Deferred contract costs are upfront costs incurred for the contract and are amortised on a systematic basis that is consistent with the transfer to the customer of the goods/services to which the asset relates.

Significant judgments in revenue recognition:

- a) Judgment is required to determine the transaction price for a contract with the customer. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- b) The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

(f) Other Income

Dividend income is recognised in the Statement of Profit and Loss only when the Group's right to receive dividend is established which is generally when the shareholders approve the dividend.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

(g) Financial instruments

a) Recognition and initial measurement

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Measurement of fair values:

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Group uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used.

Further information about the assumptions made in measuring fair values is included in below notes:

- share based payment arrangements (Refer note no. (s)(iv) and 38)
- acquisition of asset/ subsidiary (Refer note (b)(iv)(a))
- financial instruments (Refer this note and note 32)

b) Classification and subsequent measurement

i. Non-derivative financial instruments

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit/loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at fair value through profit or loss:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest expense and foreign exchange gains and losses are recognised in profit or loss. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

ii. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group does not use derivative financial instruments for speculative purposes. The counter-party to the Group's foreign currency forward contracts is generally a bank.

Derivatives are initially measured at fair value. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. The full fair value of a derivative is classified as a Non-current Asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

c) Derecognition of financial instruments

Financial assets:

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Substantially all of the risks and rewards of ownership of the financial asset are transferred; or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Group derecognises financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

d) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. For trade receivables that do not contain a significant financing component, the Group apply simplified approach. The Group uses simplified approach to calculate impairment on trade receivables and has not assessed credit risk individually. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(h) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of related assets and presented within other income.

(i) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

Leases are recognised as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both, lease and non-leases components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease component and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- fixed payments (including - in-substance fixed payments), less any lease incentive receivable.
- amounts expected to be payable by the Group under residual value guarantees.
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use assets in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing, and
- makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and
- restoration costs

Right-of-use are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with the short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment like computers and hardware. The Group presents separately in the balance sheet right-of-use assets and lease liabilities within 'Financial Liabilities'

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased asset are included in the balance sheet based on their nature.

Since there are no transactions whereby the Group is a lessor, there were no adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(k) Impairment of non-financial assets

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Group recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. For impairment testing, assets are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss.

(l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Borrowing cost and other interest expense

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(n) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(o) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Class of asset	Estimated economic useful life in years
Computers & networking	3 - 6 years
Furniture & Fixtures	7 - 10 years
Office Equipment	5 - 7 years
Electrical equipments	10 years
Vehicles	8 years
Building*	40 years

* Useful lives have been determined based on technical evaluation done by the management's expert which are lesser than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Leasehold improvements are depreciated over shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/(upto) the date on which asset is ready for use/(disposed off). The useful lives for assets are in line with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

(p) Intangible assets

The cost of an item of intangible assets shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation and accumulated impairment. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss.

Intangible assets are amortised on the straight-line method as follows:

Asset	Useful life
Software	2 to 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Group after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(r) Provisions and contingent assets/liabilities

Provisions are recognised when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed by way of a note to the consolidated financial statements 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(s) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts at undiscounted basis expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privileged leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) Defined benefit plan – gratuity
- (b) Defined contribution plans - provident fund, employee state insurance scheme.

(a) Defined benefit plan - Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement of net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. The net interest cost

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, both as determined at the start of the annual reporting period taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- (b) Defined contribution Plans – Provident Fund, Employee State Insurance Scheme, Social Security and Labour Welfare Fund

The Group pays provident fund, employee state insurance for all employees to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the period in which the related service is provided by the employee.

(iv) Share-based payments

Employee options are provided to employees of the Group via the ESOP Plan. The fair value of the options granted under the Onward Plan is recognised as employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Bonus Plan

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(t) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

(u) Earnings per share

- (i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(v) **Changes in accounting policy:**

During the year, the Group has changed its accounting policy for presentation of government grants related to research and development expenditure credit which are directly linked to employee benefit expenses. The Group previously accounted for government grants separately under 'Other Income', and in the current year such government grants are presented net of employee benefit expenses which results in reliable and relevant presentation of the Consolidated financial statements. Accordingly, the changes have also been made in the previous year ended March 31, 2023. However, this change does not result in any impact on profit for the previous year (including basic/ diluted earnings per share) and on the opening retained earnings as at April 1, 2023.

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Decrease in Other Income	506.38	201.54
Decrease in Employee Benefit Expenses	506.38	201.54

(w) **Rounding of amounts:**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Consolidated

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2022	2,796.02	1,221.95	401.16	402.82	163.48	142.29	21.21	5,148.93
Additions	-	290.29	-	29.44	13.30	38.12	-	371.15
Disposals	-	(179.82)	(23.21)	(10.60)	(87.09)	(10.91)	(1.56)	(313.19)
Effect of foreign currency exchange differences	-	2.27	5.18	11.17	-	1.11	-	19.73
Gross carrying amount as on March 31, 2023	2,796.02	1,334.69	383.13	432.83	89.69	170.61	19.65	5,226.62
Accumulated depreciation	36.98	698.07	365.37	227.33	67.05	85.59	11.09	1,491.48
Charge for the year	56.84	262.25	17.26	48.13	18.55	23.21	1.77	428.01
Disposals	-	(171.15)	(22.45)	(9.63)	(64.01)	(7.90)	(0.93)	(276.07)
Effect of foreign currency exchange differences	-	1.36	3.98	7.98	-	1.04	-	14.36
Closing accumulated depreciation as at March 31, 2023	93.82	790.53	364.16	273.81	21.59	101.94	11.93	1,657.78
Net carrying amount as on March 31, 2023	2,702.20	544.16	18.97	159.02	68.10	68.67	7.72	3,568.84

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2023	2,796.02	1,334.69	383.13	432.83	89.69	170.61	19.65	5,226.62
Additions	-	93.46	-	5.13	-	13.49	-	112.08
Disposals	-	(121.18)	(192.70)	(133.21)	-	(25.85)	-	(472.94)
Effect of foreign currency exchange differences	-	(0.64)	(0.88)	(10.78)	-	-	-	(12.30)
Gross carrying amount as on March 31, 2024	2,796.02	1,306.33	189.55	293.97	89.69	158.25	19.65	4,853.46
Accumulated depreciation	93.82	790.53	364.16	273.81	21.59	101.94	11.93	1,657.78
Charge for the year	48.25	277.87	13.39	47.18	11.20	22.98	1.58	422.45
Disposals	-	(116.84)	(192.69)	(132.48)	-	(24.63)	-	(466.64)
Effect of foreign currency exchange differences	-	0.26	0.84	1.19	-	-	-	2.29
Closing accumulated depreciation as at March 31, 2024	142.07	951.82	185.70	189.70	32.79	100.29	13.51	1,615.88
Net carrying amount as on March 31, 2024	2,653.95	354.51	3.85	104.27	56.90	57.96	6.14	3,237.58

Notes:

- 1 Refer note 15 for hypothecation of charge on vehicle.
- 2 Refer to note 28(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

4 Intangible assets

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2022	1,337.59	1,337.59
Additions	195.82	195.82
Disposals	(13.91)	(13.91)
Capitalised during the year	-	-
Effect of foreign currency exchange differences	1.93	1.93
Gross carrying amount as on March 31, 2023	1,521.43	1,521.43
Accumulated Amortisation		
Balance as at April 1, 2022	1,073.53	1,073.53
Amortisation charge for the year	126.99	126.99
Disposals	(13.58)	(13.58)
Effect of foreign currency exchange differences	1.93	1.93
Closing accumulated amortisation as at March 31, 2023	1,188.87	1,188.88
Net carrying value as on March 31, 2023	332.56	332.55

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2023	1,521.43	1,521.43
Additions	8.95	8.95
Disposals	(337.49)	(337.49)
Effect of foreign currency exchange differences	0.02	0.02
Gross carrying amount as at March 31, 2024	1,192.91	1,192.91
Accumulated Amortisation		
Balance as at April 1, 2023	1,188.87	1,188.87
Amortisation charge for the year	90.58	90.58
Disposals	(337.49)	(337.49)
Effect of foreign currency exchange differences	-	-
Closing accumulated amortisation as at March 31, 2024	941.96	941.96
Net carrying value as at March 31, 2024	250.95	250.95

4A Intangible assets under development

Particulars	Total
Projects in progress	64.18
Project temporarily suspended	-
Total	64.18

Note:

- Intangible assets under development are with the aging of less than 1 year and expected to get completed within 1 year.
- As on the balance sheet date, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

5 Others financial assets - non-current

Non-current	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Bank deposits due to mature after 12 months	1,017.73	-
Earmarked balances with banks		
Bank deposits held as security against working capital facilities	53.93	57.33
Security deposits	125.49	256.19
Total	1,197.15	313.52

6 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables - Billed	7,406.95	9,139.88
Less: Loss allowance	(49.43)	(17.19)
	7,357.52	9,122.69
Trade Receivables - Unbilled	2,728.59	1,849.26
Total	10,086.11	10,971.95

Break-up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivable considered good - Secured		-
Trade receivable considered good - Unsecured	7,357.52	9,122.69
Trade receivable which have significant increase in credit risk	49.43	17.19
Less: Loss allowance	(49.43)	(17.19)
Total	7,357.52	9,122.69

Ageing of trade receivables as at March 31, 2024:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	5,579.03	1,754.59	23.90	-	-	-	7,357.52
- Significant increase in credit risk	5.92	6.16	37.35	-	-	-	49.43
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							(49.43)
Trade Receivables - Billed							7,357.52
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							2,728.59
Total							10,086.11

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade receivables as at March 31, 2023:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	7,076.12	2,025.88	20.55	0.14	-	-	9,122.69
- Significant increase in credit risk	3.45	10.54	3.16	0.04	-	-	17.19
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							(17.19)
Trade Receivables - Billed							9,122.69
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							1,849.26
Total							10,971.95

7 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	0.20	0.71
Balances with banks		
In current accounts	2,008.13	4,725.79
Deposits with original maturity less than three months	1,111.43	-
Total	3,119.76	4,726.50

8 Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2024	As at March 31, 2023
In earmarked accounts		
Earmarked balances with banks*	27.09	23.27
Total	27.09	23.27

* Amount represents unclaimed dividend account held for dividend remittance and hence are not available for use.

9 Other financial assets - current

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Derivative financial instrument		
Foreign exchange forward contracts	24.93	-
Bank deposits due to mature within 12 months	5,325.43	-

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

In earmarked accounts		
Bank deposits held as security against working capital facilities	64.97	55.16
Security deposits	201.71	93.56
Total	5,617.04	148.72

10 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	126.50	134.45
Total	126.50	134.45

11 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	542.79	551.76
Interest receivable on income tax refund	36.34	-
Research and Development expenditure credit receivable	183.96	99.77
Advance to suppliers	106.77	-
Others*	65.90	69.98
Total	935.76	721.51

*Others include advances paid to employees.

12(a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Defined Benefit Obligation	142.49	84.24
Allowance for Doubtful debts	3.84	3.08
Disallowances under Income tax Act, 1961	10.07	4.28
Lease Liability	160.86	373.74
Property, plant and equipment and intangible assets	1.56	8.57
Share issue expenses	21.00	31.50
Fair value gain on Foreign exchange Forward contracts	-	7.80
Others	6.60	17.42
	346.42	530.63
Deferred tax liability		
Fair value gain on Foreign exchange Forward contracts	6.28	-
Right to Use Assets	130.31	339.63
Others	9.15	-
	145.74	339.63
Total deferred tax asset (net)	200.68	191.00

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liability		
Leases	14.78	14.78
Fair value of assets acquired	311.06	316.07
Total deferred tax liability (net)	325.83	330.85

Movement in deferred tax assets/ (liabilities) in consolidated statement of profit and loss (charged)/ credited during the year

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Movement through profit and loss		
Defined Benefit Obligation	40.44	(61.85)
Allowance for Doubtful debts	0.76	3.08
Disallowances under Income tax Act, 1961	5.79	(3.80)
Lease Liability	(212.88)	340.04
Right to Use Assets	209.32	(339.63)
Property, plant and equipment and intangible assets	(7.01)	(7.44)
Share issue expenses	(10.50)	(10.50)
Fair value gain on Foreign exchange Forward contracts	(14.07)	17.84
Fair value of assets acquired	5.01	(12.74)
Others	(19.98)	(53.07)
Movement through other comprehensive income		
Defined Benefit Obligation	17.82	24.51
Total	14.68	(103.56)

12(b) Taxation

Income tax assets /(Income tax liabilities)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance		
- Income tax liabilities (Current)	(7.20)	(23.02)
- Income tax assets (Non-Current)	1,632.69	1,788.56
- Income tax assets (Current)	-	15.86
Add : Current tax payable for the year	(1,120.81)	(527.11)
Add/ (Less) : (Refund Received)/ Taxes paid	355.78	371.20
Closing Balance	860.46	1,625.49
Closing balance		
- Income tax liabilities (Current)	(204.76)	(7.20)
- Income tax assets (Non-Current)	1,065.23	1,632.70

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Income Tax Expenses

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023

Profit and Loss section	Year ended March 31, 2024	Year ended March 31, 2023
Current income tax charge		
Current income tax		
-Current tax on profit for the current year	1,113.84	530.77
-Adjustments for current tax of prior periods	6.97	(3.66)
Deferred tax	3.12	128.07
Income tax expense reported in the consolidated statement of profit or loss	1,123.93	655.18

Other comprehensive income section	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax related to items recognised in OCI during the year	17.82	24.51
Income tax (charged)/credit to OCI	17.82	24.51

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	4,515.77	1,803.19
Tax at Indian income tax rate of 25.17% (March 31, 2022: 25.17%)	1,136.53	453.83
Adjustments in respect of current income tax of previous years	6.97	(3.66)
Difference in tax rates in various subsidiaries	(15.32)	(9.59)
Deferred tax expenses/(reversal) on fair value change of assets acquired	(5.02)	12.74
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	8.10	1.20
Deferred tax asset not recognized on losses incurred by subsidiaries	(6.46)	132.99
Reversal of deferred tax of loss making subsidiaries	-	68.09
Others	(0.87)	(0.42)
Total	1,123.93	655.18
Income tax expense reported in the statement of profit or loss	1,123.93	655.18

13(a) Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
3,36,20,000 (March 31, 2023 : 3,36,20,000) Equity shares of ₹ 10 each	3,362.00	3,362.00
1,00,00,000 (March 31, 2023 : 1,00,00,000) Preference shares of ₹ 10 each	1,000.00	1,000.00
10,00,000 (March 31, 2023 : 10,00,000) unclassified shares of ₹ 10 each	100.00	100.00
Total	4,462.00	4,462.00
Issued, subscribed and paid up :		
2,25,19,570 (March 31, 2023 : 2,23,05,270) Equity Shares of ₹ 10 each	2,251.96	2,230.53
Total	2,251.96	2,230.53

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Reconciliation of number of equity shares issued

Particulars	As at March 31, 2024	As at March 31, 2023
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	2,23,05,270	2,20,20,870
Shares issued during the year(Nos.)	2,14,300	2,84,400
Shares outstanding at the end of the year	2,25,19,570	2,23,05,270

(ii) Reconciliation of issued equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year	2,230.53	2,202.09
Shares issued during the year	21.43	28.44
Shares outstanding at the end of the year	2,251.96	2,230.53

(iii) Terms/ rights attached to equity shares

The Group has issued only one class of shares referred to as equity shares having a par value of ₹ 10/- . Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

4,65,700 (March 31, 2023 : 4,60,400) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date. Refer note 37 for further details of the ESOP scheme.

(iv) Aggregate number of shares issued for consideration other than cash during the period of three years immediately preceding the reporting date -Nil (March 31, 2023: Nil).

(v) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	% holding	No. of shares	No. of shares	No. of shares
JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)	33.74%	75,97,866	39.89%	88,97,566
Infinity Direct Holdings	17.32%	39,00,000	24.21%	54,00,000

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Details of shareholdings of promoters and promoters group

i) Details of shareholding of promoters as on March 31, 2024

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
JHMEnterprisesPrivate Limited (Formerly Known as Onward Software Technologies Private Limited)	75,97,866	33.74%	100.00%
Harish Shantilal Mehta	2,16,528	0.96%	0.96%
Jigar Harish Mehta	3,76,299	1.67%	0.70%
Heral Harish Mehta	2,43,096	1.08%	-1.50%
Prachi Mehta	1,50,000	0.67%	-0.42%

ii) Details of shareholding of promoters as on March 31, 2023

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	88,97,566	39.89%	100.00%
Harish Shantilal Mehta	2,16,528	0.97%	-0.01%
Jigar Harish Mehta	5,76,299	2.58%	-0.03%
Heral Harish Mehta	2,43,096	1.09%	-0.01%
Prachi Mehta	1,50,000	0.67%	0.00%

13(b) Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
Securities premium		
Opening Balance	8,616.22	8,367.88
Add : Additions on account of exercise of options under Employee Stock Option Plan	255.58	248.34
Closing Balance	8,871.80	8,616.22
Share option outstanding account		
Opening Balance	405.24	269.33
Less : Employee stock options exercised	(240.68)	(229.43)
Add : Employee stock option expenses	542.54	376.80
Less: Transfer on account of lapsed option	-	(11.46)
Closing Balance	707.10	405.24
Foreign currency translation reserve		
Opening Balance	431.00	196.33
Gain on translation of foreign currency balances	82.05	234.67
Closing Balance	513.05	431.00
Share Application Money pending allotment		

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	2.17	5.78
Less : Shares allotted against the share application money received	(36.27)	(47.34)
Add : Shares application money received for allotment of shares	34.10	43.73
Closing Balance	-	2.17
Retained earnings		
Opening balance	5,701.67	5,279.65
Net profit for the year	3,391.77	1,148.01
	9,093.44	6,427.66
Add: Transfer on account of lapsed option		11.46
Less: Dividend paid (Refer Note 35)	(671.15)	(664.58)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of defined benefit plans (net of tax)	(52.97)	(72.87)
Closing balance	8,369.32	5,701.67
Total	18,461.27	15,156.30

Nature and purpose of reserves

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to record the fair value of options as on grant date issued to employees under the Employee stock option scheme. The amounts recorded in share options outstanding account are transferred to share capital and share premium upon exercise of stock options by employees.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share Application Money pending allotment

This denotes application money received for which issue of equity shares are outstanding as on balance sheet date.

Retained earnings

Retained earnings comprise of the Group's undistributed earnings after taxes.

14 Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loans from financial institutions		
Vehicle loan	-	50.75
Total Non-Current Borrowings	-	50.75
Less : Current maturities of long term borrowings (included in Note 15)	-	10.47
Total	-	40.28

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Terms of repayment for non-current borrowings

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loans from financial institutions			
"Vehicle Loans The borrowing is hypothecated against the Vehicle."	Repayable in 48 equal instalments beginning from March 4, 2021.	Monthly Instalments	8.21% p.a. (March 31, 2022: 8.21% p.a.)

15 Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Current maturities of long term borrowings	-	10.47
Total	-	10.47

Notes:

i) Details of undrawn credit facilities

Particulars	Name of the Company	Terms of repayment	Coupon/ Interest rate
Loans repayable on demand			
Secured			
From Banks			
Cash credit (Refer note below)			
HSBC Bank	Onward Technologies Ltd	Payable on Demand	T-Bill+5.05% p.a.
ICICI Bank	Onward Technologies Ltd	Payable on Demand	Repo+2.30% p.a.

Security details for cash credit facility

Secured by the Term deposits amounting to ₹118.90 lakhs with Bank as on March 31, 2024 and has exclusive charge on all present and future Current assets including Stocks and Book debts.

Above facility is secured against overall charge on current assets and margin money deposit with the bank in the form of fixed deposit

The Group has not utilised facility amount as at year ended March 31, 2024.

ii) The Group has obtained above facilities from banks on the basis of security of current assets.

The quarterly returns or statements of current assets filed by the Group with banks are not materially misstated with the books of accounts. Differences are on account of exclusion of intercompany balances, the period end closing entries and timing differences. Below are the details as on March 31, 2024:

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-23	Current Assets	8,449.14	5,893.38	8,305.21	5,840.33	143.93	53.05
Sep-23	Current Assets	17,157.71	5,655.67	16,983.96	5,589.94	173.75	65.73
Dec-23	Current Assets	25,676.77	5,025.15	25,530.37	5,356.31	146.40	-331.16
Mar-24	Current Assets	34,595.20	5,263.28	34,420.58	5,382.98	174.62	-119.70

Below are the details as on March 31, 2023

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-22	Current Assets	6,912.59	4,689.47	6,912.59	4,689.59	-	-0.12
Sep-22	Current Assets	14,588.08	5,271.72	14,588.10	5,528.00	-0.02	-256.28
Dec-22	Current Assets	22,703.72	5,719.32	22,714.35	5,719.32	-10.63	-
Mar-23	Current Assets	31,516.54	5,618.99	31,544.90	5,618.99	-28.36	-

16 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables	1,297.28	1,137.88
Total	1,297.28	1,137.88

Ageing of trade payables as at March 31, 2024:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	984.82	312.46	-	-	-	1,297.28
- MSME	24.82	0.21	-	-	-	25.03
- Others	960.00	312.25	-	-	-	1,272.25
Disputed trade payables	-	-	-	-	-	-
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Ageing of trade payables as at March 31, 2023:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	961.19	169.94	0.86	-	5.89	1,137.88
- MSME	87.33	3.13	-	-	-	90.46
- Others	873.86	166.81	0.86	-	5.89	1,047.42
Disputed trade payables	-	-	-	-	-	-
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

17 Other financial liabilities - current

Particulars	As at March 31, 2024	As at March 31, 2023
Derivative financial instrument		
- Foreign exchange forward contracts	-	30.99
Capital creditors	9.24	40.30
Unpaid Dividend	27.09	23.27
Employee benefit payable	1,951.94	2,417.28
Total	1,988.27	2,511.84

18 Non-current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Employee related provisions		
- Provision for Gratuity	259.21	82.67
- Provision for compensated absences	195.16	136.60
Total	454.37	219.27

19 Current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Employee related provisions		
- Provision for Gratuity	43.83	44.80
- Provision for compensated absences	170.06	147.67
Total	213.89	192.47

A Defined contribution plan

(i) Provident fund and Employee State Insurance Corporation scheme

The Group has certain defined contribution plans. Contributions are made to provident fund for employees at the rate specified by regulatory authorities from time to time. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1,148.13 lakhs (March 31, 2023 - ₹ 1,135.30 lakhs).

(ii) The expense recognised during the period towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 3.12 lakhs (March 31, 2023 - ₹ 10.93 lakhs).

(iii) Social security and other benefit plans for overseas employees

The expense recognised during the year towards National insurance, Pension, Statutory social security and contribution for health and safety insurance for overseas employees is ₹ 490.98 lakhs (March 31, 2023 - ₹ 455.98 lakhs).

B Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and is administered through group gratuity scheme with Life Insurance Corporation of India.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	439.48	(206.61)	232.87
Current service cost	108.61	-	108.61
Past service cost	-	-	-
Interest expense/(income)	27.23	(12.80)	14.43
Total amount recognised in Profit or Loss	135.84	(12.80)	123.04
Return on plan assets	-	21.81	21.81
(Gain)/loss from experience change	140.54	-	140.54
(Gain)/loss from demographic change	(9.33)	-	(9.33)
(Gain)/loss from change in financial assumption	(55.64)	-	(55.64)
Total amount recognised in Other Comprehensive Income	75.57	21.81	97.38
Employer contributions	-	(325.82)	(325.82)
Benefits paid	(163.47)	163.47	-
March 31, 2023	487.42	(359.95)	127.47

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	487.42	(359.95)	127.47
Current service cost	103.39	-	103.39
Past service cost	-	-	-
Interest expense/(income)	35.66	(26.33)	9.32
Total amount recognised in Profit or Loss	139.05	(26.33)	112.72
Return on plan assets	-	(8.30)	(8.30)
(Gain)/loss from experience change	80.61	-	80.61
(Gain)/loss from demographic change	(8.53)	-	(8.53)
(Gain)/loss from change in financial assumption	7.01	-	7.01
Total amount recognised in Other Comprehensive Income	79.09	(8.30)	70.79
Employer contributions	-	(7.94)	(7.94)
Benefits paid	(112.64)	112.64	-
March 31, 2024	592.92	(289.88)	303.04

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

II The net liability disclosed above relates to funded plans are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligation	592.92	487.42
Fair value of plan assets	(289.88)	(359.95)
Deficit	303.04	127.47

III Significant actuarial assumptions

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.30%
Salary growth rate	5.00%	5.00%
Expected return on plan assets	7.15%	7.30%
Withdrawal rate		
Service greater than 4 years	4.00%	7.00%
Service less than 4 years	45.00%	49.00%
Expected average remaining working lives of employees (in years)	5.64	3.72

IV Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2024	March 31, 2023
Discount rate		
1 % increase	(53.73)	(36.61)
1 % decrease	62.80	41.73
Salary growth rate		
1 % increase	60.93	40.87
1 % decrease	(53.60)	(36.71)
Withdrawal rate		
1 % increase	5.15	3.27
1 % decrease	(6.50)	(3.96)

The above sensitivity analysis is based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

V Projected benefits payable from the fund in future years from the date of reporting:

Particulars	March 31, 2024	March 31, 2023
Less than a year	43.83	44.80
Between 2 to 5 years	185.80	199.37
Between 6 to 10 years	254.72	232.08
More than 10 years	932.47	520.46
Total	1,416.82	996.71

The weighted duration of the defined benefit obligation is 10 years. (March 31, 2023: 8 years)

The Group expects to contribute ₹ 420.83 lakhs (March 31, 2023 ₹ 214.81 lakhs) during the next year towards planned assets.

VI The major categories of plan assets are as follows:

Particulars	March 31, 2024	March 31, 2023
Funds managed by insurer	100%	100%

VII Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's ability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

C Compensated absence

The leave obligations cover the Company's liability for privilege leave which are as follows :

Particulars	March 31, 2024	March 31, 2023
Expenses recognised in the Statement of Profit and Loss	80.95	24.40
Non-current leave obligations expected to be settled after 12 months	195.16	136.60
Current leave obligations expected to be settled within the next 12 months	170.06	147.67

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

20 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	637.43	666.83
Advance from customers	31.83	35.51
Contract liability - unearned revenue (Refer note 21(d))	-	63.92
Total	669.26	766.26

21 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Contract with Customers		
Sale of services		
- Professional services	47,239.17	44,092.83
Revenue from operations	47,239.17	44,092.83

a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geographical region type. The Group believe that this disaggregation best depicts how the nature, amount of our revenues and cash flows are affected by industry, market and other economic factors.

The payment terms of the Group are upto 60 days.

Revenue from customers	Year ended March 31, 2024	Year ended March 31, 2023
Within India	23,022.71	21,639.65
Outside India		
- USA	14,781.74	16,290.84
- Europe	4,327.69	2,941.93
- Others*	5,107.03	3,220.41
Total	47,239.17	44,092.83

*includes Canada and the United Kingdom.

b) Reconciliation of revenue recognised with contract price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract Price	47,729.34	44,553.23
Less: Discounts	(490.17)	(460.40)
Revenue from operations	47,239.17	44,092.83

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Aggregate amount of transaction price allocated to contract that are partially unsatisfied as at reporting date

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Aggregate amount of transaction price allocated to contracts that are unsatisfied as at reporting date	-	63.92

d) Movement in contract liabilities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	99.43	155.63
Changes on account of:		
Consideration received from customer - work yet to be performed	31.83	35.51
Revenue recognised in the year that was included in advance from customers	(99.43)	(155.63)
Invoicing done but revenue to be recognised	-	63.92
Total	31.83	99.43

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

22 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest method from financial assets carried at amortised cost		
- Interest on bank deposits	284.06	22.29
- Interest income on security deposits	32.44	21.32
Interest on income tax refunds	193.62	172.99
Net profit on disposal of property, plant and equipment	30.92	10.62
Net gain on foreign currency transactions and translations	62.91	-
Profit on sale of mutual funds	-	26.81
Miscellaneous income	123.29	84.67
Total	727.24	338.70

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

23 Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages		
- Salaries, wages and incentives	33,192.11	32,744.89
- Gratuity Expenses (Refer note 19)	112.72	123.04
Contributions to provident and other funds (Refer note 19)		
- Contributions to provident fund and Employee State Insurance Corporation scheme	1,151.25	1,146.23
- Social security and other benefit plans for overseas employees	490.98	455.98
Employee share based payment expense (Refer note 37)	542.55	376.80
Staff welfare expenses	275.04	260.57
Total	35,764.65	35,107.51

Note:

Based on its assessment and precedence for research and development expenditure credit available in the United Kingdom, the Group has recognised for such incentive on accrual basis for the current year to the extent of ₹ 183.96 lakhs (Previous year: ₹ 99.77 lakhs). The Group is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

24 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on financial liabilities measured at amortised cost		
Interest on borrowings	4.42	5.05
Interest on Lease Liabilities	128.35	157.68
Interest on dues of micro enterprises and small enterprises	1.32	3.65
Total	134.09	166.38

25 Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	422.45	428.01
Amortisation of intangible assets (refer note 4)	90.58	126.99
Depreciation of right-of-use Assets (refer note 30)	784.43	743.16
Total	1,297.46	1,298.16

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

26 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sub-contracting cost	2,183.85	1,882.62
Water power and fuel	211.62	215.75
Rent	181.50	202.26
Software Expenses	1,186.16	994.64
Legal and professional charges	475.35	812.98
Travelling and conveyance	781.99	793.01
Insurance	239.82	204.43
Repairs and maintenance		
- Buildings	-	188.51
- Others	244.63	77.21
Office Expenses	120.57	131.82
Director sitting fees (Refer note 29)	18.80	23.50
Loss allowance	32.24	17.19
Export incentives receivable written off	-	14.74
Bad Debts written off	6.00	10.48
Communication expenses	84.73	91.20
Property, plant and equipment written off	-	6.43
Rates and taxes	91.13	49.73
Payment to auditors (Refer note 26(a))	38.59	34.89
Advertisement and sales promotion	33.83	29.80
Net loss on foreign currency transactions and translations	-	31.50
CSR Expenditure (Refer note 26(b))	32.90	26.54
Miscellaneous Expenses	290.80	217.06
Total	6,254.51	6,056.29

26(a) Payment to auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory Audit	29.00	29.00
Limited reviews	3.00	2.00
In other capacities		
Fees for other services	2.00	3.00
Reimbursement of out of pocket expenses	4.59	0.89
Total	38.59	34.89

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

26(b) Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount approved by Board required to be spent during the year	32.90	26.54
Amount spent during the year on various projects	32.90	26.54
Amount required to be spent as per Section 135 of Companies Act, 2013	32.90	26.54
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	32.90	26.54
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

* Calculated at 2% of the average net profits of the Holding Company during the immediately preceding 3 years

Nature of CSR expenses

Promoting Education and Healthcare activities (i.e. Medical Relief under Project Eye Camp and Medical assistance)

Note: There are no ongoing CSR projects or excess/short expense to be incurred as on balance sheet date. Therefore, relevant disclosures are not given.

27 Earnings per share (EPS)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	3,391.77	1,148.01
Weighted average number of equity shares	2,24,24,035	2,21,84,523
Basic earnings per share	15.13	5.17
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	3,391.77	1,148.01
Weighted average number of Equity Shares	2,29,09,007	2,27,45,780
Diluted earnings per share	14.81	5.05
(c) Weighted Average number of shares used as denominator		
Issued equity share capital at the beginning of the year	2,20,20,870	2,20,20,870
Add: Effect of employee share options exercised	1,18,765	1,63,653
Add: Conversion of share warrants	-	-
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	2,21,39,635	2,21,84,523
Adjustments for calculating diluted earnings per share :		
Dilutive impact of employee stock options	4,84,971	5,61,256
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	2,26,24,606	2,27,45,779

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

29 Contingencies and commitments

a) Contingent liabilities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Claims against the Group not acknowledged as debts		
Income-tax matters	190.15	
Total	190.15	-

Note :

"The Group has reviewed all its pending litigations and proceedings and has adequately disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

Income tax demand/adjustments comprise demand from the Indian tax authorities for assessment years 2022-23 and 2023-24. The tax demand/adjustments are related to disallowance of certain provisions and expenses claimed by the Group under the Income tax Act. The Group has filed appeal before Commissioner of Income tax (Appeals)."

b) Capital commitments

- i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 1.88 lakhs (March 31, 2023 : ₹ 55.19 lakhs).

29 Related party transactions

a. Entity having significant influence:

- 1 PHM Growth Private Limited (Formerly Known as Onward Network Technologies Private Limited (upto March 23, 2023)
- 2 JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited) (w.e.f. March 24, 2023)
- 3 Infinity Direct Holdings, Mauritius

b. Subsidiaries:

Interests in Subsidiaries are set out in note 35

c. Key Management Personnel:

- 1 Mr. Harish Mehta (Executive Chairman)
- 2 Mr. Jigar Mehta (Managing Director)
- 3 Mrs. Prachi Mehta (Director) - (Upto September 29, 2022)
- 4 Mr. Parish Meghani (Independent Director) - (Upto July 20, 2023)
- 5 Mr. Rahul Rathi (Independent Director) - (Upto July 20, 2023)
- 6 Mr. Jay Sonawala (Independent Director)
- 7 Mr. Subrata Kumar Mitra (Independent Director) - (Upto July 20, 2023)
- 8 Mr. Harsha Raghavan (Additional Director)

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- 9 Ms. Niranjani Chandramouli (Independent Director) - (w.e.f. September 29, 2022)
- 10 Mr. Dhanpal Jhaveri (Independent Director) - (w.e.f. May 12, 2023)
- 11 Mr. Jai Diwanji (Independent Director) - (w.e.f. May 12, 2023)
- 12 Mr. Devanand Ramandasani (Chief Financial Officer) - (Upto December 23, 2022)
- 13 Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)
- 14 Ms. Dimple Chauhan (Company Secretary) - (Upto July 22, 2022)
- 15 Ms. Shama Pawar (Company Secretary) - (Upto June 15, 2023)
- 16 Mr. Vinav Agarwal (Company Secretary) - (w.e.f. October 20, 2023)

d. Entities controlled by Key Management Personnel

- 1 JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)
- 2 PHM Growth Privat Limited (Formerly known as Onward Network Technologies Private Limited)

I. Related party transactions:

Related Party	Nature of transaction	March 31, 2024	March 31, 2023
Entity having significant influence			
PHM Growth Private Limited	Rent expense	-	33.49
(Formerly known as Onward Network Technologies Private Limited)	Reimbursement of expenses paid	-	9.39
(upto March 23, 2023)	Dividend paid		251.67
	Security deposits paid		0.90
JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)	Dividend paid	266.93	-
(w.e.f. March 24, 2023)			
Infinity Direct Holdings, Mauritius	Dividend paid	162.00	162.00
The entity controlled/ jointly controlled by a person identified in (a) above			
Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023)	Dividend paid	-	15.26
(amalgamated with Onward Network Technologies Private Limited)			
Entities controlled by Key Management Personnel			
PHM Growth Private Limited (Formerly known as Onward Network Technologies Private Limited) (w.e.f. March 24, 2023)	Rent expense	41.58	0.64
	Reimbursement of expenses paid	8.01	0.14
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Employee benefit expense	385.53	307.23
	Dividend paid	6.50	6.50
Mr. Jigar Mehta (Managing Director)	Employee benefit expense	354.40	266.96
	Dividend paid	17.29	17.29
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Employee benefit expense	-	44.12
	Long term employee benefits	-	-
	Employee share based payment expense	-	0.97
	Issue of equity shares	-	2.00
	Dividend paid	-	0.30

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Related Party	Nature of transaction	March 31, 2024	March 31, 2023
Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)	Employee benefit expense	43.22	-
Ms. Shama Pawar (Company Secretary) - (Upto June 15, 2023)	Employee benefit expense	5.74	22.30
	Employee share based payment expense	-	6.42
	Issue of equity shares	-	0.24
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Employee benefit expense	-	0.95
	Issue of equity shares	-	0.50
	Dividend paid	-	0.15
Mr. Vinav Agarwal (Company Secretary) - (w.e.f. October 20, 2023)	Employee benefit expense	10.01	-
Mrs. Prachi Mehta (Director) - (upto September 29, 2022)	Dividend paid	-	4.46
	Director sitting fees	-	1.50
Mr. Parish Meghani (Independent Director) - (Upto July 20, 2023)	Dividend paid	9.46	9.53
	Director sitting fees	1.35	4.75
Mr. Jay Sonawala (Independent Director)	Dividend paid	0.02	0.02
	Director sitting fees	5.15	5.20
Mr. Rahul Rathi (Independent Director) - (Upto July 20, 2023)	Director sitting fees	1.25	4.50
Mr. Subrata Kumar Mitra (Independent Director) - (Upto July 20, 2023)	Director sitting fees	2.05	6.00
Ms. Niranjani Chandramouli (Independent Director) - (w.e.f. September 29, 2022)	Director sitting fees	3.45	1.55
Mr. Dhanpal Jhaveri - (w.e.f. May 12, 2023)	Director sitting fees	3.90	-
Mr. Jai Diwanji - (w.e.f. May 12, 2023)	Director sitting fees	1.65	-

All transactions with these related parties are priced on an arm length basis.

Donation in relation to Corporate social responsibility of ₹ 10 Lakhs (March 31, 2023 : Nil) was made to a trust in which a director is interested.

II Outstanding Balances

Related Party	Related Party	March 31, 2024	March 31, 2023
Entities controlled by Key Management Personnel			
PHM Growth Privat Limited (Formerly known as Onward Network Technologies Private Limited) (w.e.f. March 24, 2023)	Trade Payables	0.14	0.14
	Lease liabilities	60.34	92.03
	Security Deposits	18.82	18.82
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Salary and Allowance payable	59.88	148.92
Mr. Jigar Mehta (Managing Director)	Salary and Allowance payable	58.88	147.91
	Long term employee benefits		2.88
	Post -employment benefits	10.07	11.10

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Related Party	Related Party	March 31, 2024	March 31, 2023
Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)	Employee benefit expense	4.73	-
Mr. Vinav Agarwal (Company Secretary) - (w.e.f. October 20, 2023)	Salary and Allowance payable	1.49	-
Ms. Shama Pawar (Company Secretary) - (upto June 15, 2023)	Salary and Allowance payable	-	1.92
	Long term employee benefits	-	0.33
	Post -employment benefits	-	0.18

III Terms and conditions for outstanding balances

Transactions related to dividends and subscriptions for new equity shares were on the same terms and conditions that applied to others.

Transactions related to services rendered and other transactions were made on normal commercial terms and conditions, in the normal course of business.

All outstanding balances are unsecured and payable in cash.

30 Right-of-use assets and lease liabilities:

(i) Amounts Recognised in the balance sheet :

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Buildings	2,766.11	1,460.22
Lease Liabilities		
Current	889.22	891.31
Non Current	1,938.01	730.57
Total	2,827.23	1,621.88

Extension and termination options are included in a number of property across group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

(ii) Additions to Right of use assets

Additions to the right-of-use assets during the year were ₹ 2,090.32 lakhs (March 31, 2023: ₹ 405.67 lakhs).

(iii) Amounts Recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses (included in finance cost)	128.35	157.68
Expense relating to short-term leases (included in other expenses)	181.50	202.26
Depreciation of right-of-use Assets	784.43	743.16
Total	1,094.28	1,103.10

The total cash outflow for leases for the year ended March 31, 2024 was ₹ 928.17 lakhs (March 31, 2023 : ₹ 788.74 lakhs).

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

31 Fair value measurements - financial instruments

Financial instruments by category

Particulars	March 31, 2024		March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	10,086.11	-	10,971.95
Cash and cash equivalents	-	3,119.76	-	4,726.50
Other bank balances	-	27.09	-	23.27
Derivative financial assets	24.93	-	-	-
Other financial assets	-	6,789.26	-	462.24
Total financial assets	24.93	20,022.22	-	16,183.96
Financial liabilities				
Borrowings	-	-	-	50.75
Lease Liabilities	-	2,827.23	-	1,621.88
Trade payables	-	1,297.28	-	1,137.88
Derivative financial liabilities	-	-	30.99	-
Other financial liabilities	-	1,988.27	-	2,480.85
Total financial liabilities	-	6,112.78	30.99	5,291.36

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At March 31, 2024				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	24.93	-	24.93
At March 31, 2023				
Financial Liabilities				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	(30.99)	-	(30.99)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer between levels.

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(All amounts in ₹ Lakhs, unless otherwise stated)

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Foreign currency forward contracts - based on bank confirmation at the balance sheet date.

iii) Valuation process

Changes in level 2 and level 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the finance team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

iv) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

32 Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk.

The Group's Board of Directors and Audit Committee oversees the activities to manage these risks. All derivative activities for risk management purposes are carried out by personnel with requisite knowledge, skills and experience. It is the Group's policy that no trading in derivatives for speculative purposes should be undertaken.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are approved and reviewed regularly by the Board to reflect changes in market conditions and the Group's activities. Management has overall responsibility for the establishment and oversight of the Group's risk management framework. The risks to which Group is exposed and related risk management policies are summarised below."

(A) Credit risk

(I) Credit risk management

The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivables) and from deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision considered necessary for expected credit loss for credit risk arising from these financial assets other than trade receivables. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for e.g., external credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

Exposure to credit risk: The carrying amount of financial assets represent the maximum credit exposure.

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(All amounts in ₹ Lakhs, unless otherwise stated)

Trade Receivables

The credit risk from customer receivables is recorded and monitored on an ongoing basis and periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Group uses expected credit loss model to assess the impairment loss or gain. Responsibilities and duties relating to credit risk assessment are governed by an internal directive. This mainly includes factors such as stipulation of payment terms, fixing of credit limits, release of deliveries, and receivables monitoring. The credit risk is considered low given the sound credit ratings and past history of timely payments being made by the customers. Customer specific events/information is considered while assessing the adequacy of provision as on balance sheet date.

Reconciliation of loss allowance provision

Loss allowance on April 1, 2022	-
Additional loss allowance provision made	17.19
Loss allowance on March 31, 2023	17.19
Additional loss allowance provision made	32.24
Loss allowance on March 31, 2024	49.43

The following table provides information about the exposure to credit risk and ECLs for trade receivables (billed) for corporate customers as at March 31, 2024.

Ageing Bucket	Balance Outstanding as at March 31, 2024	Weighted Average Loss Rate	Loss Allowance as at March 31, 2024	Balance Outstanding as at March 31, 2023	Weighted Average Loss Rate	Loss Allowance as at March 31, 2023
Not due	5,584.95	0.11%	5.92	7,065.82	0.08%	3.45
0 to 90 days	1,750.30	0.28%	4.87	1,857.28	0.24%	5.57
90 to 180 days	10.45	12.34%	1.29	189.69	0.95%	4.97
180 to 270 days	40.95	41.64%	17.05	26.65	5.23%	3.12
270 to 360 days	20.30	100.00%	20.30	0.22	20.00%	0.04
360 to 450 days	-	0.00%	-	0.22	20.00%	0.04
Total	7,406.95		49.43	9,139.88		17.19

Exposure to unbilled receivables is ₹ 2728.59 lakhs. Loss allowance on unbilled receivable is considered to be insignificant.

Refer note 33(C)(I)(i) for exposure to respective foreign currencies which is consistent with the location of the customer.

Financial assets at fair value through profit or loss

The Group is also exposed to credit risk in relation to forward contract that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments and contracts ₹ 24.93 lakhs (March 31, 2023: ₹ (30.99) lakhs).

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(All amounts in ₹ Lakhs, unless otherwise stated)

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt covenants.

(I) Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	2,250.00	500.00
Total	2,250.00	500.00

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

(II) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date and that the amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

The tables below analyse the Group's financial liabilities into relevant maturity group based on their contractual maturities for :

March 31, 2024	Carrying value	Upto 1 year	1-3 years	>3 years
Trade Payables	1,297.28	1,297.28	-	-
Payable for purchase of Property, Plant and Equipment	9.24	9.24	-	-
Lease Liabilities	2,827.23	889.22	1,724.80	213.21
Unpaid Dividend	27.09	27.09	-	-
Employee Benefit Payable	1,951.94	1,951.94	-	-
Total	6,112.78	4,174.77	1,724.80	213.21

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

March 31, 2023	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	50.75	14.25	42.95	-
Trade Payables	1,137.88	1,137.88	-	-
Payable for purchase of Property, Plant and Equipment	40.30	40.30	-	-
Lease Liabilities	1,621.88	999.27	873.46	49.13
Foreign exchange forward contracts	30.99	30.99	-	-
Unpaid Dividend	23.27	23.27	-	-
Employee Benefit Payable	2,417.28	2,417.28	-	-
Total	5,322.35	4,663.24	916.41	49.13

(C) Market risk

I) Foreign currency risk

The Group operates internationally and thereby is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP, CAD and AUD. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the Group's functional currency (₹). The risk is measured through forecast of foreign currency transactions.

The Group has a policy to maintain forex exposure on the books at reasonable levels considering forecast of transactions in next 12 months and natural hedge through foreign currency payables. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. When a forward contract is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

i) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :-

Particulars	March 31, 2024					March 31, 2023				
	USD	Euro	GBP	CAD	AUD	USD	Euro	GBP	CAD	AUD
Financial assets-non current										
Other financial assets	15.57	1.44	-	0.20	-	5.08	1.44	-	0.20	-
Financial assets-current										
Trade receivables	3,415.26	880.88	453.37	436.48	10.11	4,735.94	1,214.24	390.58	431.05	8.47
Bank balances	811.60	52.34	242.03	110.41	-	898.77	738.08	506.44	294.83	-
Other financial assets	24.59	-	9.42	-	-	20.55	-	-	-	-
Exposure to foreign currency risk (assets)	4,267.02	934.66	704.82	547.09	10.11	5,660.34	1,953.76	897.02	726.08	8.47
Derivative instruments*										

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(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	March 31, 2024					March 31, 2023				
	USD	Euro	GBP	CAD	AUD	USD	Euro	GBP	CAD	AUD
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	1,483.57	888.89	603.81	-	-	1,335.47	838.77	535.49	-	-
Financial liabilities-non current										
Lease liabilities	103.20	-	-	-	-	155.69	-	-	-	-
Financial liabilities-current										
Lease liabilities	54.65	-	53.87	-	-	104.27	-	-	-	-
Trade payables	383.14	46.76	146.94	16.01	-	497.44	8.09	34.99	10.71	-
Other financial liabilities	169.72	76.93	-	-	-	340.91	13.23	0.88	46.22	-
Exposure to foreign currency risk (liabilities)	710.72	123.69	200.81	16.01	-	1,098.31	21.32	35.87	56.93	-
Net assets/(liabilities)	3,556.30	810.98	504.01	531.08	10.11	4,562.03	1,932.44	861.15	669.16	8.47

* amount disclosed is contract value, computed using forward rate, outstanding as on balance sheet date. These contracts have been marked to market as on balance sheet date and recorded accordingly. (Also, refer note 41)

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

Particulars	Impact on Profit after tax		Impact on Equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD sensitivity				
₹/USD - Increase by 5% (March 31, 2022 - 5%)	177.82	228.10	177.82	228.10
₹/USD - Decrease by 5% (March 31, 2022 - 5%)	(177.82)	(228.10)	(177.82)	(228.10)
EURO sensitivity				
₹/Euro - Increase by 5% (March 31, 2022 - 5%)	40.55	96.62	40.55	96.62
₹/Euro - Decrease by 5% (March 31, 2022 - 5%)	(40.55)	(96.62)	(40.55)	(96.62)
GBP sensitivity				
₹/GBP - Increase by 5% (March 31, 2022 - 5%)	25.20	43.06	25.20	43.06
₹/GBP - Decrease by 5% (March 31, 2022 - 5%)	(25.20)	(43.06)	(25.20)	(43.06)
CAD sensitivity				
₹/CAD - Increase by 5% (March 31, 2022 - 5%)	26.55	33.46	26.55	33.46
₹/CAD - Decrease by 5% (March 31, 2022 - 5%)	(26.55)	(33.46)	(26.55)	(33.46)
AUD sensitivity				
₹/AUD - Increase by 5% (March 31, 2022 - 5%)	0.51	-	0.51	-
₹/AUD - Decrease by 5% (March 31, 2022 - 5%)	(0.51)	-	(0.51)	-

II) Interest rate risk

- (i) The Group's interest rate risk arises from long-term and short-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk.

Management closely tracks the base interest rate movements on regular basis. Based on regular review, Management assesses the need to hedge interest rate risk. Management reviews the future movement in base rate against different factors such as overall micro and macro economic factors, liquidity in the spending cycle. Further, on a regular basis, Management assesses the

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

possibility of entering into new facilities which would reduce the future finance cost which helps the Management to mitigate risk related to interest rate movement.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	Weighted Average Interest rate	March 31, 2024	March 31, 2023
Fixed rate borrowings	8.21%	-	50.75
Total borrowings		-	50.75

(ii) Sensitivity

The Group's policy is to minimize the interest rate cash flow risk exposure on borrowing. The Group has exposure to local currency as well as foreign currency. The local currency loans are linked to bank base rate/marginal cost of funds based lending (MCLR) while the foreign currency loans are linked to prime lending rate. The Group does not have any variable rate borrowings.

33 Capital Management

a) Risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholders value and ensure that adequate growth capital is available. In order to achieve this objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Management also look for the opportunities to raise the capital for the purpose of future growth."

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

The gearing ratios were as follows:

Particulars	March 31, 2024	March 31, 2023
Net Debt*	-	-
Total Equity	20,713.23	17,386.83
Net Debt to Equity Ratio	0.00%	0.00%

*Since cash and cash equivalents are more than total debt (consists of borrowings), net debt is considered as zero.

The net debt to equity ratio is stable during the current year.

(i) Loan Covenants

There are no loan covenants for borrowing outstanding as at balance sheet date.

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(All amounts in ₹ Lakhs, unless otherwise stated)

34 Dividends

Particulars	March 31, 2024	March 31, 2023
i) Equity shares		
Final Dividend for the year ended March 31, 2024 of ₹ 3.00 (March 31, 2023: ₹ 3.00) per fully paid share	671.15	664.58
ii) Dividends not recognised at the end of reporting period	1,125.98	669.16
The Directors have recommended the payment of a final dividend of ₹ 5 per fully paid equity share (March 31, 2023 ₹ 3 per equity share). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.		

36 Interest in Other Entities

(a) Subsidiaries

The group's subsidiaries as on March 31, 2024 are set below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the holding company and the proportion of ownership interests held equals the voting rights held by the holding company. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business/ country of incorporation	Ownership interests held by the Group		Ownership interests held by the non-controlling interests		Principal Activities
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
		%	%	%	%	
Onward Technologies Inc.	The United States of America	100.00	100.00	-	-	Mechanical Engineering Design and IT Services
Onward Technologies GmbH	Germany	100.00	100.00	-	-	
Onward Technologies Canada Inc.	Canada	100.00	100.00	-	-	
Onward Technologies B.V.	Netherland	100.00	100.00	-	-	
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	India	100.00	100.00	-	-	Leasing out of commercial premises

36 Segment reporting

As required by Ind AS 108 the Group evaluates the performance of the Group on the basis of a single segment i.e., for the Mechanical Engineering Design and IT Services. Geographical information is collated based on individual customers for whom revenue is recognized on the basis of their physical location. The information of non-current assets is reported on the basis of the physical location of those assets.

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(All amounts in ₹ Lakhs, unless otherwise stated)

Geographical Information

Particulars	March 31, 2024	March 31, 2023
(1) Revenue from external customers		
Within India	23,022.71	21,639.65
Outside India		
- USA	14,781.74	16,290.84
- Europe	4,327.69	2,941.93
- Others*	5,107.03	3,220.41
Total revenue per statement of profit and loss	47,239.17	44,092.83
The revenue information above is based on the locations of the customers		
(2) Non-current operating assets (refer note below)		
Within India	6,037.20	5,073.79
Outside India		
- USA	163.12	282.98
- Europe	1.08	1.72
- Others*	53.24	3.12
Total	6,254.64	5,361.61

*includes Canada, United Kingdom and Australia.

Note:

Non-current assets for this purpose consist of property, plant and equipment, right to use assets and intangible assets.

Revenue from major external customers

Revenue from one customer in India amounted to ₹ 6,020.21 Lakhs (March 31, 2023: ₹ 5,846.17 Lakhs)

38 Share-based payments

Employee Stock Option Plan

The Holding Company instituted the 2009 plan and 2019 Plan (Schemes) for eligible employees in pursuance of a special resolution approved by the shareholders at the extraordinary general meeting held on August 31, 2009 and July 25, 2019 respectively. The schemes cover grant of options to specified permanent employees of the Company as well as its subsidiaries.

Pursuant to schemes, the Holding Company has granted options each to eligible employees at an exercise price of ₹ 10 per equity share of ₹ 10 each and of ₹ 20 per equity share of ₹ 10 each respectively for 2009 and 2019 Plan. Under the term of schemes, the vesting period shall commence on the expiry of one year from the date of grant of the options to the employees and it will be spread equally over 4 years. Total options will vest equally over the period of four years on last day of each year.

The employee stock options granted shall be capable of being exercised within a period of one year from the date of vesting the options, they would be exercisable by the option holder and the shares arising on exercise of such options shall not be subject to any lock-in period. When exercisable, each option is convertible into four equity share of the Holding Company. Further, in the case of termination of employment, all non-vested options would stand cancelled. Options that have vested but have not been exercised within the time prescribed as mentioned above, failing which they would lapse.

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(All amounts in ₹ Lakhs, unless otherwise stated)

Set out below is the summary of the options granted under the plan :

Particulars	March 31, 2024		March 31, 2023	
	No. of Options	Average exercise price per share option (₹)	No. of Options	Average exercise price per share option (₹)
Opening Balance	1,15,100	18.95	1,80,900	17.46
Granted during the year	69,100	20.00	25,500	20.00
Forfeited/ cancelled during the year	-	-	-	-
Lapsed during the year	(14,200)	20.00	(25,450)	15.83
Exercised during the year*	(53,575)	17.03	(65,850)	16.38
Outstanding as at the end of the year	1,16,425	19.85	1,15,100	18.95
Vested and exercisable (shares)	34,600	17.98	38,600	16.50
Unvested (shares)	4,31,100	20.00	4,21,800	19.17

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ 524.73 (March 31, 2023 - ₹ 292.75)

Share options outstanding at the end of the year have the following exercise prices

ESOP Scheme	Exercise Price	Share options outstanding		Weighted average remaining life	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
ESOP Scheme 2009	10	1,750	17,325	1.45	1.80
ESOP Scheme 2019	20	1,14,675	97,775	3.14	3.19

The fair value at the grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, the term of the options, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included :

Particulars	Inputs for the year ended March 31, 2024					
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Scheme						
Exercise Price (Rs)	20	20	20	20	20	20
Grant Date	May 12, 2023	June 7, 2023	July 17, 2023	October 20, 2023	January 19, 2024	February 28, 2024
Expiry Date	May 11, 2028	June 6, 2028	July 16, 2028	October 19, 2028	January 18, 2029	February 27, 2029
Expected life of the option (years)	3.50	3.50	3.50	3.50	3.50	3.50
Share Price as on Grant Date (Rs)	413.30	499.35	584.55	570.80	619.70	535.80
Fair value as on Grant Date (Rs)	368.90	448.95	524.30	511.78	556.77	479.28
Expected Volatility (%)	51.75%	51.73%	54.64%	54.34%	54.22%	53.56%
Expected Dividend yield (%)	2.06%	2.06%	2.28%	2.28%	2.28%	2.28%
Risk free interest rate (%)	6.97%	6.96%	7.17%	7.50%	7.18%	7.17%

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(All amounts in ₹ Lakhs, unless otherwise stated)

The model inputs for options granted during the year ended March 31, 2023 included :

Particulars	Inputs for the year ended March 31, 2023			
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Scheme				
Exercise Price (Rs)	20	20	20	20
Grant Date	April 5, 2022	June 13, 2022	October 11, 2022	March 2, 2023
Expiry Date	April 4, 2027	June 12, 2027	October 10, 2027	March 1, 2028
Expected life of the option (years)	3.50	3.50	3.50	3.50
Share Price as on Grant Date (Rs)	407.25	289.55	260.05	290.15
Fair value as on Grant Date (Rs)	362.73	253.94	226.53	254.55
Expected Volatility (%)	54.25%	53.97%	54.08%	53.15%
Expected Dividend yield (%)	2.06%	2.06%	2.06%	2.06%
Risk free interest rate (%)	5.88%	7.36%	7.37%	7.38%

The expected price volatility is based on the historic volatility (based upon the remaining life of the options), adjusted for any expected changes to the future volatility due to publicly available information. The risk free interest rate is based on the yield for government securities as at Grant Date have been taken to be the risk-free rate for the purpose of valuation of options, based on the life of the options.

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee benefits expenses	542.55	376.80
Total	542.55	376.80

38 Additional information required by Schedule III

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent								
Onward Technologies Limited								
March 31, 2024	90.55%	18,755.17	82.29%	2,790.92	(243.45%)	(70.79)	79.52%	2,720.13
March 31, 2023	92.77%	16,129.47	144.06%	1,653.79	(60.19%)	(97.38)	118.83%	1,556.41
Subsidiaries (Group's share)								
Indian								
OT Park Private Limited								
March 31, 2024	1.91%	395.71	3.94%	133.49	-	-	3.90%	133.49
March 31, 2023	1.51%	262.23	11.14%	127.91	-	-	9.77%	127.91
Foreign								
Onward Technologies Inc.								
March 31, 2024	14.64%	3,032.31	-(4.77%)	161.81	138.76%	40.35	5.91%	202.16
March 31, 2023	16.28%	2,830.15	(61.43%)	(705.20)	173.83%	281.25	-32.37%	(423.95)
Onward Technologies GmbH								

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(All amounts in ₹ Lakhs, unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
March 31, 2024	(0.05%)	(10.48)	0.71%	23.93	(0.59%)	(0.17)	0.69%	23.76
March 31, 2023	(0.20%)	(34.24)	5.69%	65.33	(2.76%)	(4.46)	4.65%	60.87
Onward Technologies Canada Inc.								
March 31, 2024	3.40%	704.41	13.40%	454.48	-(16.53%)	4.81	-(13.43%)	459.29
March 31, 2023	1.41%	245.12	3.72%	42.74	(0.90%)	(1.45)	-(3.15%)	41.29
Onward Technologies B.V.								
March 31, 2024	-0.15%	(30.45)	(2.38%)	(80.86)	0.56%	0.16	(2.36%)	(80.70)
March 31, 2023	0.29%	50.25	(2.15%)	(24.63)	2.41%	3.90	(1.58%)	(20.73)
Consolidation adjustments								
March 31, 2024	(10.30%)	(2,133.44)	(2.71%)	(92.00)	-(188.19%)	54.72	(1.09%)	(37.28)
March 31, 2023	(12.06%)	(2,096.15)	(1.04%)	(11.93)	(12.40%)	(20.06)	(2.44%)	(31.99)
Total								
March 31, 2024	100.00%	20,713.23	100.00%	3,391.77	100.00%	29.08	100.00%	3,420.85
March 31, 2023	100.00%	17,386.83	100.00%	1,148.01	100.00%	161.80	100.00%	1,309.81

39 Transfer Pricing

The Holding Company is in the process of updating its transfer pricing documentation with respect to its international transactions with its associate enterprises/ related parties.

Management believes that the Company's international transactions, with related parties post March 31, 2023 (last period upto which an Accountants' report has been submitted as required under the Income tax Act, 1961) continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on the amount of tax expense and that of provision for taxation.

40 Derivative assets and liabilities

In accordance with its risk management policy and business plan the Group has hedged its cash flows. The Group enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Group's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions.

The following are the outstanding EUR/USD/GBP: ₹ Currency Exchange Contracts entered into by the Company:

Particulars	March 31, 2024		March 31, 2023	
	Foreign Currency (Lakhs)	₹	Foreign Currency (Lakhs)	₹
USD	17.80	1,483.57	18.05	1,483.17
EURO	9.88	888.89	9.91	885.93
GBP	5.74	603.81	5.82	591.59

The forward contracts have maturity between 30 to 368 days.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

41 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

42 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the Group

The title deeds of all the immovable properties as disclosed in note 3 to the financial statements, are held in the name of the Group.

(xi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xii) Loans or advances to specified persons

There are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

Independent Auditor’s Report

To the Members of Onward Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Onward Technologies Limited (the “Company”) which comprise the standalone balance sheet as at 31 March 2024, 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 material 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, of the state of affairs of the Company as at 31 March 2024, 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 Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone 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 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 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 Matter

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter - Revenue Recognition

See Note 2(d) and 20 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company enters into contracts with the customers which are primarily time and material or fixed price contracts.	Our audit procedures include:
Time and material contracts represent contracts in which the Company is compensated on the basis of time delivered to a customer. Fixed price contracts represent contracts where the Company is compensated on the basis of a fixed monthly billing for performance of services.	- Obtained an understanding of the processes and controls implemented by the Company; - Evaluated the design, implementation and operating effectiveness of key internal financial controls with reference to financial statements for the measurement, recognition and accounting of revenue;
Revenue recognition has been identified as a key audit matter because there is an inherent risk and presumed fraud risk around existence of revenue.	On a selected sample of contracts, we tested the recognition of revenue in accordance with the relevant standards by performing the procedures below:

Standalone

The key audit matter

Further, accounting for revenue arising out of such contracts with customers involves judgement in respect of recognition of revenue based on fulfilment of the performance obligation.

How the matter was addressed in our audit

- a. Read master service agreements and other relevant documents forming part of contracts with the customer.
- b. Tested contract terms to determine the transaction price and identification of performance obligation.
- c. Verified the underlying evidence for recognition of revenue.
 - (i) For revenue recorded in time and material contracts, tested approved time-sheets including customer acceptances, invoicing and trends of collection and disputes.
 - (ii) For revenue recorded in fixed price contracts, tested evidence to verify the service delivery including customer acceptances, invoicing and trends of collection and disputes.
- Assessed the appropriateness of the revenue recognition accounting policies and its compliance with Ind AS 115.
- Evaluated the adequacy of disclosures in the Standalone Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The 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 of these standalone financial statements that give a

true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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 standalone 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, the Management and Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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.

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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. 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.

Standalone

- 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 except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 01 April 2024 to 10 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41(vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 34 to the standalone financial statements, the Board of Directors

of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which have the feature of recording audit trail (edit log) facility. However;

- The feature of audit trail (edit log) was not enabled in full at the application layer of the accounting softwares used for maintaining books of accounts;
- Database of accounting softwares for maintaining books of account is operated by a third party software service provider. In the absence of System and Organisation Controls (SOC) 1 Report, we are unable to comment on whether audit trail feature of the said accounting softwares at database level was enabled to log any direct data changes in the accounting softwares used for maintaining books of accounts and operated throughout the year for all relevant transactions.

Consequently, we are unable to comment on instances of audit trail feature being tampered with during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current 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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Ashish Gupta

Partner

Place: Pune

Date: 17 May 2024

Membership No.: 215165

UDIN: 24215165BKBP6719

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Onward Technologies Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering Information Technology Engineering services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

All amounts in INR Lakhs

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Whether subsequently rectified
June 2023	Revenue from operations for three months period	8,449.14	8,305.21	143.93	Yes
Sept 2023	Revenue from operations for six months period	17,157.71	16,983.96	173.75	Yes
Dec 2023	Revenue from operations for nine months period	25,676.77	25,530.37	146.40	Yes

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Whether subsequently rectified
March 2024	Revenue from operations for twelve month period	34,595.20	34,420.59	174.62	Yes
June 2023	Trade receivables - current assets	5,893.38	5,840.33	53.05	Yes
Sept 2023	Trade receivables - current assets	5,655.67	5,589.84	65.73	Yes
Dec 2023	Trade receivables - current assets	5,025.15	5,356.31	-331.16	Yes
March 2024	Trade receivables - current assets	5,263.28	5,382.98	-119.70	Yes

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	114.69	AY 2022-23	CIT (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not have any associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not have any associates or joint ventures.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

ICAI UDIN:24215165BKBKPH6719

Place: Mumbai

Date: 17 May 2024

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Onward Technologies Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Onward Technologies Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

ICAI UDIN:24215165BKBKPH6719

Place: Mumbai

Date: 17 May 2024

Standalone Balance Sheet

As at March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	1,540.95	1,797.85
Right-of-use assets	30	2,590.05	1,349.59
Intangible assets	4	250.94	332.57
Intangible assets under development	4A	64.18	-
Financial assets			
(a) Investments	5	3,324.58	3,324.58
(b) Other financial assets	6	1,258.65	377.66
Deferred tax assets (net)	12(a)	200.68	191.00
Income-tax assets (net)	12(b)	967.55	1,571.23
Other non-current assets	7	126.50	134.45
Total non-current assets		10,324.08	9,078.93
II. Current assets			
Financial assets			
(a) Trade receivables	8		
- Billed		4,742.89	5,933.46
- Unbilled		2,311.19	2,551.98
(b) Cash and cash equivalents	9(a)	2,144.63	3,351.26
(c) Bank balances other than cash and cash equivalents above	9(b)	27.09	23.27
(d) Other financial assets	10	5,611.67	201.67
Other current assets	11	909.42	699.57
Total current assets		15,746.89	12,761.21
Total assets		26,070.97	21,840.14
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13(a)	2,251.96	2,230.53
Other equity	13(b)	16,503.21	13,898.96
Total equity		18,755.17	16,129.49
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	14	-	40.28
(b) Lease Liabilities	30	1,802.40	699.37
Provisions	18(a)	418.32	196.45
Total non-current liabilities		2,220.72	936.10
II. Current liabilities			

Standalone Balance Sheet (Contd.)

As at March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Financial liabilities			
(a) Borrowings	15	-	10.47
(b) Lease Liabilities	30	834.57	787.03
(c) Trade payables	16		
- Total outstanding dues of micro and small enterprises		25.03	90.46
- Total outstanding dues of creditors other than micro and small enterprises		1,564.39	1,044.53
(d) Other financial liabilities	17	1,741.63	2,098.98
Provisions	18(b)	147.84	138.25
Income-tax liabilities (net)	12(b)	46.23	-
Other current liabilities	19	735.39	604.83
Total current liabilities		5,095.08	4,774.55
Total liabilities		7,315.80	5,710.65
Total equity and liabilities		26,070.97	21,840.14

The above standalone balance sheet should be read in conjunction with the accompanying notes.
This is the standalone balance sheet referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

Standalone

Standalone Statement of profit and loss

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year March 31, 2024	For the year March 31, 2023
Revenue from operations	20	34,595.20	31,516.54
Other income [Refer note 2 (u)]	21	1,028.02	769.92
Total Income		35,623.22	32,286.46
Expenses			
Employee benefits expense [Refer note 2 (u)]	22	25,780.00	24,111.35
Finance costs	23	144.10	165.67
Depreciation and amortisation expense	24	1,289.66	1,270.29
Other expenses	25	4,684.69	4,565.70
Total expenses		31,898.45	30,113.01
Profit before tax		3,724.77	2,173.45
Tax expense			
Current tax	12(b)	943.53	496.91
Deferred tax	12(a)	8.14	47.24
Total tax expense		951.67	544.15
Profit for the year		2,773.10	1,629.30
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	13(b)	(70.79)	(97.38)
Income tax relating to these items	12(b)	17.82	24.51
Total other comprehensive income for the year, net of tax	13(b)	(52.97)	(72.87)
Total comprehensive income for the year		2,720.12	1,556.43
Earnings per share			
Basic	27	12.37	7.34
Diluted	27	12.10	7.16

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes. This is the standalone statement of profit and loss referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner
Membership No.: 215165

Place : Mumbai
Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai
Date: May 17, 2024

Jigar Mehta

Managing Director
DIN :06829197

Place : Mumbai
Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai
Date: May 17, 2024

Statement of changes in equity

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
As at March 31, 2022		2,202.09
Change in equity share capital	13(a)	28.44
As at March 31, 2023		2,230.53
Change in equity share capital	13(a)	21.43
As at March 31, 2024		2,251.96

B. Other Equity

Particulars	Notes	Securities premium	Retained Earnings	Share option outstanding	Share application money pending allotment	Total
As at March 31, 2022		8,367.88	3,972.02	269.33	5.78	12,615.01
Profit for the year		-	1,629.30	-	-	1,629.30
Other Comprehensive Income		-	(72.87)	-	-	(72.87)
Total comprehensive income for the year		-	1,556.43	-	-	1,556.43
Transactions with owners in their capacity as owners						
Contributions and distributions						
Issue of equity shares under Employee Stock Option Plan	14(b)	248.34	-	(229.43)	-	18.91
Employee stock option expenses	36	-	-	263.56	-	263.56
Employee stock option expenses (for employees of subsidiary)	36	-	-	113.24	-	113.24
Transfer on account of lapsed option	14(b)	-	11.46	(11.46)	-	-
Shares allotted against the share application money received	14(b)	-	-	-	(47.34)	(47.34)
Shares application money received for allotment of shares	14(b)	-	-	-	43.73	43.73
Dividends paid	14(b)	-	(664.58)	-	-	(664.58)
As at March 31, 2023		8,616.22	4,875.33	405.24	2.17	13,898.96
Profit for the year		-	2,773.10	-	-	2,773.10
Other Comprehensive Income		-	(52.97)	-	-	(52.97)
Total comprehensive income for the year		-	2,720.13	-	-	2,720.13

Standalone

Statement of changes in equity (Contd.)

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Securities premium	Retained Earnings	Share option outstanding	Share application money pending allotment	Total
Transactions with owners in their capacity as owners						
Contributions and distributions						
Issue of equity shares under Employee Stock Option Plan	14(b)	255.58	-	(240.68)	-	14.90
Employee stock option expenses	36	-	-	533.69	-	533.69
Employee stock option expenses (for employees of subsidiary)	36	-	-	8.85	-	8.85
Transfer on account of lapsed option	14(b)	-	-	-	-	-
Shares allotted against the share application money received	14(b)	-	-	-	(36.27)	(36.27)
Shares application money received for allotment of shares	14(b)	-	-	-	34.10	34.10
Dividends paid	14(b)	-	(671.15)	-	-	(671.15)
As at March 31, 2024		8,871.80	6,924.31	707.10	-	16,503.21

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

This is the standalone statement of changes in equity referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner
Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

For and on behalf of the Board of Directors of

Onward Technologies Limited

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 17, 2024

Jigar Mehta

Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer
Place : Mumbai
Date : May 17, 2024

Vinav Agarwal

Company Secretary
Place : Mumbai
Date : May 17, 2024

Standalone Statement of cash flows

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A) Cash flows from operating activities		
Profit before income tax	3,724.77	2,173.45
Adjustments for		
Depreciation and amortisation expense	1,289.66	1,270.29
Profit on disposal of property, plant and equipment	(33.01)	(13.63)
Property, plant and equipment written off	-	6.43
Interest income	(477.68)	(195.28)
Unwinding of discount on security deposit	(40.07)	(28.98)
Employee share based payment expenses	533.69	263.56
Finance costs	144.10	165.67
Net gain on termination of lease arrangements	(5.38)	-
Profit on sale of mutual funds (net)	-	(26.81)
Unrealised foreign exchange (gain)/loss	(94.54)	(18.47)
Loss allowance	3.00	12.25
Bad Debts written off (Net of recoveries)	-	1.09
Operating profit before working capital changes	5,044.54	3,609.57
Working capital adjustments		
(Increase)/Decrease in trade receivables and unbilled receivables	1,418.48	(2,384.06)
(Increase)/Decrease in other financial assets	55.11	(65.52)
(Increase)/Decrease in other assets	(165.56)	97.11
(Decrease)/Increase in trade payables	503.00	162.84
(Decrease)/Increase in other liabilities	130.56	(982.40)
(Decrease)/Increase in other financial liabilities	(311.62)	471.03
(Decrease)/Increase in employee benefit obligations	160.67	(211.42)
Cash generated from operations	6,835.17	697.15
Income taxes paid (net of refunds)	(136.35)	(304.42)
Net cash (outflow)/inflow from operating activities	6,698.83	392.73
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(130.64)	(502.25)
Purchase of intangible assets	(73.13)	(195.49)
Proceeds from sale of property, plant and equipment	34.59	45.02
Proceeds from fixed deposits	54.96	3,000.00
Fixed deposits placed	(6,159.02)	(1,941.35)
Interest received	34.51	214.01
Investment in subsidiaries	-	(122.83)
Proceeds from mutual funds	-	26.81
Net cash (outflow)/inflow from investing activities	(6,238.74)	523.92

Standalone Statement of cash flows (Contd.)

For the year ended March 31, 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C) Cash flows from financing activities		
Repayment of lease liabilities*	(977.00)	(872.88)
Interest paid*	(5.74)	(8.70)
Shares application money received for allotment of shares	34.10	43.74
Repayment of borrowings*	(50.75)	(9.29)
Payment of Dividend	(667.33)	(664.58)
Net cash (outflow)/inflow from financing activities	(1,666.72)	(1,511.71)
Net increase / (decrease) in cash and cash equivalents	(1,206.63)	(595.06)
Cash and cash equivalents at the beginning of the period	3,351.26	3,946.32
Cash and cash equivalents at the end of the period	2,144.63	3,351.26

Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	2,144.63	3,351.26
Balances as per statement of cash flows	2,144.63	3,351.26

The above statement of cash flows is prepared under Indirect Method of Ind AS 7 - Statement of cash flows.

*Reconciliation of liabilities from financing activities for the period ended March 31, 2024:

Particulars	Borrowings	Leases
Balance at the start of the year	50.75	1,486.40
Add: Cash inflow	-	-
Less: Cash outflow	(50.75)	(977.00)
Add: Non-cash changes (including additions to right of use assets)	-	2,127.57
Closing balance at the end of the year	-	2,636.97

*Reconciliation of liabilities from financing activities for the year ended March 31, 2023:

Particulars	Borrowings	Leases
Balance at the start of the year	60.04	1,775.84
Add: Cash inflow	-	-
Less: Cash outflow	(9.29)	(872.88)
Add: Non-cash changes (including additions to right of use assets)	-	583.44
Closing balance at the end of the year	50.75	1,486.40

The above statement of cash flows should be read in conjunction with the accompanying notes.
This is the statement of cash flows referred in our report of even date.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

Notes to the Standalone Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Background:

Onward Technologies Limited ("the Company") is a public limited company domiciled in India and was incorporated on July 18, 1991 under the provisions of the Companies Act, 1956. Onward Technologies is a leading global player in Mechanical Engineering Design and IT Services. The Company has its registered office in Mumbai.

2. Material accounting policies:

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied.

(a) Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Board of Directors have approved these standalone financial statements for issue on May 17, 2024.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial assets and liabilities which are measured at fair value
- Defined benefit plans - plan assets measured at fair value;
- Share based payments

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of 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 and non - current classification of assets and liabilities.

(iii) Use of judgements and estimates

The preparation of standalone financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognised when the results are known/materialized prospectively.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

(a) Note no. (d) - Revenue recognition – Recognition of revenue involves significant judgements in relation to fulfilment of performance obligations and determination of transaction price.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Critical accounting estimates

- (a) Note no. (d) - Revenue recognition – Recognition of revenue involves estimates around variable consideration.
- (b) Note no. (h) - Recognition of deferred tax assets/liabilities - The Company reviews carrying amount of deferred tax asset at end of each reporting period for availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.
- (c) Note no. (r) - Measurement of defined benefit obligation: key actuarial assumptions involved in measurement.
- (d) Note no. 36 - share based payments - Information about assumptions and estimation uncertainties in respect of share based payments.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker are the Board of Directors. The Company has only one operating segment which is Engineering Design and IT services.

(c) Foreign currency translation

(i) Functional and presentation currency

Transactions in foreign currencies are translated to the respective functional currencies of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the rates as at the reporting date. The exchange differences so determined and also the realized exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

(ii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at closing rates at the date of balance sheet; Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of transactions).

(d) Revenue recognition

Ind AS 115 Revenue from contracts with customers standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A five-step process must be applied before revenue can be recognised:

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- i. identify contracts with customers
- ii. identify the separate performance obligation
- iii. determine the transaction price of the contract
- iv. allocate the transaction price to each of the separate performance obligations, and
- v. recognize the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company derives revenue primarily from engineering design services, IT services. Amounts disclosed as revenue are net of trade allowances, rebates, discounts, goods and service taxes, value added taxes and other amounts collected on behalf of third parties.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

The Company accounts for volume and/or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognises the liability based on its estimate of the customer's future purchases. The Company recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or a service to a customer and Company expects to receive consideration in exchange for those products or services. The method for recognising revenues and costs depends on the nature of the services rendered. The Company estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognised over time as it performs if any of the following criteria is met:

- (a) The customer simultaneously consumes the benefits as the Company performs, or
- (b) The customer controls the work-in-progress, or
- (c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

If none of the criteria above are met, the Company recognised revenue at a point-in-time.

The point-in-time is determined when the control of the goods or services is transferred, which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The billing schedule agreed with customers with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. In accordance with Ind AS 37, the Company recognises an onerous contract provision

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

when the unavoidable costs of meeting up obligations exceed the economic benefits to be received. The Company disaggregates revenue from contracts with customers by nature of services and geography.

(i) Sale of services

a) Time and material contracts:

Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b) Fixed- price contracts:

Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Revenue from fixed price maintenance is recognised based on the right to invoice for services performed for contracts in which invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognised as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on straight line basis over the specified period, unless some other method better represents the manner in which services are performed.

Contract balances

- a) Revenue in excess of invoicing is classified as unbilled revenue when such right to consideration in exchange for goods and services is conditional only on passage of time, while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).
- b) Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.
- c) Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).
- d) Deferred contract costs are upfront costs incurred for the contract and are amortised on a systematic basis that is consistent with the transfer to the customer of the goods/services to which the asset relates.

Significant judgments in revenue recognition:

- a) Judgment is required to determine the transaction price for a contract with the customer. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the

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transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- b) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

(e) Other Income

Dividend income is recognised in the Statement of Profit and Loss only when the Company's right to receive dividend is established which is generally when the shareholders approve the dividend.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

(f) Financial instruments

a) Recognition and initial measurement

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Measurement of fair values:

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used.

Further information about the assumptions made in measuring fair values is included in below notes:

- share based payment arrangements (Refer note no. (r)(iv) and 36)
- financial instruments (Refer this note and note 32)

b) Classification and subsequent measurement

i. Non-derivative financial instruments

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit/loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the C may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at fair value through profit or loss:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest expense and foreign exchange gains and losses are recognised in profit or loss. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company does not use derivative financial instruments for speculative purposes. The counter-party to the Company's foreign currency forward contracts is generally a bank.

Derivatives are initially measured at fair value. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. The full fair value of a derivative is classified as a Non-current Asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

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c) Derecognition of financial instruments

Financial assets:

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Company derecognises financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

d) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. For trade receivables that do not contain a significant financing component, the Company apply simplified approach. The Company uses simplified approach to calculate impairment on trade receivables and has not assessed credit risk individually. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(g) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

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Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of related assets and presented within other income.

(h) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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As a lessee

Leases are recognised as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both, lease and non-leases components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease component and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including - in-substance fixed payments), less any lease incentive receivable.
- amounts expected to be payable by the Company under residual value guarantees.
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use assets in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing, and
- makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and
- restoration costs

Right-of-use are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with the short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment like computers and hardware. The Company presents separately in the balance sheet right-of-use assets and lease liabilities within 'Financial Liabilities'

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Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased asset are included in the balance sheet based on their nature.

Since there are no transactions whereby the Company is a lessor, there were no adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(j) Impairment of non-financial assets

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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(l) Borrowing cost and other interest expenses

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

(m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(n) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Class of asset	Estimated economic useful life in years
Computers & networking	3 - 6 years
Furniture & Fixtures	7 - 10 years
Office Equipment	5 - 7 years
Electrical equipments	10 years
Vehicles	8 years
Building*	40 years

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* Useful lives have been determined based on technical evaluation done by the management's expert which are lesser than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Leasehold improvements are depreciated over shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/(upto) the date on which asset is ready for use/(disposed off). The useful lives for assets are in line with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

(o) Intangible assets

The cost of an item of intangible assets shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation and accumulated impairment. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss.

Intangible assets are amortised on the straight-line method as follows:

Asset	Useful life
Software	2 to 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Company after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(q) Provisions and contingent assets/liabilities

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed by way of a note to the standalone financial statements 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts at undiscounted basis expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privileged leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plan – gratuity
- (b) Defined contribution plans - provident fund, employee state insurance scheme.
- (a) Defined benefit plan - Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

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The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement of net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, both as determined at the start of the annual reporting period taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- (b) Defined contribution Plans – Provident Fund, Employee State Insurance Scheme, Social Security and Labour Welfare Fund

The Company pays provident fund, employee state insurance for all employees to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the period in which the related service is provided by the employee.

(iv) Share-based payments

Employee options are provided to employees of the Company via the ESOP Plan. The fair value of the options granted under the Onward Plan is recognised as employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Bonus Plan

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Changes in Accounting policy:

During the year, the Company has changed its accounting policy for presentation of government grants related to research and development expenditure credit which are directly linked to employee benefit expenses. The Company previously accounted for government grants separately under 'Other Income', and in the current year such government grants are presented net of employee benefit expenses which results in reliable and relevant presentation of the Standalone financial statements. Accordingly, the changes have also been made in the previous year ended March 31, 2023. However, this change does not result in any impact on profit for the previous year (including basic/ diluted earnings per share) and on the opening retained earnings as at April 1, 2023.

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Decrease in Other Income	244.76	175.38
Decrease in Employee Benefit Expenses	244.76	175.38

(v) Rounding of amounts:

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

3. Property, plant and equipment

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2022	1,049.84	1,199.85	339.12	271.48	163.47	132.35	21.21	3,177.32
Additions	-	266.87	-	29.44	13.30	38.12	-	347.73
Disposals	-	(174.76)	(23.21)	(10.60)	(87.09)	(9.91)	(1.56)	(307.13)
Gross carrying amount as on March 31, 2023	1,049.84	1,291.96	315.91	290.32	89.68	160.56	19.65	3,217.92
Accumulated depreciation	33.22	686.90	321.18	139.98	67.05	75.45	11.08	1,334.86
Charge for the year	21.92	251.07	8.25	36.51	18.55	23.21	1.77	361.28
Disposals	-	(771.15)	(22.45)	(9.63)	(64.01)	(7.90)	(0.93)	(276.07)
Closing accumulated depreciation as at March 31, 2023	55.14	766.82	306.98	166.86	21.59	90.76	11.92	1,420.07
Net carrying amount as on March 31, 2023	994.70	525.14	8.93	123.46	68.09	69.80	7.73	1,797.85

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2023	1,049.84	1,291.96	315.91	290.32	89.68	160.56	19.65	3,217.92
Additions	-	93.46	-	51.3	-	13.49	-	112.08
Disposals	-	(108.49)	(192.70)	(74.78)	-	(25.84)	-	(401.81)
Gross carrying amount as on March 31, 2024	1,049.84	1,276.93	123.21	220.67	89.68	148.21	19.65	2,928.19
Accumulated depreciation	55.14	766.82	306.98	166.86	21.59	90.76	11.92	1,420.07
Charge for the period	20.95	269.17	6.54	34.98	11.20	22.98	1.58	367.40
Disposals	-	(108.46)	(192.69)	(74.45)	-	(24.63)	-	(400.23)
Closing accumulated depreciation as at March 31, 2024	76.09	927.53	120.83	127.39	32.79	89.11	13.50	1,387.24
Net carrying amount as on March 31, 2024	973.75	349.40	2.38	93.28	56.89	59.10	6.15	1,540.95

Notes

- Refer note 15 for hypothecation of charge on vehicle.
- Refer to note 28(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

4. Intangible assets

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2022	1,313.17	1,313.17
Additions	195.82	195.82
Disposals	(13.91)	(13.91)
Capitalised during the year	-	-
Gross carrying amount as on March 31, 2023	1,495.08	1,495.08
Accumulated Amortisation		
Balance as at April 1, 2021	1,049.10	1,049.10
Amortisation charge for the year	126.99	126.99
Disposals	(13.58)	(13.58)
Closing accumulated amortisation as at March 31, 2023	1,162.51	1,162.51
Net carrying value as on March 31, 2023	332.57	332.57

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2023	1,495.08	1,495.08
Additions	8.95	8.95
Disposals	(337.49)	(337.49)
Gross carrying amount as on March 31, 2024	1,166.54	1,166.54
Accumulated Amortisation		
Balance as at April 1, 2023	1,162.51	1,162.51
Amortisation charge for the year	90.58	90.58
Disposals	(337.49)	(337.49)
Closing accumulated amortisation as at March 31, 2024	915.60	915.60
Net carrying value as on March 31, 2024	250.94	250.94

4A Intangible assets under development

Particulars	Total
Projects in progress	64.18
Project temporarily suspended	-
Total	64.18

Note:

- Intangible assets under development are with the aging of less than 1 year and expected to get completed within 1 year.
- As on the balance sheet date, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

5. Investment - Non-current

	As at March 31, 2024	As at March 31, 2023
Investment in subsidiaries		
Unquoted		
Investment in Onward Technologies, Inc.		
114,000 (March 31, 2023 : 114,000) equity shares of US\$ 20 per share	951.70	951.70
Equity Contribution in the nature of employee stock option issued to the employees of subsidiary	96.83	96.83
	1,048.53	1,048.53
Investment in Onward Technologies, GmbH		
Investment in Onward Technologies, GmbH	215.99	215.99
Equity Contribution in the nature of employee stock option issued to the employees of subsidiary	3.69	3.69
Less: Provision for Impairment (Refer Note a below)	(54.00)	(54.00)
	165.68	165.68
Investment in Onward Technologies B.V.	87.81	87.81
100,000 (March 31, 2023 : 100,000) equity shares of Euro 1 per share		
Investment in Onward Technologies Canada Inc.	302.94	302.94
500,000 (March 31, 2023 : 500,000) equity shares of CAD 1 per share		
Investment in OT Park Limited (formerly known as NV Pune Technology Park Private Limited)	1,719.62	1,719.62
2,53,750 (March 31, 2023 : 2,53,750) equity shares of ₹ 10 per share		
27,000 (March 31, 2023 : 27,000) 7.50% redeemable preference shares of ₹ 10 per share		
Total	3,324.58	3,324.58
Total non-current investments	3,324.58	3,324.58
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	3,378.58	3,378.58
Aggregate amount of impairment in the value of investments	54.00	54.00

(a) Investment in Onward Technologies, GmbH

The subsidiary has accumulated losses and negative net worth as on balance sheet date. Amount of value in use based on future cash flow projections was lower than the value of investment and impairment loss recognised in the earlier years has been retained. Investment in the entity is not designated in number of shares.

Summary of key assumptions used for computing value in use is as follows :

- Terminal growth rate - 2% (March 31, 2023: 2%)
- Sales Growth rate - 5 % to 9 % (March 31, 2023: 5% to 9%)
- EBITDA to Sales % - 1 % to 3 % ((March 31, 2023: (0% to 4%)
- Discount rate - 7.25 % (March 31, 2023: 9.23%)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

6. Others financial assets - non-current

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Bank deposits due to mature after 12 months	1,017.73	-
Earmarked balances with banks		
Bank deposits held as security against working capital facilities	53.93	57.10
Security deposits	186.99	320.56
Total	1,258.65	377.66

7. Other non-current assets

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	126.50	134.45
Total	126.50	134.45

8. Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade Receivables - Billed	3,368.82	4,342.80
Receivables from related parties (Refer Note 29)	1,389.32	1,602.91
Subtotal	4,758.14	5,945.71
Less: Loss allowance	(15.25)	(12.25)
	4,742.89	5,933.46
Trade Receivables - Unbilled	2,311.19	2,551.98
Total	7,054.08	8,485.44

Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	4,742.89	5,945.71
Trade receivable which have significant increase in credit risk	15.25	12.25
Less: Loss allowance	(15.25)	(12.25)
Total	4,742.89	5,933.46

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade receivables as at March 31, 2024:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	3,693.96	1,017.49	31.44	-	-	-	4,742.89
- Significant increase in credit risk	3.61	2.47	9.16	-	-	-	15.25
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							(15.25)
Trade Receivables - Billed							4,742.89
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							2,311.19
Total							7,054.08

Ageing of trade receivables as at March 31, 2023:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good and Doubtful	4,064.06	1,836.22	33.00	0.18	-	-	5,933.46
- Significant increase in credit risk	3.44	6.91	1.86	0.04	-	-	12.25
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							(12.25)
Trade Receivables - Billed							5,933.46
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							2,551.98
Total							8,485.44

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

9(a). Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	0.20	0.71
Balances with banks		
In current accounts	1,033.00	3,350.55
Deposits with original maturity less than three months	1,111.43	-
Total	2,144.63	3,351.26

9(b). Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks*	27.09	23.27
Total	27.09	23.27

* Amount represents unclaimed dividend account held for dividend remittance and hence are not available for use.

10. Others financial assets - current

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)	-	
Derivative financial instrument		
Foreign exchange forward contracts	24.93	-
Receivable from related party for employee stock options (Refer note 29)	19.21	73.50
Bank deposits due to mature within 12 months	5,325.43	-
In earmarked accounts		
Bank deposits held as security against working capital facilities	64.97	55.16
Security deposits	177.13	73.01
Total	5,611.67	201.67

11. Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	509.04	549.80
Interest receivable on income-tax refund	36.34	-
Advance to suppliers	106.77	-
Advance to subsidiary	22.89	-
Research and Development expenditure credit receivable	183.96	99.77
Others*	50.42	50.00
Total	909.42	699.57

*Others include advances paid to employees

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

12(a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Defined Benefit Obligation	142.49	84.24
Allowance for Doubtful debts	3.84	3.08
Disallowances under Income tax Act, 1961	10.07	4.28
Lease Liability	160.86	373.74
Property, plant and equipment and intangible assets	1.56	8.57
Share issue expenses	21.00	31.50
Fair value gain on Foreign exchange Forward contracts	-	7.80
Others	6.60	17.42
	346.42	530.63
Deferred tax liability		
Fair value gain on Foreign exchange Forward contracts	6.28	-
Right to Use Assets	130.31	339.63
Others	9.15	-
	145.74	339.63
Total deferred tax asset (net)	200.68	191.00

Movement in Deferred tax assets/ (liabilities) in Statement of profit and loss (charged)/ credited during the year.

Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation	40.44	(53.21)
Allowance for Doubtful debts	0.76	3.08
Disallowances under Income tax Act, 1961	5.79	(3.80)
Leases Liability	(212.88)	(215.51)
Right to Use Assets	209.32	245.76
Property, plant and equipment and intangible assets	(7.01)	(25.75)
Share issue expenses	(10.50)	(10.50)
Fair value gain on Foreign exchange Forward contracts	(14.07)	17.84
Others	(19.98)	(5.15)
Movement through other comprehensive income		
Defined Benefit Obligation	17.82	24.51
Total	9.68	(22.73)

12(b). Taxation

Income tax assets/(Income tax liabilities)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,571.23	1,763.72
Less : Current tax payable for the year	(943.53)	(496.91)
Add/ (Less) : (Refund Received)/ Taxes paid	293.63	304.42
Closing Balance	921.32	1,571.23
Closing balance		
- Income tax liabilities (Current)	(46.23)	-
- Income tax assets (Non-Current)	967.55	1,571.23

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Income Tax Expenses

The major components of income tax expenses for the year ended March 31, 2024 and March 31, 2023

Profit and Loss section	Year ended March 31, 2024	Year ended March 31, 2023
Current income tax charge		
Current income tax		
- Current tax on profit for the current year	936.57	500.57
- Adjustments for current tax of prior periods	6.97	(3.66)
Deferred tax	8.14	47.24
Income tax expense reported in the statement of profit or loss	951.67	544.15
Other comprehensive income section	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax related to items recognised in Other comprehensive income during the year	17.82	24.51
Income tax (charged)/credit to OCI	17.82	24.51

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	3,724.87	2,173.45
Tax at income tax rate of 25.17% (March 31, 2023 : 25.17%)	937.47	547.01
Adjustments in respect of current income tax of previous years	6.97	(3.66)
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	8.10	1.20
Others	(0.87)	(0.40)
Total	951.67	544.15
Income tax expense reported in the statement of profit or loss	951.67	544.15

13(a). Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
3,36,20,000 (March 31, 2023 : 3,36,20,000) Equity shares of ₹ 10 each	3,362.00	3,362.00
1,00,00,000 (March 31, 2023 : 1,00,00,000) Preference shares of ₹ 10 each	1,000.00	1,000.00
10,00,000 (March 31, 2023 : 10,00,000) unclassified shares of ₹ 10 each	100.00	100.00
Total	4,462.00	4,462.00
Issued, subscribed and paid up :		
2,25,19,570 (March 31, 2023 : 2,23,05,270) Equity Shares of ₹ 10 each	2,251.96	2,230.53
Total	2,251.96	2,230.53

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Reconciliation of number of equity shares issued

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	2,23,05,270	2,20,20,870
Shares issued during the year (Nos.)	2,14,300	2,84,400
Shares outstanding at the end of the year	2,25,19,570	2,23,05,270

(ii) Reconciliation of issued equity share capital

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Issued, subscribed and paid up		
Share capital outstanding at the beginning of the year	2,230.53	2,202.09
Shares issued during the year	21.43	28.44
Shares outstanding at the end of the year	2,251.96	2,230.53

(iii) Terms/ rights attached to equity shares

The Company has issued only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

4,65,700 (March 31, 2023 : 4,60,400) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date. Refer note 35 for further details of the ESOP scheme.

(iv) Aggregate number of shares issued for consideration other than cash during the period of three years immediately preceding the reporting date - Nil (March 31, 2023: Nil).

(v) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	% holding	No. of shares	% holding	No. of shares
JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)	33.74%	75,97,866	39.89%	88,97,566
Infinity Direct Holdings	17.32%	39,00,000	24.21%	54,00,000

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Details of shareholdings of promoters and promoters group

i) Details of shareholding of promoters as on March 31, 2024

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)	75,97,866	33.74%	100.00%
Harish Shantilal Mehta	2,16,528	0.96%	-0.01%
Jigar Harish Mehta	3,76,299	1.67%	-0.91%
Heral Harish Mehta	2,43,096	1.08%	-0.01%
Prachi Mehta	1,50,000	0.67%	-0.01%

ii) Details of shareholding of promoters as on March 31, 2023

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	88,97,566	39.89%	100.00%
Onward Network Technologies Private Limited (upto March 23, 2023)	-	0.00%	-100.00%
Desai Finwealth Investments & Securities Private Limited	-	0.00%	-100.00%
Harish Shantilal Mehta	2,16,528	0.97%	-0.01%
Jigar Harish Mehta	5,76,299	2.58%	-0.03%
Heral Harish Mehta	2,43,096	1.09%	-0.01%
Prachi Mehta	1,50,000	0.67%	0.00%

13(b). Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
Securities premium account		
Opening Balance	8,616.22	8,367.88
Add: Additions on account of exercise of options under Employee Stock Option Plan	255.58	248.34
Closing Balance	8,871.80	8,616.22
Share option outstanding account		
Opening Balance	405.24	269.33
Less: Employee stock options exercised	(240.68)	(229.43)
Add: Employee stock option expenses	542.54	376.80
Less: Transfer on account of lapsed option	-	(11.46)
Closing Balance	707.10	405.24

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Share Application Money pending allotment		
Opening Balance	2.17	5.78
Less: Shares allotted against the share application money received	(36.27)	(47.34)
Add: Shares application money received for allotment of shares	34.10	43.73
Closing Balance	-	2.17
Retained earnings		
Opening balance	4,875.33	3,972.02
Net profit for the year	2,773.10	1,629.30
	7,648.43	5,601.32
Add: Transfer on account of lapsed option	-	11.46
Less: Dividend paid (Refer Note 35)	(671.15)	(664.58)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of defined benefit plans (net of tax)	(52.97)	(72.87)
Closing Balance	6,924.31	4,875.33
Total	16,503.21	13,898.96

Nature and purpose of reserves

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to record the fair value of options as on grant date issued to employees under the Employee stock option scheme. The amounts recorded in share options outstanding account are transferred to share capital and share premium upon exercise of stock options by employees.

Share Application Money pending allotment

This denotes application money received for which issue of equity shares are outstanding as on balance sheet date.

Retained earnings

Retained earnings comprise of the Company's undistributed earnings after taxes.

14. Non-Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loans from financial institutions		
Vehicle Loans	-	50.75
Total Non-Current Borrowings	-	50.75
Less : Current maturities of long term borrowings (Refer Note 15)	-	10.47
Total	-	40.28

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Terms of repayment and security details for non-current borrowings

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loans from financial institutions			
Vehicle Loans The borrowing is hypothecated against the car	Repayable in 48 equal instalments beginning from March 4, 2021.	Monthly Instalments	8.21% p.a. (March 31, 2023: 8.21% p.a.)

15. Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Current maturities of long term borrowings	-	10.47
Total	-	10.47

Notes:

(i) Details of undrawn credit facilities

Particulars	Terms of repayment	Coupon/ Interest rate
Loans repayable on demand		
Secured		
From Banks		
Cash credit (Refer note below)		
HSBC Bank	Payable on Demand	T-Bill+5.05% p.a.
ICICI Bank	Payable on Demand	Repo+2.30% p.a.

Security details for cash credit facility

Secured by the Term deposits amounting to ₹118.90 lakhs with Bank as on March 31, 2024 and has exclusive charge on all present and future Current assets including Stocks and Book debts.

Above facility is secured against overall charge on current assets and margin money deposit with the bank in the form of fixed deposit.

The Company has not utilised facility amount as at year ended March 31, 2024.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- (ii) The Company has obtained overdraft facility from banks and on the basis of security of current assets.

The quarterly returns or statements of current assets filed by the Company with banks are not materially misstated with the books of accounts. Differences are on account of exclusion of intercompany balances, the period end closing entries and timing differences. Below are the details as on March 31, 2024:

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-23	Current Assets	8,449.14	5,893.38	8,305.21	5,840.33	143.93	53.05
Sep-23	Current Assets	17,157.71	5,655.67	16,983.96	5,589.94	173.75	65.73
Dec-23	Current Assets	25,676.77	5,025.15	25,530.37	5,356.31	146.40	(331.16)
Mar-24	Current Assets	34,595.20	5,263.28	34,420.58	5,382.98	174.62	(119.70)

Below are the details as on March 31, 2023

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-22	Current Assets	6,912.59	4,689.47	6,912.59	4,689.59	-	(0.12)
Sep-22	Current Assets	14,588.08	5,271.72	14,588.10	5,528.00	(0.02)	(256.28)
Dec-22	Current Assets	22,703.72	5,719.32	22,714.35	5,719.32	(10.63)	0.00
Mar-23	Current Assets	31,516.54	5,618.99	31,544.90	5,618.99	(28.36)	0.00

16. Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	25.03	90.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (Refer Note 29)	741.26	572.44
(ii) Others	823.13	472.09
Total	1,589.42	1,134.99

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	25.03	90.46
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	1.32	3.65
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Note:

The above information is based on the information available with the Company about the registrations of the vendors as micro or small enterprises under the MSMED Act, 2006.

Ageing of trade payables as at March 31, 2024:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
- MSME	24.82	0.21	-	-	-	25.03
- Others	804.43	617.36	142.60	-	-	1,564.39
Disputed trade payables						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Ageing of trade payables as at March 31, 2023:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
- MSME	87.33	3.13	-	-	-	90.46
- Others	943.76	94.88	-	-	5.89	1,044.53
Disputed trade payables						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

17. Other financial liabilities - current

Particulars	As at March 31, 2024	As at March 31, 2023
Derivative financial instrument		
- Foreign exchange forward contracts	-	30.99
Capital creditors	9.24	27.80
Unpaid Dividend	27.09	23.27
Employee benefit payables	1,705.30	2,016.92
Total	1,741.63	2,098.98

18(a). Non-current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Employee related provisions		
- Provision for Gratuity	259.21	82.67
- Provision for compensated absences	159.11	113.78
Total	418.32	196.45

18(b). Current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Employee related provisions		
- Provision for Gratuity	43.83	44.80
- Provision for compensated absences	104.01	93.45
Total	147.84	138.25

A Defined contribution plan

(i) Provident fund

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate specified by regulatory authorities from time to time. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1,148.13 lakhs (March 31, 2023 - ₹ 1,135.30 lakhs)

(ii) The expense recognised during the year towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 3.12 lakhs (March 31, 2023 - ₹ 10.93 lakhs).

(iii) Social security and other benefit plans for overseas employees

The expense recognised during the year towards National insurance, Pension, Statutory social security and contribution for health and safety insurance for overseas employees is ₹ 192.21 lakhs (March 31, 2023 - ₹ 153.12 lakhs).

B Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and is administered through group gratuity scheme with Life Insurance Corporation of India.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	439.48	(206.61)	232.87
Current service cost	108.61	-	108.61
Past service cost	-	-	-
Interest expense/(income)	27.23	(12.80)	14.43
Total amount recognised in Profit or Loss	135.84	(12.80)	123.04
Return on plan assets	-	21.81	21.81
(Gain)/loss from experience change	140.54	-	140.54
(Gain)/loss from demographic change	(9.33)	-	(9.33)
(Gain)/loss from change in financial assumption	(55.64)	-	(55.64)
Total amount recognised in Other Comprehensive Income	75.57	21.81	97.38
Employer contributions	-	(325.82)	(325.82)
Benefits paid	(163.47)	163.47	-
March 31, 2023	487.42	(359.95)	127.47

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	487.42	(359.95)	127.47
Current service cost	103.39	-	103.39
Past service cost	-	-	-
Interest expense/(income)	35.66	(26.33)	9.32
Total amount recognised in Profit or Loss	139.05	(26.33)	112.72
Return on plan assets	-	(8.30)	(8.30)
(Gain)/loss from experience change	80.61	-	80.61
(Gain)/loss from demographic change	(8.53)	-	(8.53)
(Gain)/loss from change in financial assumption	7.01	-	7.01
Total amount recognised in Other Comprehensive Income	79.09	(8.30)	70.79
Employer contributions	-	(7.94)	(7.94)
Benefits paid	(112.64)	112.64	-
March 31, 2024	592.92	(289.88)	303.04

- II. The net liability disclosed above relates to funded plans are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligation	592.92	487.42
Fair value of plan assets	(289.88)	(359.95)
Deficit	303.04	127.47

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

III. Significant actuarial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.30%
Salary growth rate	5.00%	5.00%
Expected return on plan assets	7.15%	7.30%
Withdrawal rate		
Service greater than 4 years	4.00%	7.00%
Service less than 4 years	45.00%	49.00%
Expected average remaining working lives of employees (in years)	5.64	3.72

IV. Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation	
	As at March 31, 2024	As at March 31, 2023
Discount rate		
1 % increase	(53.73)	(36.61)
1 % decrease	62.80	41.73
Salary growth rate		
1 % increase	60.93	40.87
1 % decrease	(53.60)	(36.71)
Withdrawal rate		
1 % increase	5.15	3.27
1 % decrease	(6.50)	(3.96)

The above sensitivity analysis are based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

V. Projected benefits payable from the fund in future years from the date of reporting:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than a year	43.83	44.80
Between 2 to 5 years	185.80	199.37
Between 6 to 10 years	254.72	232.08
More than 10 years	932.47	520.46
Total	1,416.82	996.71

The weighted duration of the defined benefit obligation is 10 years. (March 31, 2023 : 8 years)

The Company expects to contribute ₹ 420.83 lakhs (March 31, 2023 ₹ 214.81 lakhs) during the next year towards planned assets.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

VI. The major categories of plan assets are as follows::

Particulars	As at March 31, 2024	As at March 31, 2023
Funds managed by insurer	100%	100%

VII Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's ability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000)."

C. Compensated absence

The leave obligations cover the Company's liability for privilege leave which are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Expenses recognised in the Statement of Profit and Loss	55.89	(8.64)
Non-current leave obligations expected to be settled after 12 months	159.11	113.78
Current leave obligations expected to be settled within the next 12 months	104.01	93.45

19. Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	544.50	546.55
Advance from :		
- From customers	6.90	35.51
- From related party (Refer note 29)	183.99	-
Contract liability - unearned revenue (Refer note 20(d))	-	22.77
Total	735.39	604.83

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

20. Revenue from Operation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Contract with Customers		
Sale of services		
- Professional services	34,595.20	31,516.54
Revenue from Operations	34,595.20	31,516.54

a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geographical region type. The Company believes that this disaggregation best depicts how the nature, amount of our revenues and cash flows are affected by industry, market and other economic factors.

The payment terms of the Company are upto 60 days.

Revenue from operations	Year ended March 31, 2024	Year ended March 31, 2023
Within India	23,022.71	21,624.82
Outside India		
- USA	5,099.81	4,976.26
- Europe	2,971.50	2,046.69
- Others*	3,501.18	2,868.77
Total	34,595.20	31,516.54

*includes Canada and the United Kingdom.

b) Reconciliation of revenue recognised with contract price

Particulars	March 31, 2024	March 31, 2023
Contract Price	34,859.11	31,601.99
Less: Discounts	(263.91)	(85.45)
Revenue from operations	34,595.20	31,516.54

c) Aggregate amount of transaction price allocated to contract that are partially unsatisfied as at reporting date

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Aggregate amount of transaction price allocated to contract that are unsatisfied as at reporting date	-	22.77

Note:

Management expects that entire transaction price allocated to the unsatisfied contracts as of March 31, 2024, will be recognised as revenue during the next reporting period. All other contracts are for period of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

d) Movement in contract liabilities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	58.28	1,032.04
Changes on account of:		
Consideration received from customer - work yet to be performed	190.89	35.51
Revenue recognised in the year that was included in advance from customers	(58.28)	(1,032.04)
Invoicing done but revenue to be recognised	-	22.77
Total	190.89	58.28

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

21. Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest method from financial assets carried at amortised cost		
- Interest on bank deposits	284.06	22.29
- Interest income on security deposits	40.07	28.98
Interest on income tax refunds	193.62	172.99
Net profit on disposal of property, plant and equipment	33.01	13.63
Net gains on foreign currency transactions and translations	71.92	-
Profit on sale of mutual funds	-	26.81
Management fees from related parties (Refer note 29)	260.95	377.46
Recruitment fees from related parties (Refer note 29)	63.83	50.04
Miscellaneous income	80.56	77.72
Total	1,028.02	769.92

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

22. Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages		
- Salaries, wages and incentives	23,535.54	22,174.83
- Gratuity Expenses (Refer note 18)	112.72	123.04
Contributions to provident and other funds (Refer note 18)		
- Contributions to provident fund and Employee State Insurance Corporation scheme	1,151.25	1,146.23
- Social security and other benefit plans for overseas employees	192.21	153.12
Employee share based payment expense (Refer note 35)	533.69	263.56
Staff welfare expenses	254.59	250.57
Total	25,780.00	24,111.35

Note:

Based on its assessment and precedence for research and development expenditure credit available in the United Kingdom, the Company has recognised for such incentive on accrual basis for the current year to the extent of ₹ 83.96 lakhs (Previous year: ₹ 99.77 lakhs). The Company is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

23. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on financial liabilities measured at amortised cost		
Interest on borrowings	4.42	5.05
Interest on Lease Liabilities	138.36	156.97
Interest on dues of micro enterprises and small enterprises	1.32	3.65
Total	144.10	165.67

24. Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	367.40	361.28
Amortisation of intangible assets (refer note 4)	90.58	126.99
Depreciation of right-of-use Assets (refer note 30)	831.68	782.02
Total	1,289.66	1,270.29

25. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sub-contracting cost	883.64	772.04
Water power and fuel	208.24	213.84
Rent	115.10	117.80
Software Expenses	1,160.63	918.71
Legal and professional charges	310.67	472.85
Travelling and conveyance	476.37	459.88

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Insurance	75.22	63.06
Repairs and maintenance		
- Others	225.81	254.52
Office Expenses	93.41	122.22
Director sitting fees (Refer note 29)	18.80	23.50
Loss allowance	3.00	12.25
Export incentives receivable written off	-	14.74
Bad debts written off	-	1.09
Communication expenses	66.73	69.01
Property, plant and equipment written off	-	6.43
Rates and taxes	61.69	38.26
Advertisement and sales promotion	19.89	20.10
Payment to auditors (Refer note 26(a))	38.59	34.89
Marketing Fees Expenses (Refer note 29)	729.95	745.54
Management Fees Expenses	11.81	
Net losses on foreign currency transactions and translations	-	29.48
CSR Expenditure (Refer note 26(b))	32.90	26.54
Miscellaneous Expenses	152.24	148.95
Total	4,684.69	4,565.70

26(a). Payment to auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory Audit	29.00	29.00
Limited reviews	3.00	2.00
In other capacities		
Fees for other services	2.00	3.00
Reimbursement of out of pocket expenses	4.59	0.89
Total	38.59	34.89

26(b). Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount approved by Board required to be spent during the year	32.90	26.54
Amount spent during the year on various projects	32.90	26.54
Amount required to be spent as per Section 135 of Companies Act, 2013	32.90	26.54
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	32.90	26.54
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

* Calculated at 2% of the average net profits of the Company during the immediately preceding 3 years

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Nature of CSR expenses

Promoting Education and Healthcare activities (i.e. Medical Relief under Project Eye Camp and Medical assistance)

Note:

There are no ongoing CSR projects or excess/short expense to be incurred as on balance sheet date. Therefore, relevant disclosures are not given.

27. Earnings per share (EPS)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	2,773.10	1,629.30
Weighted average number of Equity Shares	2,24,24,035	2,21,84,523
Basic Earnings per share	12.37	7.34
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	2,773.10	1,629.30
Weighted average number of Equity Shares (including potential shares)	2,29,09,007	2,27,45,780
Diluted Earnings per share	12.10	7.16
(c) Weighted Average number of shares used as denominator		
Issued equity share capital at the beginning of the year	2,23,05,270	2,20,20,870
Add: Effect of employee share options exercised	1,18,765	1,53,112
Add: Conversion of share warrants	-	-
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	2,24,24,035	2,21,73,982
Adjustments for calculating diluted earnings per share :		
Dilutive impact of employee stock options	4,84,971	5,61,256
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	2,29,09,006	2,27,35,238

28. Contingencies and commitments

a) Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts		
Income-tax matters	190.15	-
Total	190.15	-

Note:

The Company has reviewed all its pending litigations and proceedings and has adequately disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

Income tax demand/adjustments comprise demand from the Indian tax authorities for assessment years 2022-23 and 2023-24. The tax demand/adjustments are related to disallowance of certain provisions and expenses claimed by the Company under the Income tax Act. The company has filed appeal before Commissioner of Income tax (Appeals)."

b) Capital commitments

- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 1.88 lakhs (March 31, 2023 : ₹ 55.19 lakhs).

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

29. Related party transactions

a. Entity having significant influence

- 1 PHM Growth Private Limited (Formerly Known as Onward Network Technologies Private Limited (upto March 23, 2023)
- 2 JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited) (w.e.f. March 24, 2023)
- 3 Infinity Direct Holdings, Mauritius

b. Subsidiaries

Sr. No.	Name of the entity	Place of business/ Country of Incorporation	Ownership Interest	
			March 31, 2024	March 31, 2023
1	Onward Technologies Inc.	The United States of America	100.00%	100.00%
2	Onward Technologies GmbH	Germany	100.00%	100.00%
3	Onward Technologies Canada Inc.	Canada	100.00%	100.00%
4	Onward Technologies B.V.	Netherland	100.00%	100.00%
5	OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	India	100.00%	100.00%

c. The entity controlled/jointly controlled by a person identified in (a) above:

- 1 Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023) (amalgamated with Onward Network Technologies Private Limited)

d. Key Management Personnel:

- 1 Mr. Harish Mehta (Executive Chairman)
- 2 Mr. Jigar Mehta (Managing Director)
- 3 Mrs. Prachi Mehta (Director) - (Upto September 29, 2022)
- 4 Mr. Parish Meghani (Independent Director) - (Upto July 20, 2023)
- 5 Mr. Rahul Rathi (Independent Director) - (Upto July 20, 2023)
- 6 Mr. Jay Sonawala (Independent Director)
- 7 Mr. Subrata Kumar Mitra (Independent Director) - (Upto July 20, 2023)
- 8 Mr. Harsha Raghavan (Additional Director)
- 9 Ms. Niranjani Chandramouli (Independent Director) - (w.e.f. September 29, 2022)
- 10 Mr. Dhanpal Jhaveri (Independent Director) - (w.e.f. May 12, 2023)
- 11 Mr. Jai Diwanji (Independent Director) - (w.e.f. May 12, 2023)
- 12 Mr. Devanand Ramandasani (Chief Financial Officer) - (Upto December 23, 2022)
- 13 Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)
- 14 Ms. Dimple Chauhan (Company Secretary) - (Upto July 22, 2022)
- 15 Ms. Shama Pawar (Company Secretary) - (Upto June 15, 2023)
- 16 Mr. Vinav Agarwal (Company Secretary) - (w.e.f. October 20, 2023)

e. Entities controlled by Key Management Personnel

- 1 JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited)
- 2 PHM Growth Private Limited (Formerly known as Onward Network Technologies Private Limited)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

I. Related party transactions:

Related Party	Nature of transaction	March 31, 2024	March 31, 2023
Entity having significant influence			
PHM Growth Private Limited (Formerly known as Onward Network Technologies Private Limited) (upto March 23, 2023)	Rent expense	-	33.49
	Reimbursement of expenses paid	-	9.39
	Dividend paid	-	251.67
	Security deposits paid	-	0.90
JHM Enterprises Private Limited (Formerly Known as Onward Software Technologies Private Limited) (w.e.f. March 24, 2023)	Dividend paid	266.93	-
Infinity Direct Holdings, Mauritius	Dividend paid	162.00	162.00
The entity controlled/ jointly controlled by a person identified in (a) above			
Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023) (amalgamated with Onward Network Technologies Private Limited)	Dividend paid	-	15.26
Entities controlled by Key Management Personnel			
PHM Growth Private Limited (Formerly known as Onward Network Technologies Private Limited) (w.e.f. March 24, 2023)	Rent expense	41.58	0.64
	Reimbursement of expenses paid	8.01	0.14
Subsidiaries			
Onward Technologies Inc.	Reimbursement of expenses received	69.34	22.05
	Reimbursement of expenses paid	52.46	39.74
	Revenue from operations	5,047.83	4,219.09
	Income from management fees	191.55	221.85
	Income from recruitment fees	53.01	19.02
	Management fees	11.81	-
	Marketing fees expenses	213.19	287.79
	ESOP expenses for employees of subsidiary	(4.20)	110.50
Onward Technologies GmbH	Reimbursement of expenses paid	12.39	18.60
	Revenue from operations	2,696.19	1,528.92
	Income from management fees	64.74	150.21
	Income from recruitment fees	5.96	8.59
	Marketing fees expenses	411.56	353.34
	ESOP expenses for employees of subsidiary	13.04	2.76
Onward Technologies Canada Inc.	Reimbursement of expenses received	4.07	29.61
	Reimbursement of expenses paid	5.48	0.21
	Revenue from operations	395.80	97.40
	Investment in subsidiary	-	122.83
	Income from management fees	4.66	5.40
	Income from recruitment fees	-	22.43
	Marketing fees expenses	71.36	74.17

Standalone

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Related Party	Nature of transaction	March 31, 2024	March 31, 2023
Onward Technologies B.V.	Revenue from operations	146.20	102.68
	Marketing fees expenses	33.80	30.24
	Investment in subsidiary	-	-
	Income from recruitment fees-OTBV	4.86	-
	Reimbursement of expenses paid	6.91	-
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	Rent and Maintenance expense	194.39	188.74
	Reimbursement of expenses paid	36.83	16.66
	Reimbursement of expenses received	50.77	-
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Employee benefit expense	385.53	307.23
	Dividend paid	6.50	6.50
Mr. Jigar Mehta (Managing Director)	Employee benefit expense	354.40	266.96
	Dividend paid	17.29	17.29
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Employee benefit expense	-	44.12
	Long term employee benefits	-	-
	Employee share based payment expense	-	0.97
	Issue of equity shares	-	2.00
	Dividend paid	-	0.30
Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)	Employee benefit expense	43.22	-
Ms. Shama Pawar (Company Secretary) - (Upto June 15, 2023)	Employee benefit expense	5.74	22.30
	Employee share based payment expense	-	6.42
	Issue of equity shares	-	0.24
	Dividend paid	-	-
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Employee benefit expense	-	0.95
	Employee share based payment expense	-	-
	Issue of equity shares	-	0.50
	Dividend paid	-	0.15
Mr. Vinav Agarwal (Company Secretary) - (w.e.f October 20, 2023)	Employee benefit expense	10.01	-
Mrs. Prachi Mehta (Director) - (upto September 29, 2022)	Dividend paid	-	4.46
	Director sitting fees	-	1.50
Mr. Parish Meghani (Independent Director)-(Upto July 20, 2023)	Dividend paid	9.46	9.53
	Director sitting fees	1.35	4.75
Mr. Jay Sonawala (Independent Director)	Dividend paid	0.02	0.02
	Director sitting fees	5.15	5.20
Mr. Rahul Rathi (Independent Director) - (Upto July 20, 2023)	Director sitting fees	1.25	4.50
Mr. Subrata Kumar Mitra (Independent Director) - (Upto July 20, 2023)	Director sitting fees	2.05	6.00
Ms. Niranjani Chandramouli (Independent Director) - (w.e.f September 29, 2022)	Director sitting fees	3.45	1.55
Mr. Dhanpal Jhaveri - (w.e.f. May 12, 2023)	Director sitting fees	3.90	-
Mr. Jai Diwanji - (w.e.f. May 12, 2023)	Director sitting fees	1.65	-

All transactions with these related parties are priced on an arm length basis.

Donation in relation to Corporate social responsibility of ₹ 10 Lakhs (March 31, 2023 : Nil) was made to a trust in which a director is interested.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

II. Outstanding Balances

Related Party	Nature of transaction	March 31, 2024	March 31, 2023
Entities controlled by Key Management Personnel			
PHM Growth Private Limited (Formerly known as Onward Network Technologies Private Limited) (w.e.f. March 24, 2023)	Trade Payables	0.14	0.14
	Lease liabilities	60.34	92.03
	Security Deposits	18.82	18.82
Subsidiaries			
Onward Technologies Inc.	Trade Receivables	787.08	622.09
	Trade Payables	293.73	110.40
	Advance to suppliers	7.84	-
	Receivable for employee stock options provided	10.67	71.27
Onward Technologies GmbH	Trade Receivables	976.84	789.00
	Trade Payables	178.04	180.57
	Receivable for employee stock options provided	8.55	2.23
	Advance to suppliers	1.22	-
Onward Technologies Canada Inc.	Trade Receivables	-	191.82
	Trade Payables	29.10	48.67
	Advance to suppliers	0.01	-
	Advance from customers	182.34	-
Onward Technologies B.V.	Trade Receivables	4.10	-
	Trade Payables	8.14	30.25
	Advance to suppliers	2.60	-
	Advance from customers	1.65	-
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	Lease liabilities	844.26	124.49
	Security Deposits	83.20	83.20
	Trade Payables	407.99	202.41
	Trade Receivables	36.84	-
	Advance to suppliers	11.21	-
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Salary and Allowance payable	59.88	148.92
Mr. Jigar Mehta (Managing Director)	Salary and Allowance payable	58.88	147.91
	Long term employee benefits	-	2.88
	Post -employment benefits	10.07	11.10
Mr. Pawankumar Nathani (Chief Financial Officer) - (w.e.f. May 12, 2023)	Employee benefit expense	4.73	-
Mr. Vinav Agarwal (Company Secretary) w.e.f October 20, 2023)	Salary and Allowance payable	1.49	-
Ms. Shama Pawar (Company Secretary) - (upto June 15, 2023)	Salary and Allowance payable	-	1.92
	Long term employee benefits	-	0.33
	Post -employment benefits	-	0.18

III. Terms and conditions for outstanding balances

Transactions related to dividends and subscriptions for new equity shares were on the same terms and conditions that applied to others.

Transactions related to services rendered and other transactions were made on normal commercial terms and conditions, in the normal course of business.

All outstanding balances are unsecured and payable in cash.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

30. Right-of-use assets and lease liabilities:

(i) Amounts Recognised in the balance sheet :

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Buildings	2,590.05	1,349.59
Lease Liabilities		
Current	834.57	787.03
Non Current	1,802.40	699.37
Total	2,636.97	1,486.40

Extension and termination options are included in a number of property across company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations.

(ii) Additions to Right of use assets

Additions to the right-of-use assets during the year were ₹ 2,072.14 lakhs (March 31, 2023: ₹ 405.67 lakhs).

(iii) Amounts Recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses (included in finance cost)	138.36	156.97
Expense relating to short-term leases (included in other expenses)	115.10	117.80
Depreciation of right-of-use Assets	831.68	782.02
Total	1,085.14	1,056.79

The total cash outflow for leases for the year ended March 31, 2024 was ₹ 977 lakhs (March 31, 2023 : ₹ 872.88 lakhs)

31. Fair value measurements - financial instruments

Financial instruments by category

Particulars	March 31, 2024		March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	7,054.08	-	8,485.44
Cash and cash equivalents	-	2,144.63	-	3,351.26
Other bank balances	-	27.09	-	23.27
Derivative financial assets	24.93	-	-	-
Other financial assets	-	6,845.39	-	579.33
Total financial assets	24.93	16,071.19	-	12,439.30
Financial liabilities				
Borrowings	-	-	-	50.75
Lease Liabilities	-	2,636.97	-	1,486.40
Trade payables	-	1,589.42	-	1,134.99
Derivative financial liabilities	-	-	30.99	-
Other financial liabilities	-	1,741.63	-	2,067.99
Total financial liabilities	-	5,968.02	30.99	4,740.13

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At March 31, 2024				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	24.93	-	24.93
At March 31, 2023				
Financial Liabilities				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	(30.99)	-	(30.99)

Level 1: hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer between levels.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Foreign currency forward contracts - based on bank confirmation at the balance sheet date.

iii) Valuation process

Changes in level 2 and level 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the finance team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

iv) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

32. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's Board of Directors and Audit Committee oversees the activities to manage these risks. All derivative activities for risk management purposes are carried out by personnel with requisite knowledge, skills and experience. It is the Company's policy that no trading in derivatives for speculative purposes should be undertaken.

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

management policies and systems are approved and reviewed regularly by the Board to reflect changes in market conditions and the Company's activities. Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The risks to which Company is exposed and related risk management policies are summarised below."

(A) Credit risk

(I) Credit risk management

The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivables) and from deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision considered necessary for expected credit loss for credit risk arising from these financial assets other than trade receivables. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for e.g., external credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

Exposure to credit risk: The carrying amount of financial assets represent the maximum credit exposure.

Trade Receivables

The credit risk from customer receivables is recorded and monitored on an ongoing basis. Responsibilities and duties relating to credit risk assessment are governed by an internal directive. This mainly includes factors such as stipulation of payment terms, fixing of credit limits, release of deliveries, and receivables monitoring. The credit risk is considered low given the sound credit ratings and past history of timely payments being made by the customers. Customer specific events/ information is considered while assessing the adequacy of provision as on balance sheet date.

Reconciliation of loss allowance provision

Loss allowance on April 1, 2022	-
Additional loss allowance provision made	12.25
Provision utilised	-
Loss allowance on March 31, 2023	12.25
Additional loss allowance provision made	3.00
Provision Written back	-
Provision utilised	-
Loss allowance on March 31, 2024	15.25

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The following table provides information about the exposure to credit risk and ECLs for trade receivables (billed) for corporate customers as at March 31, 2024.

Ageing Bucket	Balance Outstanding as at March 31, 2024	Weighted Average Loss Rate	Loss Allowance as at March 31, 2024	Balance Outstanding as at March 31, 2023	Weighted Average Loss Rate	Loss Allowance as at March 31, 2023
Not due	3,697.57	0.10%	3.61	4,067.49	0.08%	3.44
0 to 90 days	937.29	0.18%	1.68	1,494.34	0.24%	3.59
90 to 180 days	82.68	0.96%	0.80	348.80	0.95%	3.32
180 to 270 days	24.34	7.68%	1.87	34.64	5.23%	1.81
270 to 360 days	16.26	44.85%	7.29	0.22	20.00%	0.04
360 to 450 days	-	0.00%	-	0.22	20.00%	0.04
Total	4,758.14		15.25	5,945.71		12.25

Exposure to unbilled receivables is ₹ 2,311.19 lakhs. Loss allowance on unbilled receivable is considered to be insignificant.

Refer note 32(C)(I)(i) for exposure to respective foreign currencies which is consistent with the location of the customer.

Financial assets at fair value through profit or loss

The company is also exposed to credit risk in relation to forward contract that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments and contracts ₹ 24.93 lakhs (March 31, 2023: ₹ (30.99) lakhs).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt covenants.

(I) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	2,250.00	500.00
Total	2,250.00	500.00

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in ₹.

(II) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date and that the amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

The tables below analyse the Company's financial liabilities into relevant maturity group based on their contractual maturities for :

March 31, 2024	Carrying value	Upto 1 year	1-3 years	>3 years
Trade Payables	1,589.42	1,589.42	-	-
Payable for purchase of Property, Plant and Equipment	9.24	9.24	-	-
Lease Liabilities	2,636.97	834.57	1,416.69	385.71
Unpaid Dividend	27.09	27.09	-	-
Employee Benefit Payable	1,705.30	1,705.30	-	-
Total	5,968.02	4,165.62	1,416.69	385.71
March 31, 2023	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	50.75	14.25	42.95	-
Trade Payables	1,134.99	1,134.99	-	-
Payable for purchase of Property, Plant and Equipment	27.80	27.80	-	-
Lease Liabilities	1,486.40	883.22	754.64	-
Foreign exchange forward contracts	30.99	30.99	-	-
Unpaid Dividend	23.27	23.27	-	-
Employee Benefit Payable	2,016.92	2,016.92	-	-
Total	4,771.12	4,131.44	797.59	-

(C) Market risk

I) Foreign currency risk

The company operates internationally and thereby is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP, CAD and AUD. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the company's functional currency (₹). The risk is measured through forecast of foreign currency transactions.

The Company has a policy to maintain forex exposure on the books at reasonable levels considering forecast of transactions in next 12 months and natural hedge through foreign currency payables. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. When a forward contract is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :-

Particulars	March 31, 2024					March 31, 2023				
	USD	Euro	GBP	CAD	AUD	USD	Euro	GBP	CAD	AUD
Financial assets-current										
Trade receivables (includes related parties)	785.39	980.25	492.98	-	10.02	671.02	792.85	68.74	122.71	8.47
Bank balances	-	-	242.03	-	-	253.81	304.05	506.23	-	-
Other financial asset			9.42							
Other Receivables from Related Party	18.51	12.37	-	0.01	-	71.27	2.23	-	-	-
Exposure to foreign currency risk (assets)	803.90	992.62	744.43	0.01	10.02	996.10	1,099.13	574.97	122.71	8.47
Derivative instruments*										
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	1,483.57	888.89	603.81	-	-	1,335.47	838.77	535.49	-	-
Financial liabilities-current										
Lease liabilities	-	-	53.87	-	-					
Trade payables	117.99	186.18	143.91	29.10	-	111.34	210.82	34.99	48.67	-
Exposure to foreign currency risk (liabilities)	117.99	186.18	197.78	29.10	-	111.34	210.82	34.99	48.67	-
Net assets/(liabilities)	685.91	806.45	546.65	(29.09)	10.02	884.76	888.31	539.98	74.04	8.47

* amount disclosed is contract value, computed using forward rate, outstanding as on balance sheet date. These contracts have been marked to market as on balance sheet date and recorded accordingly. (Also, refer note 39)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

Particulars	Impact on Profit after tax		Impact on Equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD sensitivity				
₹/USD - Increase by 5% (March 31, 2022 - 5%)	34.30	44.24	34.30	44.24
₹/USD - Decrease by 5% (March 31, 2022 - 5%)	(34.30)	(44.24)	(34.30)	(44.24)
EURO sensitivity				
₹/Euro - Increase by 5% (March 31, 2022 - 5%)	40.32	44.42	40.32	44.42
₹/Euro - Decrease by 5% (March 31, 2022 - 5%)	(40.32)	(44.42)	(40.32)	(44.42)
GBP sensitivity				
₹/GBP - Increase by 5% (March 31, 2022 - 5%)	27.33	27.00	27.33	27.00
₹/GBP - Decrease by 5% (March 31, 2022 - 5%)	(27.33)	(27.00)	(27.33)	(27.00)
CAD sensitivity				
₹/CAD - Increase by 5% (March 31, 2022 - 5%)	(1.45)	3.70	(1.45)	3.70
₹/CAD - Decrease by 5% (March 31, 2022 - 5%)	1.45	(3.70)	1.45	(3.70)
AUD sensitivity				
₹/AUD - Increase by 5% (March 31, 2022 - 5%)	0.50	0.42	0.50	0.42
₹/AUD - Decrease by 5% (March 31, 2022 - 5%)	(0.50)	(0.42)	(0.50)	(0.42)

II) Interest rate risk

- (i) The Company's interest rate risk arises from long-term and short-term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

Management closely tracks the base interest rate movements on regular basis. Based on regular review, Management assesses the need to hedge interest rate risk. Management reviews the future movement in base rate against different factors such as overall micro and macro economic factors, liquidity in the spending cycle. Further, on a regular basis, Management assesses the possibility of entering into new facilities which would reduce the future finance cost which helps the Management to mitigate risk related to interest rate movement.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	Weighted Average Interest rate	March 31, 2024	March 31, 2023
Fixed rate borrowings	8.21%	-	50.75
Total		-	50.75

ii) Sensitivity

The Company's policy is to minimize the interest rate cash flow risk exposure on borrowing. The Company has exposure to local currency only. The local currency loans are linked to bank base rate/ marginal cost of funds based lending (MCLR). The Company does not have any variable rate borrowings.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

33. Capital Management

a) Risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits to other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value and ensure that adequate growth capital is available. In order to achieve this objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Management also look for the opportunities to raise the capital for the purpose of future growth."

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

The gearing ratios were as follows:

Particulars	March 31, 2024	March 31, 2023
Net Debt*	-	-
Total Equity	18,755.17	16,129.49
Net Debt to Equity Ratio	0.00%	0.00%

*Since cash and cash equivalents are more than total debt (consists of borrowings), net debt is considered as zero.

The net debt to equity ratio is stable during the current year.

(i) Loan Covenants

There are no loan covenants for borrowing outstanding as at balance sheet date.

34. Dividends

Particulars	March 31, 2024	March 31, 2023
i) Equity shares		
Final Dividend for the year ended March 31, 2023 of ₹ 3 (March 31, 2022: ₹ 3) per fully paid share	671.15	664.58
ii) Dividends not recognised at the end of reporting period	1,125.98	669.16
The Directors have recommended the payment of a final dividend of ₹ 5 per fully paid equity share (March 31, 2023 ₹ 3 per equity share). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.		

36. Share-based payments

Employee Stock Option Plan

The Company instituted the 2009 plan and 2019 Plan (Schemes) for eligible employees in pursuance of a special resolution approved by the shareholders at the extraordinary general meeting held on August 31, 2009 and July 25, 2019 respectively. The schemes covers grant of options to specified permanent employees of the Company as well as its subsidiaries.

Pursuant to schemes, the Company has granted options to eligible employees at an exercise price of ₹ 10 per equity share of ₹ 10 each and of ₹ 20 per equity share of ₹ 10 each respectively for 2009 and 2019 Plan. Under the term of schemes, the vesting period shall commence on the expiry of one year from the date of grant of the options to the employees and it will be spread equally over 4 years. Total option will vest equally over the period of four years on last day of each year.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The employee stock options granted shall be capable of being exercised within a period of one year from the date of vesting the options, they would be exercisable by the option holder and the shares arising on exercise of such options shall not be subject to any lock-in period. When exercisable, each option is convertible into four equity share of the Company. Further, in the case of termination of employment, all non-vested options would stand cancelled. Options that have vested but have not been exercised within the time prescribed as mentioned above, failing which they would lapse. “

Set out below is the summary of the options granted under the plan :

Particulars	March 31, 2024		March 31, 2023	
	No. of Options	Average exercise price per share option (₹)	No. of Options	Average exercise price per share option (₹)
Opening Balance	1,15,100	18.95	1,80,900	17.46
Granted during the year	69,100	20.00	25,500	20.00
Forfeited/ cancelled during the year	-	-	-	-
Lapsed during the year	(14,200)	20.00	(25,450)	15.83
Exercised during the year*	(53,575)	17.03	(65,850)	16.38
Outstanding as at the end of the year	1,16,425	19.85	1,15,100	18.95
Vested and exercisable (shares)	34,600	17.98	38,600	16.50
Unvested (shares)	4,31,100	20.00	4,21,800	19.17

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ 524.73 (March 31, 2023 - ₹ 292.75)

Share options outstanding at the end of the year have the following exercise prices

ESOP Scheme	Exercise Price	Share options outstanding		Weighted average remaining life	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
ESOP Scheme 2009	10	1,750	17,325	1.45	1.80
ESOP Scheme 2019	20	1,14,675	97,775	3.14	3.19

Fair value of the options granted

The fair value at the grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, the term of the options, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included :

Particulars	Inputs for the year ended March 31, 2024					
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Scheme						
Exercise Price (Rs)	20	20	20	20	20	20
Grant Date	May 12, 2023	June 7, 2023	July 17, 2023	October 20, 2023	January 19, 2024	February 28, 2024
Expiry Date	May 11, 2028	June 6, 2028	July 16, 2028	October 19, 2028	January 18, 2029	February 27, 2029
Expected life of the option (years)	3.50	3.50	3.50	3.50	3.50	3.50
Share Price as on Grant Date (Rs)	413.30	499.35	584.55	570.80	619.70	535.80
Fair value as on Grant Date (Rs)	368.90	448.95	524.30	511.78	556.77	479.28
Expected Volatility (%)	51.75%	51.73%	54.64%	54.34%	54.22%	53.56%
Expected Dividend yield (%)	2.06%	2.06%	2.28%	2.28%	2.28%	2.28%
Risk free interest rate (%)	6.97%	6.96%	7.17%	7.50%	7.18%	7.17%

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The model inputs for options granted during the year ended March 31, 2023 included :

Particulars	Inputs for the year ended March 31, 2023			
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (Rs)	20	20	20	20
Grant Date	April 5, 2022	June 13, 2022	October 11, 2022	March 2, 2023
Expiry Date	April 4, 2027	June 12, 2027	October 10, 2027	March 1, 2028
Expected life of the option (years)	3.50	3.50	3.50	3.50
Share Price as on Grant Date (Rs)	407.25	289.55	260.05	290.15
Fair value as on Grant Date (Rs)	362.73	253.94	226.53	254.55
Expected Volatility (%)	54.25%	53.97%	54.08%	53.15%
Expected Dividend yield (%)	2.06%	2.06%	2.06%	2.06%
Risk free interest rate (%)	5.88%	7.36%	7.37%	7.38%

The expected price volatility is based on the historic volatility (based upon the remaining life of the options), adjusted for any expected changes to the future volatility due to publicly available information. The risk free interest rate is based on the yield for government securities as at Grant Date have been taken to be the risk-free rate for the purpose of valuation of options, based on the life of the options.

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee Option Plan	533.69	263.56
Total	533.69	263.56

Expenses arising from share-based payment transactions relating to employees of subsidiaries

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee Option Plan	8.85	113.24
Total	8.85	113.24

36. Ratio Analysis

Sr. No	Particulars	Computation of ratios	March 31, 2024	March 31, 2023	% change	Remarks
1	Current Ratio	Current assets Current liabilities	3.09	2.67	15.63%	No material variance.
2	Debt-Equity Ratio	Total debt Equity	0.00%	0.31%	-100.00%	During the year, Company repaid all borrowings.
3	Debt Service Coverage Ratio	Earnings before interest, tax and depreciation (EBITDA) Finance cost + Borrowings including lease payments	1.49	1.67	-10.93%	No material variance.
4	Return on Equity Ratio	Net profit after tax Average shareholders equity	15.90%	10.53%	50.99%	Improved revenue and margins has resulted in increase in net profit.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Sr. No	Particulars	Computation of ratios	March 31, 2024	March 31, 2023	% change	Remarks
5	Inventory turnover ratio	COGS Average inventory	N.A.	N.A.	N.A.	Not applicable.
6	Trade Receivables turnover ratio	Total sales Closing trade receivable	4.90	3.71	32.04%	Better collections has resulted in improved ratio.
7	Trade payables turnover ratio	Total purchases Closing trade payable	-	-	N.A.	Not applicable.
8	Net capital turnover ratio	Total sales Working capital	3.25	3.95	-17.70%	No material variance.
9	Net profit ratio	Net profit after tax Total sales	8.02%	5.17%	55.06%	Improved revenue and margins has resulted in increase in net profit.
10	Return on Capital employed	Earnings before interest and tax (EBIT) Capital employed*	20.91%	14.76%	41.65%	Improved revenue and margins has resulted in increase in net profit.
11	Return on investment	Earnings before interest, tax and depreciation (EBITDA) Closing total assets	15.84%	13.00%	21.86%	No material variance.

*Capital employed = Total net worth - Intangible assets + Total borrowing + Total deferred tax liability

37 Transfer Pricing

The Company is in the process of updating its transfer pricing documentation with respect to its international transactions with its associate enterprises/ related parties.

Management believes that the Company's international transactions, with related parties post March 31, 2023 (last period upto which an Accountants' report has been submitted as required under the Income tax Act, 1961) continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on the amount of tax expense and that of provision for taxation."

38 Segment reporting

As required by Ind AS 108 the Group evaluates the performance of the Group on the basis of a single segment.

39 Derivative assets and liabilities

In accordance with its risk management policy and business plan the Company has hedged its cash flows. The Company enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Company's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions.

The following are the outstanding EUR/USD/GBP: ₹ Currency Exchange Contracts entered into by the Company:

Particulars	March 31, 2024		March 31, 2023	
	Foreign Currency (Lakhs)	₹	Foreign Currency (Lakhs)	₹
USD	17.80	1,483.57	18.05	1,483.17
EURO	9.88	888.89	9.91	885.93
GBP	5.74	603.81	5.82	591.59

The forward contracts have maturity between 30 to 368 days.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

40 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

41 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

"The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority."

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties as disclosed in note 3 to the financial statements, are held in the name of the company.

(xi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xii) Loans or advances to specified persons

There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties.

For B S R & Co. LLP

Firm Registration Number: 101248W/W-100022

Ashish Gupta

Partner

Membership No.: 215165

Place : Mumbai

Date : May 17, 2024

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

CIN: L28920MH1991PLC062542

Harish Mehta

Executive Chairman

DIN: 00153549

Place : Mumbai

Date : May 17, 2024

Pawankumar Nathani

Chief Financial Officer

Place : Mumbai

Date: May 17, 2024

Jigar Mehta

Managing Director

DIN :06829197

Place : Mumbai

Date: May 17, 2024

Vinav Agarwal

Company Secretary

Place : Mumbai

Date: May 17, 2024

ONWARD TECHNOLOGIES LIMITEDRegd. Off: 2nd Floor, Sterling Center, Dr. A. B. Road, Worli, Mumbai – 400 018

CIN: L28920MH1991PLC062542

E-mail: investors@onwardgroup.com | website: www.onwardgroup.com

Notice

NOTICE is hereby given that the **33rd Annual General Meeting** of the Members of **ONWARD TECHNOLOGIES LIMITED** will be held on **Friday, July 19, 2024 at 03.00 P.M.** (IST) through Video Conference/ Other Audio-Visual Means organized by the Company, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt;
 - A. the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of Board of Directors and the Auditors thereon.
 - B. the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the report of the Auditors thereon.
2. To declare final dividend on Equity Shares for the financial year ended March 31, 2024.
3. To appoint a Director in place of Mr. Harsha Raghavan (DIN: 01761512), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and approve revision in Remuneration of Mr. Harish Mehta as a Whole-Time Director and an Executive Chairman of the company and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration Committee of the Board of Directors, the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment/s, modification/s or re-enactment/s thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company, consent of the Company be and is hereby accorded for revision in the remuneration of Mr. Harish Mehta

Whole Time Director and an Executive Chairman of the company, with effect from July 01, 2024, for the remaining period of his tenure i.e. upto May 13, 2026.

The details for the payment of remuneration of Mr. Harish Mehta as a Whole Time Director and Executive Chairman being recommended to the Shareholders are set out below:

- 1) Fixed Salary: ₹ 14,200,000/- per annum
- 2) Performance Incentive: Eligibility of 5% of Net Profit of the company. Disbursement will be done quarterly/ annually in line with company policy.
- 3) Accommodation: Fully furnished house inclusive of CAM, utilities/ electricity, internet & other routine maintenance costs & is subject to revision in case of changes in rent.
- 4) Medical Reimbursement: up to ₹ 5 Lakhs per annum for self with proper bills/ invoices.
- 5) Club Fees: Monthly/yearly subscription (max up to 2 clubs/ organization).
- 6) Insurance Policy:
 - a. GMC: ₹ 12 Lakhs per annum
 - b. GPA: ₹ 25 Lakhs per annum
 - c. D&O: ₹ 5 crores (Please note - Beneficiary is Company)
- 7) Company Car & Driver: Company car, driver, and other operating expenses.
- 8) All other routine business expenses will be reimbursed by the company on actuals directly.

RESOLVED FURTHER THAT the payment of remuneration be effective from July 01, 2024 and be valid till May 13, 2026.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits for any financial year, Mr. Harish Mehta be paid remuneration by way of salary and perquisites as specified above subject to the requisite approvals and restrictions, if any, set out in Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) as may be applicable from time to time;

Notice

RESOLVED FURTHER THAT the Board of Directors and/or any Committee thereof be and is hereby authorized from time to time to amend, alter or otherwise vary the terms and conditions of the reappointment and remuneration so as to not exceed the limits specified in Schedule V of the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Harish Mehta, without any further reference to the shareholders in general meeting;

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary eform with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard."

5. To consider and approve revision in Remuneration of Mr. Jigar Mehta as Managing Director of the company and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution**

"**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee of the Board of Directors, the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment/s, modification/s or re-enactment/s thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company, consent of the Company be and is hereby accorded for revision in the remuneration of Mr. Jigar Mehta Managing Director of the company, with effect from July 01 2024, for the remaining period of his tenure i.e. upto May 13, 2026

The details for the payment of remuneration of Mr. Jigar Mehta as a Managing Director of the company being recommended to the shareholders are set out below:

- 1) Fixed Salary: ₹ 20,000,000/- per annum
- 2) Performance Incentive: Eligibility of 5% of Net Profit .Disbursement will be done quarterly/ annually in line with Company policy.
- 3) Medical Reimbursement: up to ₹ 5 Lakhs per annum for self, spouse and 2 children with proper bills/ invoices.
- 4) Club Fees: Monthly/yearly subscription (max up to 2 clubs/ organization).
- 5) Insurance Policy:
 - a. GMC: ₹ 12 Lakhs per annum

- b. GPA: ₹ 25 Lakhs per annum

- c. D&O: ₹ 5 Crores (Beneficiary is Company)

- 6) Company Car & Driver: Company car, driver, and other operating expenses.
- 7) All other routine business expenses will be reimbursed by the company on actuals directly.

RESOLVED FURTHER THAT the payment of remuneration be effective from July 01, 2024 and be valid till May 13, 2026.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits for any financial year, Mr. Jigar Mehta be paid remuneration by way of salary and perquisites as specified above subject to the requisite approvals and restrictions, if any, set out in Schedule V to the Companies Act, 2013(including any statutory modification or reenactment thereof, for the time being in force) as may be applicable from time to time;

RESOLVED FURTHER THAT the Board of Directors and/or any Committee thereof be and is hereby authorized from time to time to amend, alter or otherwise vary the terms and conditions of the reappointment and remuneration so as to not exceed the limits specified in Schedule V of the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Jigar Mehta, without any further reference to the shareholders in general meeting;

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary eform with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard."

By order of the Board of Directors of
Onward Technologies Limited

Vinav Agarwal

Company Secretary &
Compliance Officer
M. No. A40751

Date : May 17, 2024
Place : Mumbai

Registered Office: 2nd Floor, Sterling Centre,
Dr. Annie Besant Road, Worli, Mumbai – 400 018.
Email: investors@onwardgroup.com
Website: www.onwardgroup.com
CIN: L28920MH1991PLC062542

Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013

Item No. 4 & 5

The members of the company at their meeting held on July 15, 2021 had considered and approved remuneration, perquisites, allowances, benefits and amenities payable for a period of three (3) years w.e.f. May 14, 2021 to May 13, 2024 which will be coming to an end. Accordingly, on the recommendation of Nomination & Remuneration Committee, the Board of Directors have, at their meeting held on May 17, 2024 have considered and approved the revision of remuneration of Mr. Harish Mehta and and Mr. Jigar Mehta it is necessary to approve the same by way of special resolution.

Further in terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 09, 2018 ('Amended Listing Regulations'), the remuneration payable to Executive Directors who are promoters or members of promoter group, shall be subject to the approval of the shareholders by Special Resolution, where the aggregate annual remuneration payable to such directors exceeds five per cent (5%) of the net profits of the Company. Considering the said limits the Board recommends Special Resolution for paying

remuneration exceeding the prescribed limits in any year during the tenure of this appointment, for the approval of the shareholders of the Company.

I. General Information

1. Nature of industry

Onward Tech is a software outsourcing company specializing in digital and ER&D services. We help global OEMs improve speed to market, accelerate innovation, and maximize returns on their R&D investments. Headquartered in Mumbai, India, we are also an employer of choice driving positive change as a responsible corporate citizen. With over 2,500+ employees across 12 offices in 6 countries and offshore development centres in India, we support multiple businesses in Transportation, Mobility, Industrial Products, Heavy Machinery and Healthcare verticals.

2. Date or expected date of commencement of commercial production:

The Company is in operation since its date of incorporation.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

4. Financial performance based on given indicators (In ₹ Lakhs)

Particulars	Standalone Financial Performance		Consolidated Financial Performance	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue from Operations	34,595.20	31,516.54	47,239.17	44,092.83
Profit/(Loss) Before Tax	3,724.77	2,173.45	4,515.70	1803.19
Profit/(Loss) After Tax	2,773.10	1,629.30	3,391.77	1,148.01

5. Foreign investments or collaborations, if any.

The Company has no foreign collaborations and hence there is no equity participation by foreign collaborators except shares acquired by NRI/OCBs from the open market in the Company. Further, the Company has made investments in its subsidiaries abroad. The brief details of the investments is forming part of the annexures to the Directors report

II. Information about Mr. Harish Mehta and Mr. Jigar Mehta

A. Information about Mr. Harish Mehta

Harish Mehta has founded, led, grown, and mentored Onward Tech across two generations as MD & Chairman. Having co-founded NASSCOM, he is credited for being the driving force behind galvanizing Indian IT industry. Mr. Mehta is the award-winning author of 2022's National Bestseller, The Maverick Effect. He is also credited with having introduced The Indus Entrepreneurs (TiE) to India. He has been honoured with multiple Lifetime Achievement Awards, by Deccan Herald (2004), IMC Chamber of Commerce and Industry (2018) and DataQuest ICT Business Awards (2023) for his contributions to the Indian IT industry. In recognition of his role in propagating the development of the IT industry for the past 25 years, he has also been honoured by India's Prime Minister, Mr. Narendra Modi. On an academic note, Mr. Harish Mehta holds a Bachelor's degree in Electrical Engineering from the College of Engineering, Pune, and a Master's degree in Computer Science from Brooklyn Polytechnic Institute, New York (USA)

Considering the significant contribution made by Mr. Harish Mehta in the development and growth of the Company, the Nomination and Remuneration Committee has recommended and the Board has, subject to the approval of members, approved the revision in remuneration with effect from July 01, 2024 to May 13, 2026.

Mr. Harish Mehta holds 216,528 equity shares of the Company.

B. Information about Mr. Jigar Mehta

Mr. Jigar Mehta has 19+ years of experience in sales, business strategy, finance, and HR functions. As our Managing Director, he lends direction and leads strategy in the primary markets of North America, Europe and India. He has been instrumental in transforming a family business of 300 employees to a 2800+ strong team today. Mr. Jigar Mehta is an active member of EO Mumbai chapter and is deeply engaged in our CSR initiatives. Mr. Jigar Mehta completed graduation in Business administration from Boston University Massachusetts (USA), is an alumnus of St. Xavier's College, Mumbai, and is currently pursuing an Executive MBA from the Harvard Business School

His commendable leadership, sincerity, commitment and ideas have resulted in opening up of new opportunities for the Company. The Company has made enormous progress under the stewardship of Mr. Jigar Mehta, the Nomination and Remuneration Committee has recommended and the Board has, subject to approval of members, approved revision in remuneration with effect from July 01, 2024 to May 13, 2026.

Mr. Jigar Mehta holds 3,76,299 equity shares of the Company.

6. Past Remuneration

Sr No	Financial Years	Mr. Harish Mehta	Mr. Jigar Mehta
1	FY 2022-23	199.64	148.37
2	FY 2021-22	255.60	211.76
3	FY 2020-21	239.90	140.85

7. Recognition and Rewards

Mr. Harish Mehta was awarded 'Dataquest Lifetime Achievement Award 2022.

8. Job profile and his suitability:

As stated at point no. A & B above.

9. Remuneration Proposed:

As stated in the Notice of AGM at Item Nos. 4 and 5

10. Comparative remuneration policy with respect to industry, size of the company, profile of the position and person:

The remuneration as proposed of Mr. Harish Mehta and Mr. Jigar Mehta is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group and nature of its businesses. Moreover in their position as an Executive Chairman and Managing Director of the Company, Mr. Harish Mehta and Mr. Jigar Mehta devotes their substantial time in overseeing the operations of the Group.

11. pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, Mr. Harish Mehta and Mr. Jigar Mehta does not have any pecuniary relationship with the Company. Mr. Harish Mehta is a father of Mr. Jigar Mehta, director of the Company. Mr. Harish Mehta and Mr. Jigar Mehta belongs to the Promoter and Promoter Group.

III. Other Information

Reasons of loss or inadequacy of profits:

The Company expects to grow in terms of turnover and profitability. But in future profits may become inadequate due to general reversionary trend in the Industry, global slowdown, modernization and expansion costs, government policies and competition.

Steps taken or proposed to be taken for improvement:

The Company has expanded its footprint in Bangalore to increase the global geographical footprint and garner new potential customers from the geographies. Also, the Company is expected to turnaround in its financials in the near future. Expected increase in productivity and profits in measurable terms.

The Company has taken various initiatives for induction of strong leadership team, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. Disclosures

Remuneration package of the managerial person:

As stated in the Notice at Item Nos. 4 & 5

Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2023-24:

The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2023-24 of the Company

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Harish Mehta and Mr. Jigar Mehta are concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 4 & 5 of the accompanying Notice of the AGM.

By order of the Board of Directors of
Onward Technologies Limited

Vinav Agarwal

Company Secretary &
Compliance Officer
M. No. A40751

Date : May 17, 2024
Place : Mumbai

NOTES:**Section I – Attendance and Documents Inspection**

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular Nos.10/2022 and 11/2022 dated December 28, 2022 and the latest being 09/2023 dated September 25, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue and all other relevant circulars issued from time to time and the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 33rd Annual General Meeting (“AGM”) of the Company is being held through VC/OAVM without the physical presence of Members at a common venue. The deemed venue for the 33rd AGM will be the Registered Office of the Company – Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli, Mumbai - 400 018.
2. Since the AGM will be held through VC facility, the Route Map is not annexed in this Notice.
3. In compliance with the applicable Circulars, Notice of the AGM along with the Annual Report for FY 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/Company/Depositories. Members may note that the Notice and Annual Report for FY 2023-24 are also available on the Company’s website at www.onwardgroup.com/investors.php. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
4. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended (“the Act”) with respect to Item Nos. 3 to 4 forms part of this Notice. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM forms part of the Explanatory Statement, respectively.
5. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. Since the AGM is being held through VC facility, the facility for appointment of proxies by the members will not be available. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate / institutional members intending to authorize their representative to attend the Meeting through VC/OAVM facility are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

10. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investors@onwardgroup.com upto Friday, July 12, 2024. Those Members who have registered themselves shall be given an opportunity of speaking live in AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 ("the Act") and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@onwardgroup.com.

Section II – Dividend, Record Date, TDS, etc.

12. The Register of Members and the Share Transfer Books of the Company will remain closed from July 13, 2024 to July 19, 2024 (both days inclusive).

13. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of AGM as under:

- i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on July 5, 2024
- ii. To all Members in respect of shares held in physical form after giving effect to valid transmission, name deletion and transposition requests lodged with the Company as of the close of business hours on July 5, 2024

14. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance

Act, 2020, mandates that dividends paid or distributed by a company shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the IT Act.

Section C – Updation of records, IEPF and queries on Annual Report

15. Members are requested to direct notifications about change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company ("Link Intime") at Link Intime India Pvt. Ltd., Unit: Onward Technologies Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Contact No: 91-22-49186270, Fax No: 91-22-49186060, Email: rnt.helpdesk@linkintime.co.in in case the shares are held in physical form.

16. SEBI vide its Circulars dated November 3, 2021 and December 14, 2021, has mandated furnishing of PAN, KYC details and Nomination/ opt out of Nomination, by holders of physical securities. Folios wherein any one of the abovementioned details are not registered by April 1, 2023 shall be frozen. The concerned Members are therefore urged to furnish PAN, KYC and Nomination/ opt out of Nomination by submitting the prescribed forms duly filled and signed by sending a physical copy of the prescribed forms to Link Intime India Pvt. Ltd. Unit: Onward Technologies Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, or by email to rnt.helpdesk@linkintime.co.in from their registered email id. The Company has also sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to above SEBI Circular.

17. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

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18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB /P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd at www.linkintime.co.in.
19. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
20. As per the provisions of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their Nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.
21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
22. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

OTHER INSTRUCTIONS

- 1 The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, July 12, 2024. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-Voting or voting at the AGM through electronic voting system or poll paper.
- 2 Any person, who acquires shares of the Company and becomes a Member of the Company after mailing of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if the Member is already registered with NSDL for remote e-Voting then the Member can use his/her existing User ID and password for casting the vote.
- 3 The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the Meeting, thereafter, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 4 The result declared along with the Scrutinizer's Report shall be placed on the Company's website at: <https://www.onwardgroup.com/> and on the website of NSDL www.evoting.nsdl.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Section IV – Voting through electronic means

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER :-

The remote e-voting period begins on July 16, 2024 at 09:00 A.M. and ends on July 18, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 12, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 12, 2024.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are 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 - 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. NSDL and CDSL.

Login type	Helpdesk details
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
Individual Shareholders holding securities in demat mode with CDSL	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 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

- 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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@napco.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested

scanned copy of Aadhar Card) by email to investors@onwardgroup.com. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@onwardgroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

2. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting** system. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@onwardgroup.com. The same will be replied by the company suitably.

Details required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be re-appointment/appointment at the ensuing Annual General Meeting (AGM) and their Brief Resume have been provided under the Explanatory Statement annexed to this Notice.

4. Your User ID details are given below :

**Manner of holding shares i.e. Your User ID is:
Demat (NSDL or CDSL) or
Physical**

a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

Notice

Disclosure on appointment / re-appointment of Director pursuant to Clause 1.2.5 of Secretarial Standards-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 20150

Names	Mr. Harsha Raghavan
Directors Identification Number	01761512
Father's Name	Ramabadran Veera Raghavan
Date of Birth/ (Age in years)	October 10, 1971 (52)
Date of first Appointment on the Board	June 30, 2021
Qualification	MBA and M. S., Industrial Engineering (Stanford Graduate School of Business) and Bachelor of Art, Computer Science and Economics (U.C. Berkeley)
No. of Years of experience	More than 25 years
Brief Resume including experience and qualification	Mr. Harsha Raghavan is the Founder and Managing Partner of Convergent Finance LLP headquartered in Mumbai, India. Mr. Raghavan has been involved with the Indian private equity industry since 1996. He most recently served as the Founding Managing Director & CEO of Fairbridge Capital Private Limited, the Indian investing entity of Fairfax Financial Holdings, from 2009 to 2018. He was also Head of India for Candover Investments, Co-Head of India for Goldman Sachs Principal Investment Area and Vice President of Indocean Chase Capital. Mr. Raghavan has experience investing over \$3.0 billion across multiple continents, with a track record of value creation through intensive engagement with portfolio companies.
Experience in Specific Functional Area	At Fairbridge, Mr. Raghavan was responsible for all capital allocation decisions and led the investment of more than \$2.1 billion, a figure that rose by over 2.6x to \$5.5 billion in a seven-year period. Portfolio companies leveraged Mr. Raghavan's operational expertise and global networks to meet their strategic objectives, including mergers and acquisitions, business expansions, and board appointments.
Tenure and Terms and Conditions of Appointment	Proposed to be re-appointed as Non-Executive Non-Independent Director, liable to retire by rotation.
Details of remuneration sought to be paid	As per Investment Agreement, he is not taking any sitting fees for attending meetings of the Board and also committees.
Last drawn remuneration	Not Applicable
Relationship with other Directors and Key Managerial Personnel	None
Directorship in Listed Companies	Directorship 1. Camlin Fine Sciences Limited 2. Jagsaonpal Pharmaceuticals Limited.
Chairman/Member in the Committees of the Boards of other Listed companies	Committee Membership: - Camlin Fine Sciences Limited - Member of Audit Committee - Member of Nomination and Remuneration Committee Jagsaonpal Pharmaceuticals Limited. - Member of Audit Committee - Member of Risk Management Committee - Member of Corporate Social Responsibility Committee
No. of Shares held as on May 17, 2024 in the Company	Nil
Shareholding in the Company of the spouse and immediate relatives of the Director	Nil
Number of meetings of the Board attended during the year	3



Sterling Centre, 2nd Floor, Dr. A.B. Road,
Worli, Mumbai - 400018
Tel: 022 - 24926570

investors@onwardgroup.com
www.onwardgroup.com