



INDEPENDENT AUDITORS REPORT ON FINANCIAL STATEMENT

**TO THE MEMBERS OF
ONWARD TECHNOLOGIES GmbH**

REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including IND AS, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

Other Matter

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

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

Key Audit Matter

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

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i)

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act is not applicable as the Company does not have any Branch.
- (d) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- (f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the same is not applicable in case of Onward Technologies GmbH for financial year 2024-25, as the Company does not have turnover of more than Rs. 50 Crores as per last audited financial statement nor does the company have aggregate borrowings from any bank or financial institution or body corporate at any point of time during the financial year amounting to Rs. 25 Crores or more.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Company has not advanced or loaned or made any Investments either from borrowed funds or share premium or any other sources or kind of funds in any Company to or in any other persons or entities, including foreign entities ("Intermediaries"),
 - directly or indirectly has not lent or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or,
 - has not provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company has not:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

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

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

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

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

For RAJESH U KALAWADIA AND ASSOCIATES

Chartered Accountants

(Firm Registration No. 127508W)


CA. Sundari Pillai

Partner

Membership no.113884



Place: Pune

Date : 15th May., 2025

UDIN: 25113884BNULBG2569

Onward Technologies GmbH

Balance Sheet as at 31 March 2025

Particulars	Note No.	Amount in	Amount in
		EUR	Rupees
Assets			
I. Non-Current Assets			
Property, Plant and Equipment	1	206	18,987
Total Non-Current Assets		206	18,987
II. Current Assets			
Financial Assets			
(a) Trade Receivables	2	7,91,206	7,28,59,380
- Billed		56,120	51,67,922
- Unbilled		1,12,409	1,03,51,309
(b) Cash and Cash Equivalents	3	1,516	1,39,580
(c) Other Financial Assets	4	7,195	6,62,437
Other Current Assets	5	9,68,446	8,91,80,628
Total Current Assets		9,68,652	8,91,99,615
Total Assets			
Equity and Liabilities			
Equity			
Share Capital	6(a)	3,53,911	2,19,97,605
Other Equity	6(b)	(2,85,890)	(1,57,33,818)
Total equity		68,021	62,63,787
Liabilities			
I. Current Liabilities			
Financial Liabilities			
(a) Trade Payables	7	8,74,098	8,04,92,574
(b) Other Financial Liabilities	8	2,108	1,94,078
Provisions	9	13,149	12,10,826
Other Current Liabilities	10	11,276	10,38,350
Total Current Liabilities		9,00,631	8,29,35,828
Total Liabilities		9,00,631	8,29,35,828
Total Equity and Liabilities		9,68,652	8,91,99,615

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

CA. Sundari Pillai
Partner
Membership No. 113884
Date : 15th May 2025
Place :- Pune



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

Jigar Mehta
Director

Onward Technologies GmbH

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

Particulars	Note No.	Amount in	Amount in
		EUR	Rupees
Income			
Revenue from Operations	11	28,47,131	25,84,44,751
Other Income	12	5,59,283	5,07,68,220
		34,06,414	30,92,12,971
Total Income			
Expenses			
Cost of service delivery	13	25,41,222	23,06,76,228
Employee benefit expenses	14	4,76,909	4,32,90,876
Depreciation and amortization Expense	15	516	46,807
Other expenses	16	3,08,093	2,79,66,763
		33,26,740	30,19,80,674
Total expenses			
Profit / (loss) before tax		79,674	72,32,297
Current tax		-	-
		79,674	72,32,297
Profit / (loss) for the year			
Other comprehensive income			
Exchange differences on foreign operations		-	79,910
		-	79,910
Total Other Comprehensive Income (net of tax)		79,674	73,12,207
Total comprehensive income for the year			

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

CA. Sundari Pillai
Partner
Membership No. 113884

UDIN - 25113884 BNULBG2569
Date : 15th May 2025
Place :- Pune

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

Jigar Mehta
Director

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

Amount in EUR		As at March 31, 2025	
1	Property, plant and equipment	Computers	Total (A)
	Gross carrying value		
	Opening balance	1,548	1,548
	Additions	-	-
	Disposal	-	-
	Effect of foreign currency exchange differences	-	-
	Closing balance	1,548	1,548
	Accumulated depreciation		
	Opening balance	(826)	(826)
	Depreciation	(516)	(516)
	Disposal	-	-
	Effect of foreign currency exchange differences	-	-
	Closing balance	(1,342)	(1,342)
	Net Carrying value	206	206
Amount in INR		As at March 31, 2025	
1	Property, plant and equipment	Computers	Total (A)
	Gross carrying value		
	Opening balance	1,39,271	1,39,271
	Additions	-	-
	Disposal	-	-
	Effect of foreign currency exchange differences	-	-
	Closing balance	1,39,271	1,39,271
	Accumulated depreciation		
	Opening balance	(74,329)	(74,329)
	Depreciation	(46,807)	(46,807)
	Disposal	-	-
	Effect of foreign currency exchange differences	852	852
	Closing balance	(1,20,284)	(1,20,284)
	Net Carrying value	18,987	18,987

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

		As at March 31, 2025	
2	Trade Receivables	Amount in EUR	Amount in Rupees
	Trade receivables	3,53,072	3,25,13,174
	Receivable from related parties	4,38,134	4,03,46,206
	Total	7,91,206	7,28,59,380
3	Cash and cash equivalents	Amount in EUR	Amount in Rupees
	Balances with banks		
	In current accounts	1,12,409	1,03,51,309
	Total	1,12,409	1,03,51,309
4	Other financial assets	Amount in EUR	Amount in Rupees
	Security Deposit	1,516	1,39,580
	Total	1,516	1,39,580
5	Other current assets	Amount in EUR	Amount in Rupees
	Prepaid expenses	3,567	3,28,513
	Advance to suppliers	1,451	1,33,606
	Others *	2,177	2,00,318
	Total	7,195	6,62,437
*Others include advance to employees			

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

		As at March 31, 2025	
6(a)	Equity share capital	Amount in EUR	Amount in Rupees
	Issued, Subscribed and Paid up:		
	Share capital outstanding at the beginning of the year	3,53,911	2,19,97,605
	Shares issued during the year	-	-
	Share capital outstanding at the end of the year	3,53,911	2,19,97,605
6(b)	Other equity	Amount in EUR	Amount in Rupees
	Foreign currency translation reserve (FCTR)		
	Opening balance		(8,75,005)
	Increase /(Decrease) in FCTR balance		79,910
	Closing balance	-	(7,95,095)
	Retained earnings		
	Opening balance	(3,65,564)	(2,21,71,020)
	Add : Net profit for the year	79,674	72,32,297
	Closing balance	(2,85,890)	(1,49,38,723)
	Total	(2,85,890)	(1,57,33,818)

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

		As at March 31, 2025	
7	Trade payables	Amount in EUR	Amount in Rupees
	Total outstanding dues to other than related parties	14,559	13,40,672
	Dues to related parties	8,59,539	7,91,51,902
	Total	8,74,098	8,04,92,574
8	Other financial liabilities - current	Amount in EUR	Amount in Rupees
	Employee benefit payable	2,108	1,94,078
	Total	2,108	1,94,078
9	Current Provisions	Amount in EUR	Amount in Rupees
	- Provision for compensated absences	13,149	12,10,826
	Total	13,149	12,10,826
10	Other current liabilities	Amount in EUR	Amount in Rupees
	Statutory dues payable	11,276	10,38,350
	Total	11,276	10,38,350

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

		For the Year Ended March 31, 2025	
11	Revenue from operations	Amount in EUR	Amount in Rupees
	Sale of services		
	- Professional services	28,47,131	25,84,44,751
	Revenue from operations	28,47,131	25,84,44,751
12	Other income	Amount in EUR	Amount in Rupees
	Export Marketing Fees from related parties	5,59,283	5,07,68,220
	Total	5,59,283	5,07,68,220

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

		For the Year Ended March 31, 2025	
13	Cost of service delivery	Amount in EUR	Amount in Rupees
	Cost of service delivery	25,41,222	23,06,76,228
	Total	25,41,222	23,06,76,228
14	Employee benefit expenses	Amount in EUR	Amount in Rupees
	Salaries, wages and bonus	4,01,458	3,64,41,889
	Leave Encashment	4,346	3,94,501
	Social security and other benefit plans for overseas employees	80,825	73,36,828
	Employee share based payment expense	(14,313)	(12,99,266)
	Staff welfare expenses	4,593	4,16,924
	Total	4,76,909	4,32,90,876
15	Depreciation and amortisation expense	Amount in EUR	Amount in Rupees
	Depreciation on property, plant and equipment	516	46,807
	Total	516	46,807
16	Other Expenses	Amount in EUR	Amount in Rupees
	Rent	7,809	7,08,878
	Sub-contracting cost	56,338	51,14,012
	Software Expenses	2,689	2,44,127
	Communication	809	73,396
	Rates and taxes	10,563	9,58,880
	Travelling	14,245	12,93,099
	Legal and professional charges	21,104	19,15,685
	Advertisement and sales promotion	670	60,809
	Office expenses	530	48,110
	Net losses on foreign currency transactions and translations	25,398	23,05,493
	Management Fees Expenses	1,49,853	1,36,02,737
	Recruitment Fees Expenses	11,000	9,98,511
	Miscellaneous expenses	7,085	6,43,026
	Total	3,08,093	2,79,66,763

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

Related Party	Nature of transaction	March 31, 2025 EUR	March 31, 2025 INR
<u>Holding Company :</u>			
Onward Technologies Limited (OTL)	Income from marketing fees- OTL	4,86,268	4,41,40,374
	Intercompany Purchase - OTL	25,41,222	23,06,76,228
	Management fees- OTL	34,447	31,26,849
	Recruitment expenses- OTL	11,000	9,98,511
	Ind AS - Employee share based payment	(14,313)	(12,99,266)
	Management fees- OTUK	92,989	84,40,917
<u>Subsidiary of Holding Company :</u>			
Onward Technologies Inc. (OTI)	Management fees- OTI	22,418	20,34,972
Onward Technologies B.V. (OTNL)	Income from marketing fees- OTNL	73,015	66,27,846

Outstanding Balances

Related Party	Nature of Balance	March 31, 2025 EUR	March 31, 2025 INR
<u>Holding Company :</u>			
Onward Technologies Limited (OTL)	Trade receivables - OTL	2,83,572	2,61,13,133
	Trade payables - OTL	6,59,703	6,07,49,736
	Provision for trade payable - OTL	39,638	36,50,079
	Trade payables - OTUK	70,791	65,18,851
<u>Subsidiary of Holding Company :</u>			
Onward Technologies Inc. (OTI)	Trade payables - OTI	33,124	30,50,235
Onward Technologies B.V. (OTNL)	Trade receivables - OTNL	1,54,562	1,42,33,074
	Trade payables - OTNL	56,338	51,87,969