

Press Release

Onward Technologies Revenue Grows by 7.6% & PAT Grows by 59.5% YoY. EPS for the quarter recorded at INR 2.11 per share

Highlights for the quarter ended June 30, 2019

- Consolidated Revenues in Q1FY20 were at INR 67.89 Cr, up 7.6% from INR 63.07 Cr in Q1 FY19.
- Profit before tax (PBT) at INR 4.60 Cr for Q1FY20, up 43.7% from INR 3.20 Cr in Q1FY19.
- Profit after tax (PAT) at INR 3.36 Cr for Q1FY20, up 59.5% from INR 2.10 Cr in Q1FY19.
- Earnings per share (EPS) reported at INR 2.11 per share for Q1FY20, up 57.5% from INR 1.34 per share in Q1FY19.

Commenting on the performance of the Company, the Executive Chairman, Mr. Harish Mehta said, "I am happy to report that we had a good quarter, with continuous improvements in the topline. We continue to witness growing opportunities across all our verticals; Automotive, Industrials, Consumer goods and Off-highway. Additionally, our focus on Embedded Products & Systems Development, Data Analytics & Digital Transformation, will further enable us to improve the quality of revenues, while continuing in our endeavor to improve our margins. Stronger together, we are confident that our revenue momentum will continue in Q2 and beyond."

About Onward Technologies Limited

Founded in 1991, Onward Technologies is recognised as a Global Engineering and IT Services company providing integrated product development solutions and services to Fortune 1000 customers. Onward Technologies provides services in Mechanical, Electrical & Controls Engineering, Embedded Products & Systems Development, Mobile & Enterprise Software Development Data Analytics & Digital Transformation, Robotic Business Process Automation, and Enterprise Managed Services for Infrastructure, Applications & Databases.

Onward Technologies employs more than 2500 Engineers and Consultants who are dedicated to provide expert consulting and value-added services to customers in the Automotive, Aerospace, Off-Highway, Industrial Equipment & Machinery, Healthcare & Laboratory Equipment, Pharmaceutical & Life Sciences, and Banking, Financial Services & Insurance industry domains. Its strategic alliances with large enterprise software OEMs help in providing a comprehensive range of end-to-end solutions and services.

Onward Technologies has Engineering Design and Delivery Centres in India as well as Sales Offices across the globe - in Chicago, Detroit, & Cleveland in North America, Birmingham in the United Kingdom; Frankfurt in Germany; and Mumbai, Pune, & Chennai in India. All our 12 offices across the Americas, Europe and India are equipped with state of the art and secure infrastructure, equipment and facilities that aim to provide our customers with business continuity support, as well as proximity and access to a world class resource and talent pool.

Follow Onward Technologies on LinkedIn @ <https://www.linkedin.com/company/onward-technologies/>..
(BSE: 517536 & NSE: ONWARDTEC)

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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Sr. No.	Particulars	Quarter ended			(Rs. In lakhs)
		June 30, 2019	March 31, 2019	June 30, 2018	Year ended
		(Unaudited)	(Unaudited Refer Note 3)	(Unaudited)	March 31, 2019 (Audited)
1	Revenue from operations	6,746.83	6,567.61	6,296.92	25,949.89
2	Other income (net)	42.45	86.44	10.29	270.80
3	Total Income (1+2)	6,789.28	6,654.05	6,307.21	26,220.69
4	Expenses				
	a) Purchase of traded goods	27.39	46.43	162.83	440.00
	b) Employee benefits expense	5,029.19	4,808.20	4,524.62	18,870.86
	c) Finance costs (Note 6)	93.70	78.22	71.89	274.17
	d) Depreciation and amortisation expense (Note 6)	289.16	131.43	139.89	565.99
	e) Other expenses (Note 6)	889.44	1,170.05	1,087.59	4,549.71
	Total Expenses	6,328.88	6,234.33	5,986.82	24,700.73
5	Profit before tax (3-4)	460.40	419.72	320.39	1,519.96
6	Tax Expense				
	a) Current Tax	198.84	114.64	64.86	520.89
	b) Short/(Excess) provision of taxation for previous periods	20.47	-	3.50	3.50
	c) Deferred Tax	(94.49)	(15.32)	41.58	(17.84)
	Total tax expense/ (credits)	124.82	99.32	109.94	506.55
7	Net profit for the period (5 - 6)	335.58	320.40	210.45	1,013.41
8	Other comprehensive income, net of income tax				
	a) i) items that will not be reclassified to profit or loss	(2.40)	(75.55)	0.83	(67.90)
	ii) income tax relating to items that will not be reclassified to profit or loss	0.70	21.28	(0.49)	19.65
	b) i) items that will be reclassified to profit or loss	(13.26)	9.99	102.71	123.45
	ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	(14.96)	(44.28)	103.05	75.20
9	Total comprehensive income for the period (7+8)	320.62	276.12	313.49	1,088.61
10	Net Profit/ (loss) attributable to:				
	a) Owners	335.58	320.40	210.45	1,013.41
	b) Non-controlling interests	-	-	-	-
11	Total comprehensive income attributable to:				
	a) Owners	320.62	276.12	313.49	1,088.61
	b) Non-controlling interests	-	-	-	-
12	Paid-up equity share capital : (Face value Rs. 10 each)	1,590.28	1,580.49	1,565.16	1,580.49
13	Earnings per share (of Rs. 10 each) (not annualised)				
	Basic: (in Rs.)	2.11	2.03	1.34	6.45
	Diluted: (in Rs.)	2.03	1.96	1.28	6.17



Registered Office : Sterling Centre, 2nd Floor, Dr. Annie Besant Road, Worli, Mumbai (MH)- 400 018.
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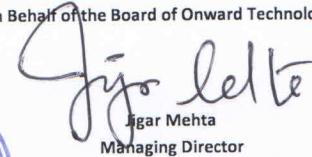
www.onwardgroup.com

Notes:

- 1 The statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on Jul 25, 2019.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The figures for the quarter ended March 31, 2019 are derived figures between audited figures for the year ended March 31, 2019 and the published reviewed figures of nine months ended December 31, 2018.
- 4 The Company has only one operating segment which is Engineering Design and IT services. Accordingly, separate segment information is not required to be disclosed.
- 5 During the quarter ended June 30, 2019, the Company issued 97,900 equity shares following the exercise of stock options by certain employees under the ESOP scheme, 2009.
- 6 Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using simplified approach. Consequently the company has recorded lease Liability of Rs. 2,118.05 lakhs calculated at the present value of the remaining lease payments discounted at the incremental borrowing rate and recognised right-of-use asset of Rs 2,170.34 lakhs calculated at amount equal to lease liability, adjusted by the amount of prepaid lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.
Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right to use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed.
Impact of adopting IND AS 116 has resulted in increase in finance costs by Rs 47.71 lakhs, increase in depreciation and amortisation expenses by Rs 151.77 lakhs and decrease in Other expenses by Rs 165.52 lakhs for the quarter ended June 30, 2019.
- 7 The consolidated financial results include the results of Onward Technologies Limited's subsidiaries in India, USA and Germany.
- 8 Results of Onward Technologies Limited on a standalone basis are hosted at Company's website www.onwardgroup.com

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Unaudited Refer Note 3)	(Unaudited)	(Audited)
Revenue from operations and other income	3,338.43	2,942.12	3,107.07	12,320.29
Profit before tax	456.53	340.21	236.79	1,313.99
Profit after tax	370.77	196.61	171.72	935.02

For and on Behalf of the Board of Onward Technologies Limited


 Jigar Mehta
 Managing Director

 Place : Mumbai
 Date : July 25, 2019

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