

Date: June 21, 2021

To

Bombay Stock Exchange Limited Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai – 400023	National Stock Exchange of India Ltd., Plot No. C/1 'G' Block Bandra – Kurla Complex Bandra East, Mumbai 400051
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Ref: Scrip Code: BSE: 517536 NSE: ONWARDTEC

Sub: Submission of Annual Report of the Company for the financial year 2020-21.

Dear Sir/Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with amendments thereto, please find enclosed the copy of Annual Report of the Company for the financial year ended March 31, 2021 along with Notice convening the 30th Annual General Meeting of the Company and the same will be circulated to the shareholders through electronic mode.

The 30th Annual General Meeting of the Company will be held on July 15, 2021 at 03:00 pm IST through video conferencing and other audio visual means (VC/OAVM). The Notice and Annual Report of the company will be made available on the website at www.onwardgroup.com.

This is for your information and records.

Thanking You,

Yours faithfully,

For **Onward Technologies Limited**

Dimple Chauhan
Company Secretary

Encl: As above.

Your trusted Outsourcing Partner

2020-
21 ANNUAL
REPORT

Stories Inside

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Standalone

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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

Harish Mehta

Founder & Executive Chairman

Jigar Mehta

Managing Director

Prachi Mehta

Director

Parish Meghani

Director

Rahul Rathi

Director

Subrata Kumar Mitra

Director

Jay Sonawala

Director

Statutory Auditors

Price Waterhouse Chartered Accountants LLP

Internal Auditors

Ahuja Valecha & Associates LLP

Secretarial Auditors

Nilesh A. Pradhan and Co., LLP

Registered Office

Sterling Centre, 2nd Floor
Dr. A.B. Road, Opp. Atria Mall, Worli,
Mumbai - 400018
Tel: 022- 24926570

Corporate Identity Number

L28920MH1991PLC062542

Website

www.onwardgroup.com

Investor Relations

investors@onwardgroup.com
+91 22 2492 6570

Registrar and Transfer Agents

Link Intime India Pvt Ltd.
C- 101, 247 Park,
L.B.S Marg, Vikhroli West,
Mumbai - 400083

Bankers

ICICI Bank
HSBC
Kotak Mahindra Bank
Bank of America
PNC Bank
Deutsche Bank

The future is not a secret - it is going to be increasingly digital and virtual. The COVID-19 outbreak has only accelerated this journey, compelling organizations to rethink the way they operate and deliver value to customers. Integration of new-age technologies into business strategy will disrupt traditional models, making way for agile and efficient ones.

Digital channels across almost every industry, including automotive, manufacturing, healthcare, heavy equipment, agriculture equipment, mining, etc. will increase in relevance. Major trends such as core modernization and cloud adoption will accelerate. And clients will need to quickly evolve into modern businesses to stay relevant, stay on top of era-defining innovations, and continue to build a growing, yet sustainable model in the face of continuously evolving technological changes.

All of these trends make our vision, purpose, and strategy more relevant than ever.

We are a digital outsourcing technology services provider, focused on serving fast-growing global companies in the transportation & mobility, industrial equipment, heavy machinery, pharma, healthcare and medical devices industry domains. We enable our customers to bring their products faster to market, improve efficiencies & speed of operations at the lowest possible cost of innovation. Our rich legacy & long-term client relationships with global OEMs providing Engineering Research & Development (ER&D) services & Digital Engineering services make us one of the most reliable & trusted partner for customers who are in the midst of their digital transformation journeys.

We are now expanding our relationships & investing in growing our capabilities multi-fold to support our customers by building local teams across North

America & Europe. We are also enhancing our competency in the areas of digital transformation, advanced engineering, and embedded technologies. In parallel, we are undertaking strategic transformation projects internally to upskill our employees, upgrade and automate our internal systems and processes and enhance our digital presence - all with a passion to have a razor sharp focus on new age technologies that can ensure the success of our customers.

With sustained investments in augmenting service offerings and building internal competencies, we are positioned to partner with customers in their digital initiatives and help them achieve the desired business outcomes.



Your
trusted
Outsourcing
Partner

Onward Technologies: Your trusted Outsourcing Partner for ER&D and Digital Innovations

Onward Technologies is well recognized as a trusted outsourcing partner in the ER&D space, having built strong delivery capabilities in the Indian market and now expanding aggressively in key International markets. We are primarily focused on 2 Industry groups currently – Transportation & Mobility (Automotive and Rail Transportation) and Industrial Equipment & Heavy Machinery – and have developed ambitious plans to invest in the fast-growing Pharma, Healthcare & Medical Devices and Hi-Tech (semiconductors, digital platforms & tech companies, etc.) industry groups as well. We have built capabilities across specific digital transformation services like digital twin, embedded & electronic systems, big data analytics, automation & cloud, artificial intelligence & machine learning, among others.

Global fast-growing companies have selected Onward Technologies as their preferred outsourcing partner. We remain committed to continuously investing in new-age technologies and strengthening/upskilling our delivery organization to meet the requirements of our customers with speed, agility and consistency.

2,000+

Full-time Employees

200+

Global Customers

12

Offices & Operations across
4 Countries



30 years of delivering excellence

1991-2000

- Mr. Harish Mehta founded Onward Technologies as an IT Services company in August 1, 1991 with HQ in Mumbai, India
- Onward Technologies goes public in 1995. Listed both on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India
- Mr. Mehta was awarded CEO of the year award in 1996 by World HRD Congress in India

2001-2010

- Diversified into ER&D industry
- ISO 9001 & ISO 27001 certifications achieved for offshore development centers in India
- Opened offices in Chicago & London

2011-2020

- Selected as preferred outsourcing partner to captive centers of several Global OEMs
- Mr. Harish Mehta awarded by Prime Minister Narendra Modi for his contribution to the IT Industry

- Mr. Jigar Mehta – second generation entrepreneur appointed as Managing Director in May 2016
- Achieved ₹ 250 crores of revenue with 1,500+ engineers and Zero Net-Debt
- Expansion in Chennai, Bengaluru in India & Troy (Michigan), Cleveland (Ohio), Frankfurt outside India
- Increased focus on Digital Engineering Services

Key Strengths



DEEP EXPERTISE AND EXECUTION CAPABILITIES

- 3 decades of experience in IT Industry
- Amongst few specialized in ER&D services, recently figured in Business Today magazine as one of the key Embedded technology service providers





FLEXIBLE BUSINESS AND ENGAGEMENT MODEL

- Onsite, offshore, multi-shore and near-shore delivery capabilities
- Ability to ramp-up on-demand across the globe
- Agility and speed in execution to keep our customers ahead of the curve.





MARQUEE CLIENTELE

- Preferred supplier today to 35+ OEMs from Global 2000 companies
- 100+ Active clients in North America & Europe





SKILLED TEAM

- A strong and growing team of 2,000+ full-time employees all working remotely across India, USA and Europe
- Dynamic and experienced leadership team
- Continuous investments in training, upskilling and reskilling





ROBUST FINANCIALS AND BALANCE SHEET STRENGTH

- Zero Net-Debt
- Sustained cash generation (₹ 28.49 crores in FY 2020-21) with visibility over the next 3-5 years
- 6 years continuous dividend track record



Providing Technology Services competencies that drive positive business outcomes for clients

We are operating in an era where every aspect of product development, the way companies do business and interact with their customers - all use digital technologies. With our wide-ranging capabilities across multiple service lines, we are positioned to help our clients win. We are continuously investing in and strengthening skills and capabilities in digital technologies where our clients are witnessing demand.



Engineering Research & Development (ER&D)

We provide end-to-end product engineering solutions & services right from design to prototyping, development, technical publication, engineering change management, cost/value engineering as well as embedded & electronics engineering, SW/HW re-design, verification & validation and sustenance engineering, all of which are supported by our delivery teams having deep knowledge, technology skills & expertise across multiple domains. We undertake constant research, analysis, design studies, and prototyping to meet customer’s imagination and expectations.



Overview of the services offered in the ER&D space:

Mechanical Engineering

- Product design and development
- Advanced simulation engineering
- Manufacturing engineering
- Value engineering
- Technical publications

Embedded & Electronics

- SW/HW re-design & development
- IoT & sensors
- Verification & validation
- Sustenance engineering

Digital Transformation

Digital transformation is key to enabling organizations maximize the value of their investments in digital technologies and business data and meet the evolving needs of their customers in real-time. With our team, specialized in digital transformation, we build intelligent solutions and provide services for data-driven businesses to enhance their productivity and customer experience leveraging next-gen analytical solutions.



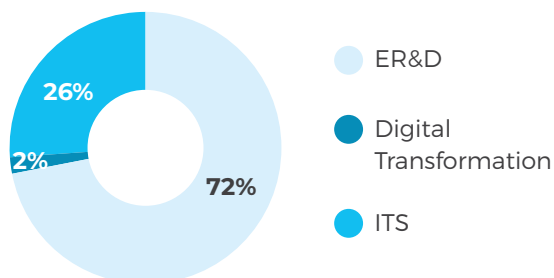
Solutions offered

- Digital Engineering
- Digital Manufacturing
- Data Management & Analytics
- Big Data & Cloud
- Data Science & Advanced Analytics
- Industry 4.0, including IIoT
- Automation (Robotic processes/Industrial processes)
- Managed Services for Analytical ecosystems

IT Services (ITS)

We continue to offer Information Technology services in SW development & maintenance, application / infrastructure managed services, database maintenance & support, technical helpdesk support and application support of global productst.

FY 2020-21 Segmental Revenue (%)



Domain Expertise across Multiple Industries provides the Consulting Depth

At Onward Technologies, our deep understanding of customers’ industry coupled with a strong, diverse consultative approach has helped us establish our expertise across multiple industry domains. We are building these competencies through continuous investments in skilling our people and building collaborations.

We provide mechanical, embedded, digital and IT services to companies across key industry verticals of transportation & mobility, industrial equipment & heavy machinery, and pharma, healthcare & medical devices industries. Each of our technology services & solutions across these verticals are handled by separate teams. This set-up enables us to deliver a comprehensive set of services to companies in our target sectors. Besides, the services that we offer across the above industries range from the foundational engineering services to the new or emerging digital transformation services, thereby ensuring relevance and value delivery to clients.

Industry Groups we serve

Transportation & Mobility



Automotive

We have over 12+ years of experience in the automotive industry. We provide mechanical engineering services as well as undertake complete eco-system development including embedded design & development, testing and all accompanying IT and digital transformations through our highly skilled teams.

We are currently partnered with and developing new technologies for several world-class organizations. Our solutions and services in a fast-changing automotive software landscape range from traditional embedded software solutions such as adaptive/classic AUTOSAR middleware stacks, Bootloaders including on-the air updates), ADAS, electric, connected vehicles and functional safety topics of ISO 26262.

We also offer world-class solutions in test automations and V&V. This ensures high-quality of software and empowers us to deliver projects first-time right majority of the time as per product development processes of OEMs.



Rail Transportation

We have been supporting locomotives businesses for several years and have honed the best practices in design, development and VA/VE of locomotive parts. This is supported by a team consisting of engineers with core experience and domain knowledge of the industry and SMEs in various manufacturing processes including casting, forging, machining, sheet metal, fabrication, moulding, etc. The team is continually focused on improvement, and recently added electrical and electronics to its domain.

Our team has deep capabilities in cost engineering which is key to ensuring competitiveness in dynamic environments where rates are constantly changing. They review tools databases periodically and undertake derivative analysis for hardware and proprietary parts to arrive at most appropriate & optimal rates.

The team also practices strategic sourcing, whereby purchasing process is constantly improved and re-evaluated, to validate the actual cost estimations. This covers strategic planning, supplier development, negotiation, supply chain, and outsourcing. These practices have enabled us to save around \$20 million annually for our clients through cost engineering services.

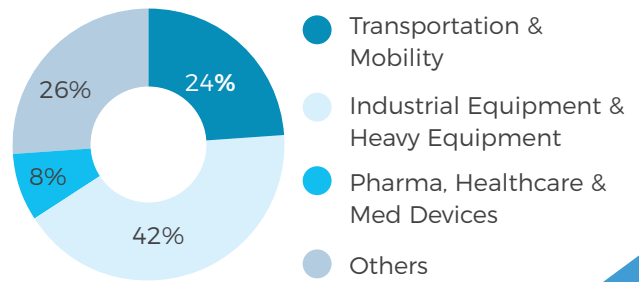




Industrial Equipment & Heavy Machinery

We partner with Industrial Equipment Manufacturers in developing solutions right from designing process flows to developing drawings and manuals. We are leveraging our technology competence to overcome the challenges of competition and enabling digitalization in a rapidly evolving world where companies are demanding essential equipment and highly sophisticated technologies. We have competencies to cater to equipment design & development requirements of manufacturing (oil & gas, energy, water, steel, plastic, etc.), and off-highway (construction, agriculture, mining, road building, etc.) companies.

FY 2020-21 Segmental Revenue (%)



Pharma, Healthcare & Medical Devices

With growing lifestyle diseases and pandemics, there is a growing demand for user-friendly and advanced technology-enabled medical devices to provide better and faster positive outcomes. The healthcare industry is also moving towards highly efficient digital information solutions and supply chain innovations to become more patient-centric. We are using our comprehensive engineering and digital competencies to deliver innovative solutions to pharma, pharma analytical, life sciences, healthcare, and medical equipment companies.



A Diverse, Agile and Dynamic Team with a sharp focus on Customer Success

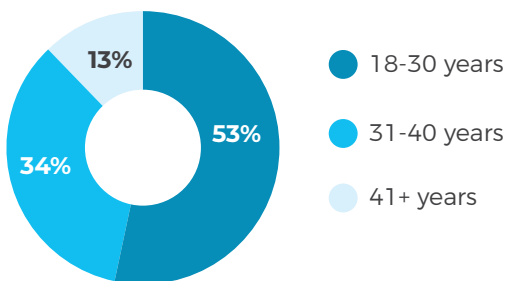
Our people are the key enablers of our ability to deliver technology services to clients. We have successfully brought together people having diverse skills and competencies, and coming from diverse backgrounds and geographies, age and gender groups, all of whom have been given creative freedom to explore. This convergence of diversity is enabling us to innovate foster, drive creativity and meet the ever-evolving needs of customers.

At Onward Technologies, we have established a robust team to focus on diverse verticals. Driving strategic business development initiatives at the helm of the verticals are experienced industry leaders appointed from leading companies. A robust team has been developed around these leaders by hiring a mix of experienced professionals who have been laterally hired from the market and trained engineers who have been hired from specialized training institutes and trained for specific needs. This helps us quickly ramp up and meet the demands of our customers.

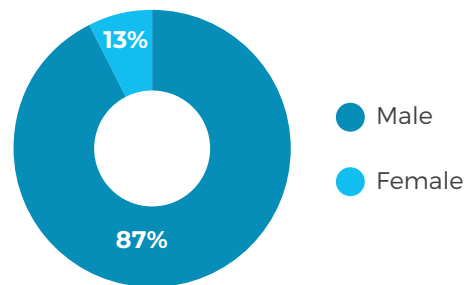
As a young and growing & continuously evolving organization, we are passionate about exploring newer business areas. For this, suppliers having specific knowledge and expertise are engaged to deliver solutions to clients and eventually help us building internal capabilities.

Diversity at Onward Technologies

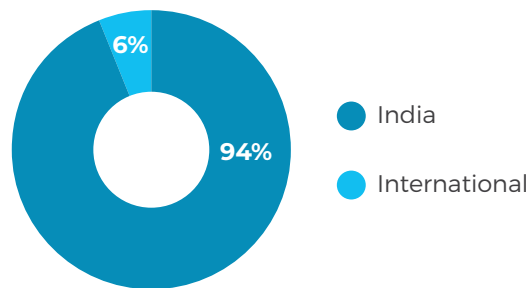
Age diversity



Gender diversity

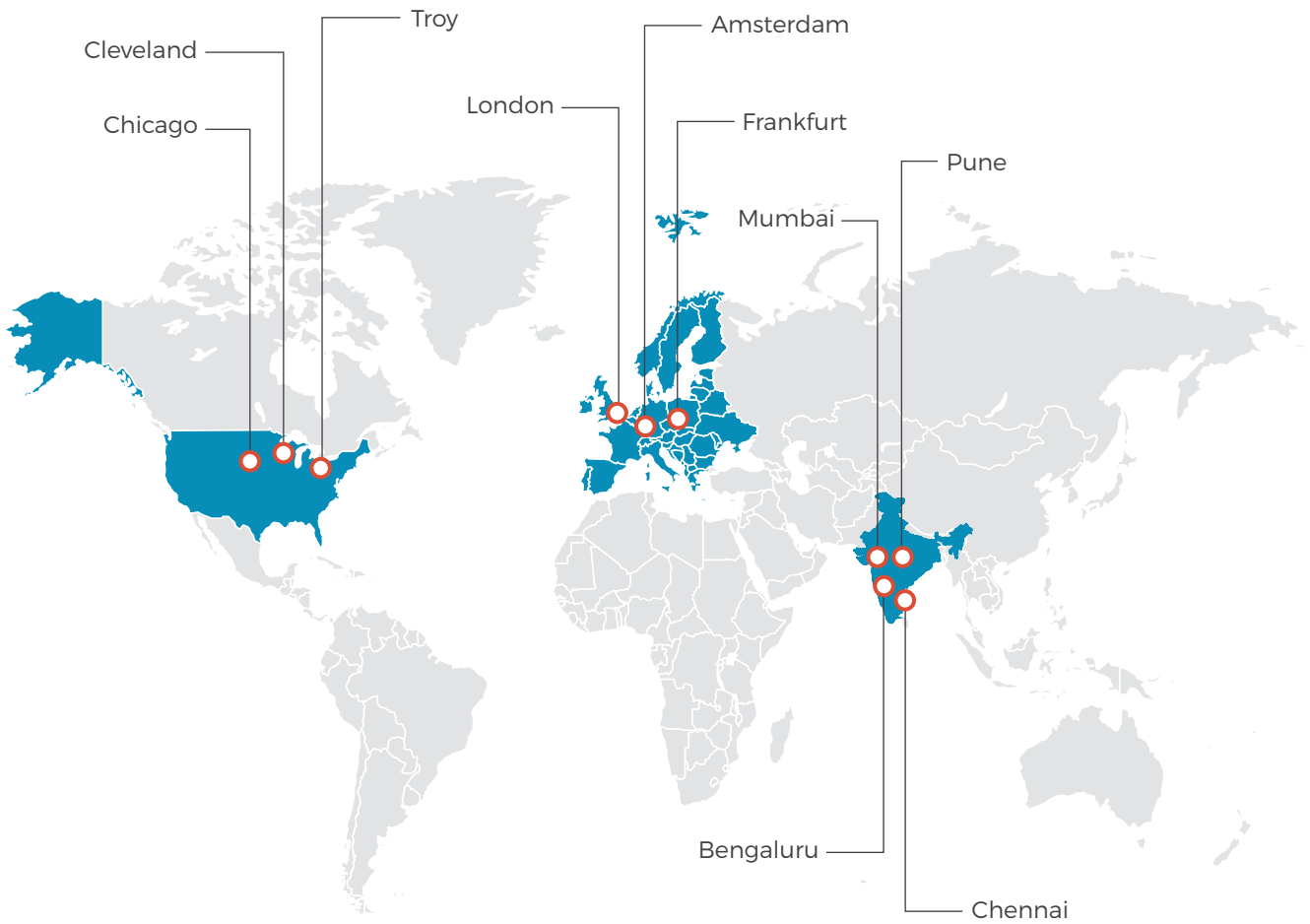


Geographic diversity



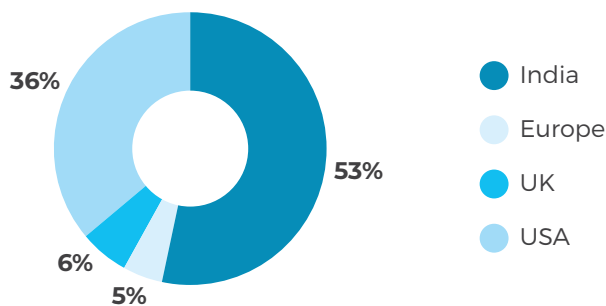
Shaping the Digital Future across Geographies

Our technology competency and digital transformation capabilities are recognized across 4 countries globally where we are leading engagements with clients.



Map not to scale. For illustrative purposes only.

2021 Revenue Breakup Client-wise



From the desk of the Chairman



At Onward Technologies, we will be focused in the areas of digital transformation, embedded technologies, IoT and Industry 4.0 among others...

Dear Shareholders,

As I write to you, we are amidst an ever more severe second wave of pandemic in India. As a country, I am sure we shall prevail this one too like we did earlier. And now we have an opportunity to reimagine and go out in full force and to do so in an inclusive manner, the sudden rise in inequality will need disruptive and not incremental innovation.

During FY 2020-21, COVID-19 has certainly triggered a new normal with digitalization at its center. Five years of digital transformation has taken place in just five months. The world is in a reset mode. The convergence of exponential technologies into new combinations, cloud and open-source software technologies bringing down the cost of computing, the buzz around new-age technologies, many software-driven, Artificial Intelligence, Machine Learning, IoT, etc. that were steadily gaining acceptance have now been accelerated. Add to it the reality that processes will get re-engineered, design thinking will enable a complete rearchitecting of the customer journeys and cultural change becoming the essence of this new norm, companies across the globe have realized the need to invest in them and now. Moreover, as the world stopped for a moment, cleaner air and thriving wildlife brought to fore the damage inflicted on the environment. Most definitely, the time to act is now.

Digital technologies, smart factories and offices, embedded technologies will indeed be the right way to move forward on the macro front, considering the pandemic-impacted economies across the globe. North America, Europe, and India - our key regions of operations were greatly impacted. Most of the industries, including the IT industry, faced challenges due to low demand and deferment of expenses by companies. The Indian economy, though showed some resilience towards the year



end, rebounding sharply. The IT industry has since then shown positive developments with companies looking to make investments in digitalization and advanced technologies to ensure readiness in a new world where remote working, virtual engagement with customers and digital consumption of products and services have gained importance. At Onward Technologies, we will take ahead the earlier learnings to be more resilient. Employee safety and continuity of service for clients will remain our key focus.

Betting on emerging technologies

The next decade is undoubtedly going to test how well every company integrates technologies in their business model.

At Onward Technologies, we will be focused on creating values in the areas of digital transformation, embedded technologies, IoT, simulations, and Industry 4.0 among others. We have been operating in these areas for sometime now and look forward to taking a big leap by building more capabilities around it. We have already strengthened our team by attracting experienced talent as well as running multiple programs to upskill and reskill them. During the year, we inducted 627 people including 2 in leadership role. We are also engaging suppliers to build presence in white spaces where we see immediate opportunities and will eventually build internal competencies.

Of course, striding on these newer areas will compel us to transform our approach to business. We are consciously transitioning to high tech services in ER&D and digital transformation where the margins are also higher. In terms of client concentration, the focus will be on working with few big clients and engaging deeply with them for their complex high tech, digital transformation, mechanical engineering and embedded technology requirements.

I was recently talking to the Design head of an Italian Auto OEM. He reiterated how cloud is going to revolutionize the transportation and mobility industry. Imagine you plan to take out your car to reach some place. Through an integrated cloud and GIS (Geographical Information System) ecosystem, you will get the best and fastest possible route to reach your destination. You will get to know in advance, in which route there is less traffic. The health of your vehicle would be monitored real time by an automotive OEM through a remote monitoring system using latest technologies like IoT. They will advise you on a timely basis as to which parts are due for service or replacement. Accidents would be minimized with the advancement in autonomous driving technology. World over there is deep concern for global warming due to excessive air pollution. More and more governments are coming out with policies and regulations to move to electric vehicles. All these factors are putting immense pressure on Automotive OEMs to reinvent themselves. It is driving them to move from an IC engine based technology to electric motor based mobility solutions. Hence, I feel organizations like ours have a bright future as most of the OEMs would look for partners to outsource engineering services work.

The engineering services market is expected to grow at an exponential pace. One of the industries that would lead this growth is the automotive industry. The global automotive engineering services market is expected to grow at a CAGR of 8.8% from USD 153.3 billion in 2021 to USD 253.9 billion by 2027.

Some of the key focus areas are - ADAS & Safety, Body Electrical & Electronics, Chassis, Connectivity, Interior/ Exterior, Powertrain & Exhaust, Battery, Motor, Charger Test, Simulation, etc. and we, at Onward Technologies are gearing up to make the best use of the growth opportunities in the above mentioned areas by hiring domain experts on ADAS, Functional Safety, Electronics & Embedded Systems, Industrial IoT etc.

Building capacities and efficiencies

We are happy to announce positive development on the capex front. Our new embedded electronics lab has opened and undertaking development in

various next-gen technologies. The Bangalore office has started operations with a great, experienced team and are pursuing opportunities in the areas of automotive, hi-tech and embedded technologies. Another strategic office will soon open in Netherland to target opportunities around industrial, healthcare and automotive in the Nordic regions.

Cognizant of the fact that we are now growing bigger, next level professionalism and business efficiencies would be of utmost importance to deliver. We are also making our internal processes more automated and digitalized.

CSR Initiatives

As a part of our CSR initiative, we are supporting The Society for the Rehabilitation of Crippled Children (SRCC) which is working towards holistic development of differently abled children. An excellent institution with a noble cause and passionate leadership team, it is helping children become independent by providing special education therapy as well as multiple extra-curricular activities. This year, despite the pandemic, they continued their activities through online sessions. During the year, we invested ₹ 18.39 Lakhs across CSR projects, our humble contribution in supporting the community we live in.

Message to the shareholders

Onward Technologies has come a long way in its 30 years history. We are a trusted technology outsourcing partner for leading clients which include top 2,000 global companies, many of whom are doing business with us for a decade or more now. We look to deepen our relations by serving them better and providing solutions to win in a competitive marketplace.

We remain inspired by our legacy and sense of purpose to make the world a little better place with our technology solutions and innovations. We continue to be driven by our values and strong governance practices.

I thank all our stakeholders for their belief in us during these difficult times. The coming times are going to be exciting. We are making our presence felt in right areas and building right capabilities, which positions us for long-term growth. I am proud of our people who rallied together to overcome challenges and worked with utmost dedication for our clients.

Warm regards,

Harish Mehta

Founder & Executive Chairman

Managing Director's Address



Your Imagination. Delivered to Perfection



“Your Imagination. Delivered to Perfection”.

These are not just ordinary words at Onward Technologies. They represent our unwavering commitment to excellence towards our clients, employees, and the entire ecosystem. A promise, that we stood by even in the most difficult times last year. FY 2020-21 was marred with an unprecedented crisis. The COVID-19 pandemic, lockdowns and healthcare crisis unfolded into global economic turmoil. But this also has been a year of resilience for all and specially within Onward Technologies.

Our entire team of 2,000+ employees continued to work remotely through the entire year. The resilience and response shown by our team has made it a year to remember. We were lucky to have a strong cash balance which gave us the confidence & ability to fight back quickly. At the peak of the crisis last year, we took a conscious call to start investing in new capabilities & supporting our clients' global initiatives and requirements in the new normal. This generated lot of good will from our existing and new clients & number of deals wins increased multi-fold.

thereby ensuring the Company gets back on the path of growth.

To close out the year, I'm happy to share that the Company has sustained cash generation of ₹ 28.49 crores in FY 2020-21 with visibility over the next 3-5 years. This enabled the Company to purchase its first office space spread over 11,000 sq. ft. in Pune & recommend an increase in dividend to its shareholders by 100% to ₹ 3 per equity share, which makes this our 6th continuous dividend paying year. This investment in the dedicated design center for a customer enables us to attract and retain top talent, maintain data security standards, etc., an important new normal for the Onward Technologies team now, as we focus on larger clients & long-term contracts.

The organization is currently going through a Digital Transformation with investment in various - 100% Cloud-based systems that has accelerated the need to create a new Organization Structure. Today, the entire organization is structured around 3 main industry groups i.e. 1) Transportation & Mobility, 2) Industrial Equipment & Heavy Machinery, 3) Others (includes Pharma, Healthcare, Hitech, etc.). In our 2 primary industry vertical groups, the Company now has 7 active clients with each contributing more than \$ 1 million/year in revenue & it is expected to grow multi-fold starting the new financial year.

Going forward, I continue to be a strong believer in the new hybrid working model that has emerged where our employees can effectively manage their professional and personal responsibilities at work & home well. Our top customers are embracing it for their own ecosystems which gives them the added advantage to attract top skilled talent anywhere across the country. This new normal has provided us the opportunity to invest and expand our footprint with a new office in Bengaluru city in January 2021 with plans to launch in Hyderabad and Noida in FY 2021-22. Each of these new offices in India are independent P&L centers with Pune continuing to be our primary city for managing all offshore delivery from global clients who have outsourced work to us.

Our India Business Unit has seen the addition of several experienced leaders across the country and is primed and ready to deliver double digit growth. Our renewed focus in the new financial year is to build winning teams and add anchor customers in USA and Europe. I hope to share lot more progress with you in my next communication on this topic.

Over the next few months, we will also expand into new countries and set up subsidiaries in Canada and Netherlands. I remain positive that besides the second wave and lockdowns across India, the commendable efforts by all 2,000+ employees working under a new focused organisational structure, should deliver record topline and bottom-line growth next year.

On a closing note, our sympathies and thoughts remain with those affected by the pandemic and we are grateful to all those who have come forward to help the community. I thank all our stakeholders for the trust and confidence they have put in us. With your support, we will continue to reach newer heights.

Warm regards,

Jigar Mehta

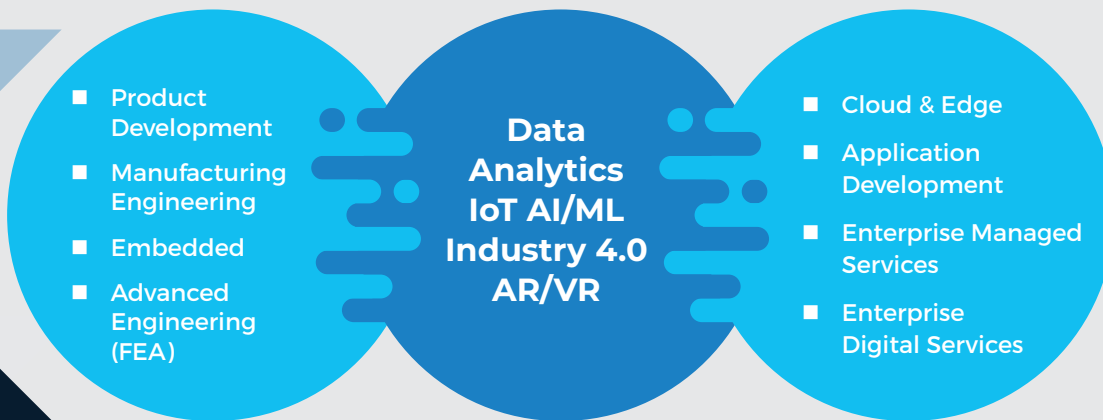
Managing Director



Ensuring and enabling Customer Success

Our clients prefer a two-way relationship with a partner having capabilities to add value to every task as well as fulfill their requirements in a constantly changing world. Today, we are an agile digital transformation partner providing engineering excellence for leading global corporations.

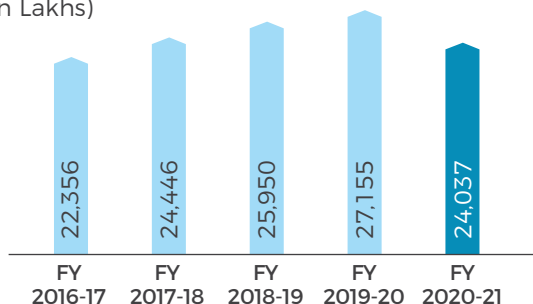
Our design, digital, and decision delivery framework remains the mainstay of our capability; and enables us to execute large and complex transformational projects at scale. Leveraging our expertise across business segments and geographies, we are integrating the most advanced innovations and supporting our customers to solve the business and technology issues involved in their digital transformation journeys, enabling them to achieve successful business outcomes.



Performing Steadily through the Years

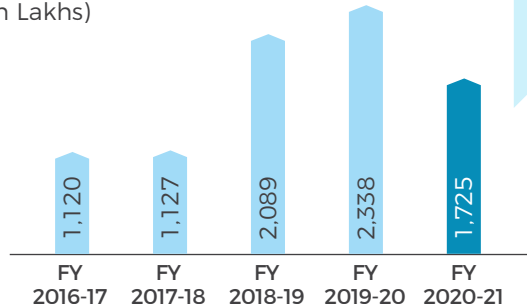
Revenue from Operations

(₹ in Lakhs)



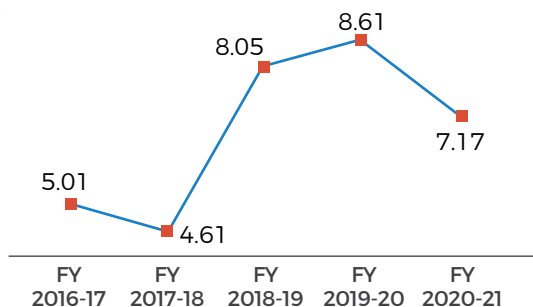
EBITDA

(₹ in Lakhs)



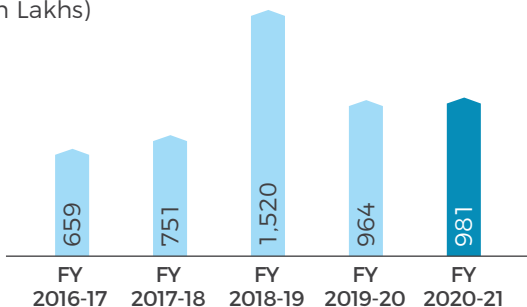
EBITDA Margins

(%)



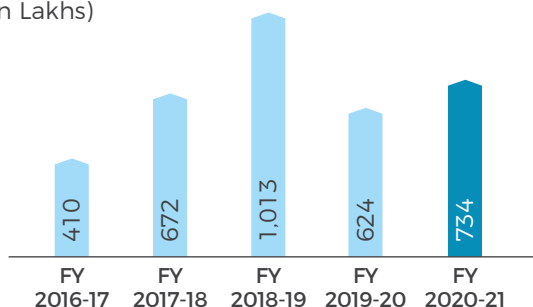
PBT

(₹ in Lakhs)



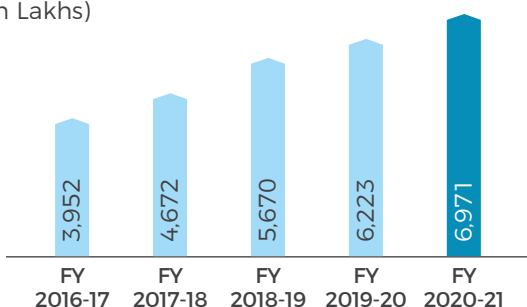
PAT

(₹ in Lakhs)



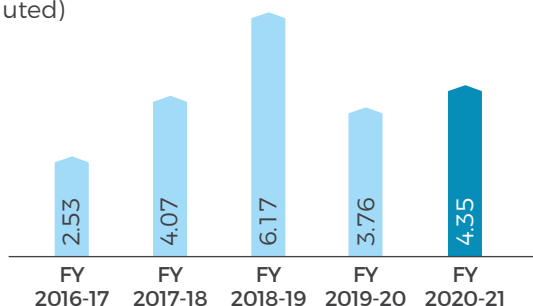
Net Worth

(₹ in Lakhs)



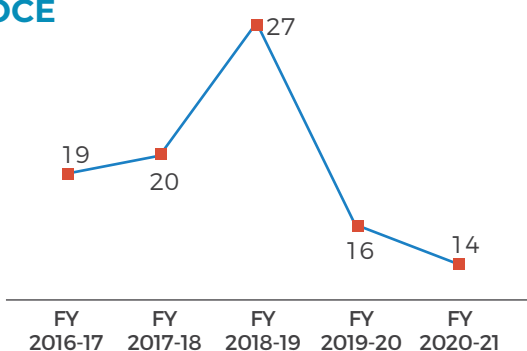
Earnings Per Share

(Diluted)
(₹)



ROCE

(%)



Building World-Class Competencies for a Stronger Future

In an ever-changing world, our customers rely on us to solve their technology challenges and build competitive edge. We are meeting their expectations by hiring top talent and building world-class capabilities and capacities, enhancing internal productivity and continuously improving our internal processes by investing in newer technologies and automation.

Strengthening capabilities in emerging areas

We have a clear focus on strengthening capabilities in cloud, digital manufacturing, big data analytics, AI/ML, and Industry 4.0, including IIoT, all of which are expected to be the technologies in high demand in the coming decade.

Setting-up Embedded Electronics Lab

In recent years, we have significantly enhanced our competencies in embedded engineering, including software, firmware and hardware development. With rising demand in this area, we have established a dedicated state-of-the-art Embedded Electronics Lab at Pune in FY 2020-21 to undertake complex, but innovative projects around embedded technologies. The infrastructure supports development & testing for automotive, off highway, medical, industrial and consumer electronics solutions. It will facilitate end-to-end product design development and establish stage-gate reviews all the way from concept, design, product and process validation to testing and deployment.

Major development activities at our Embedded Electronics Lab, Pune

- Powertrain Engine Control Unit (ECU) Software
- ASICS (Firmware) for Gasoline, Diesel, Hybrid and Electric Vehicles
- Boot Loader
- System Engineering Simulation and Automation
- ADAS (Advance Driver Assist Systems) Models Simulations
- Functional safety ISO 26262
- ASPICE

Expanding to strategic locations

With multiple new client additions, we have invested in setting up offices in the strategic locations of Bengaluru and Netherlands for which competent regional teams have also been hired.

The Bengaluru office has already been commissioned. Having a huge base of global automotive, industrial and big tech companies, the Bengaluru market will provide significant business potential especially in the hi-tech, embedded and digital domains. The Netherland office, nearing commissioning, will help us cater to the demand in Nordics region. While Netherlands has strong potential for industrial and healthcare domains, Sweden has a huge automotive market.

Building a highly competent team

We have strengthened leadership and sales team across all offices and appointed experienced and skilled professionals. To strengthen delivery, 2 talented professionals with 20+ years of rich experience were hired in FY 2020-21. The focus is on adding more people in the digital and embedded domains. We are also undertaking multiple upskilling and reskilling programs for a future-ready workforce.



Progressing on automation

We have made significant investments in automation to enhance accuracy and timely availability of data which in turn will lead to improved operational efficiencies, availability of real-time information across business functions driving intelligent decisions and ultimately ensuring a higher focus and commitment on customers and their success.

Around the middle of last FY, we upgraded our website to showcase some of our new Tech Services capabilities and Industry focus. We also implemented Salesforces Sales cloud, one of the world's leading Customer Relationship Management (CRM) solution which is helping our Sales organization across the globe better manage their customer interactions and focus on specific customer needs.

We have also recently implemented a new Adrenaline Human Capital Management (HCM) solution as well as a Microsoft D365 ERP solution. The HCM solution has automated various routine HR tasks and empowered employees with anytime, anywhere

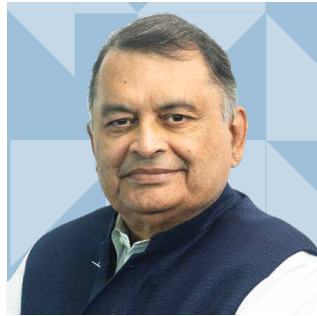
access to various self-service features. The ERP system has digitized several aspects of the Finance function, enhancing speed and accuracy of recording transactions and generating accurate reports in a timely manner.

Besides the above, we are currently working on implementing a AI based Applicant Tracking System (ATS) that will automate our entire recruitment process using chatbots. A state of the art Professional Services Automation (PSA) system is also under implementation that will automate our Delivery Management and Project Governance processes completely ensuring highly efficient and optimized delivery of customer projects and deliverables.

We will continue to make accelerated investments to further upgrade and seamlessly integrate the above systems as well as automate and digitalize most of the remaining internal processes and workflows in the coming years thereby laying a solid foundation that will allow us to take off into a challenging, but exciting future.



Board of Directors



Harish S. Mehta
Founder & Executive Chairman



Jigar H. Mehta
Managing Director



Prachi Mehta
Director



Rahul Rathi
Director



Parish Meghani
Director



Subrata Kumar Mitra
Director



Jay Sonawala
Director

Corporate Social Responsibility Shaping the Future of Communities

Children are the future of the nation and their development is vital. During FY 2020-21, we spent ₹ 18.39 Lakhs towards supporting children with special needs, empowering women, children in the communities and other CSR activities as well.

Enabling holistic development of special children

We support SRCC Mumbai (The Society for the Rehabilitation of Crippled Children) in facilitating a 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 CASE Special Education Therapy Department to conduct special education therapy for children aged 8 to 18 years with learning difficulties.

Special training, care and individual attention is ensured through having only eight children per therapist. These special educators work towards bringing out the children’s best potential, and enhance their confidence and skills to become independent.

In FY 2020-21, due to pandemic, daily online sessions were conducted since June 2020. This included special education therapy, extra-curricular activities and celebrating special days. Children were also encouraged to depict their understanding on any 1 of the 17 UN sustainability goals.

Considering the difficulty faced by children in attending online classes, a session on cyber safety was done for both parents and children. 3 children were provided a four-week internship program with the University of Notre Dame for global exposure.

Supporting education

We provided funds to Shri Gujarati Kelavani Mandal to support annual school fees of five students who are not able to pay due to COVID-19.

Women and child empowerment

We funded The Desai Foundation Trust in their initiative to empower women and children through community program to elevate health, livelihood, and education.



Directors' Report

Dear Members,

On behalf of the Board of Directors, I am happy to present the 30th Annual Report of the Company for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

Your Company's financial performance for the year ended March 31, 2021 as compared to the previous financial year ended March 31, 2020 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.3.2021	For the year ended 31.3.2020	For the year ended 31.3.2021	For the year ended 31.3.2020
Revenue from Operations	17,266.72	18,055.99	24,036.66	27,154.51
Other Income	846.14	651.93	533.52	105.96
Profit before Finance costs, Depreciation and Taxes	2,807.25	2,104.59	2,258.12	2,443.56
Less: Finance costs	207.94	329.38	232.38	346.42
Less: Depreciation	928.48	1,018.96	1,044.47	1,132.81
Profit before Tax	1,670.83	756.25	981.27	964.33
- Current Tax	370.78	365.42	373.56	480.00
- Deferred Tax	33.34	(150.88)	(126.08)	(139.44)
Total tax expense/(credits)	404.12	214.54	247.48	340.56
Profit after Tax	1,266.71	541.71	733.79	623.77
Other Comprehensive Income	10.79	30.82	(28.89)	182.98
Total Comprehensive Income for the Period	1,277.50	572.53	704.90	806.75

COMPANY'S PERFORMANCE OVERVIEW

During the financial year 2020-21:

- Revenue from Operations on standalone basis for the year ₹ 17,266.72 Lakhs, decreased by 4.37% over the previous year revenue from operations of ₹ 18,055.99 Lakhs.
- Finance costs for the year ₹ 207.94 Lakhs decreased as compared to the previous year of ₹ 329.38 Lakhs.
- Profit after Tax for the current year is ₹ 1,266.71 Lakhs against previous year of ₹ 541.71 Lakhs, registering a growth of 133.83%, due to clubbing of operations of Onward eServices Limited, wholly-owned subsidiary of the Company and previous year ended March 31, 2020 figures have also been restated to give the impact of the sanctioned scheme of merger by absorption.

- On a consolidated basis, the group achieved revenue from operations of ₹ 24,036.66 Lakhs as against ₹ 27,154.51 Lakhs - reduction in the revenue of 11.48%. Profit after Tax for the group for the current year is ₹ 733.79 Lakhs as against ₹ 623.77 Lakhs in the previous year - a growth of 17.64%.

IMPACT OF COVID-19

The country witnessed lockdown being implemented in India in the second fortnight of March 2020. The rapid and devastating spread of the coronavirus brought global business activity to a screeching halt. FY 2020-21 has started off on an unprecedented note with complete lockdown implemented in India as well as lockdowns/business restrictions of varying extent across the larger part of the world, due to the COVID-19 pandemic. Globally across all industries, companies are working hard to recoup revenue losses, manage costs, keep employees safe and at the same

time ensure uninterrupted services to the clients. By staying true to its purpose and its values, the top-most priority for the Company was to ensure the safety of its employees. The Company is well prepared to exploit remote collaborative working solutions to their fullest. The health and safety of our employees, partners and customers are of the utmost priority to the Company.

TRANSFER TO RESERVES

Your Company did not transfer any sum to General Reserves for the financial year ended March 31, 2021.

DIVIDEND

Based on the Company's performance, your Directors have recommended a final dividend of ₹ 3/- per share for the financial year 2020-21, subject to the approval of the Members. The outflow on account of final dividend amounts to ₹ 491.79 Lakhs.

SUBSIDIARY COMPANIES

During the year under review, the Company has four subsidiaries:

1. # Onward eServices Limited (OeSL) [India]
2. Onward Technologies Inc. (OTI) [USA]
3. Onward Technologies GmbH (OTG) [Germany]
4. * Onward Properties Private Limited (OPPL) [India]

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.

Updates on the subsidiaries

(#) The Board of Directors of the Company at their meeting held on May 15, 2020, approved the Scheme of Merger by Absorption ("the Scheme") of Onward eServices Limited (OeSL), wholly-owned subsidiary of the Company with the Company in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions and laws, subject to necessary statutory and regulatory approvals, including approval of the Hon'ble National Company Law Tribunal, (NCLT), Mumbai Bench. The matter was heard by the Hon'ble NCLT and thereafter NCLT sanctioned the Scheme of OeSL with Onward Technologies Limited on March 25, 2021. There is no consideration involved as the entire share capital of OeSL is held by the Company along with its nominees. The appointed date for the Scheme of Merger is January 1, 2020 and Effective Date is May 14, 2021.

The proposed Merger is, inter-alia, to maintain a simple corporate structure, eliminate duplicate corporate procedures and reduce multiplicity of legal and regulatory compliances between both the companies.

(*) Onward Properties Private Limited

the company has filed an application under Fast Track Exist for striking-off the name under Section 248 of the Companies Act, 2013. However, we are awaiting the certificate for closure of the company from ROC, Mumbai. Due to COVID-19 pandemic, ROC is taking time to process the strike-off matter.

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 as **Annexure - 1** to this report.

Pursuant to the provisions of Section 136 of the Act, 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 <https://www.onwardgroup.com/investors.php>.

FIXED DEPOSITS

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

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 demat account of the IEPF Authority. The details relating to amount of unpaid and unclaimed dividend are provided in the General Shareholders Information Section of Corporate Governance Report forming part of this Annual Report.

SHARE CAPITAL

During the year under review, the Company has issued and allotted 254,500 and 41,700 fully paid-up equity shares of face value ₹ 10/- each under its ESOP Scheme 2009 and ESOP Scheme 2019 respectively.

As on March 31, 2021, the issued, subscribed and paid-up capital of the Company is ₹ 16,33,87,700/- comprising of 1,63,38,770 Equity Shares of face value of ₹ 10/- each.

EMPLOYEE STOCK OPTION SCHEMES

The Company was introduced two employee stock options plans namely Employee Stock Option Plan 2009 (ESOP 2009) and 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 employees of Subsidiaries. The Nomination and Remuneration Committee administers these plans. The stock option plans are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("Employee Benefits Regulations") and Companies Act, 2013, read with the Rules issued thereunder. 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 - 2** to this report including details on the grant, vesting, exercise, and lapsed options under the aforesaid schemes.

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") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2020-21, together with the Auditors' Report forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Separate reports on Corporate Governance and Management Discussion and Analysis as required by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR), 2015"] forms part of this Annual Report along with the required Certificate from the Nilesh A. Pradhan & Co. LLP, Pr. Company Secretaries of the Company confirming the compliance of requirements of Corporate Governance as stipulated in the SEBI (LODR), 2015.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Prachi Mehta (DIN: 06811085) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Re-appointment of Mr. Harish Mehta as a Whole-time Director designated as an Executive Chairman

Mr. Harish Mehta was appointed as an Executive Chairman of the Company for a period of five years with effect from May 16, 2016. Based on the recommendation of the Nomination & Remuneration Committee and Board of Directors of the Company, considering his seniority, role played by Mr. Harish Mehta towards the growth of the Company and his rich and varied experience, approval of members is sought for continuation of Mr. Harish Mehta as an Executive Chairman of the Company for a further period of five years.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on May 14, 2021, has re-appointed Mr. Harish Mehta (DIN: 00153549) as a Whole-time Director designated as an Executive Chairman of the Company for a further period of five years with effect from May 14, 2021, subject to the approval of the members in the ensuing Annual General Meeting.

Re-appointment of Mr. Jigar Mehta as a Managing Director

Mr. Jigar Mehta was appointed as a Managing Director of the Company for a period of five years with effect from May 16, 2016. On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on May 14, 2021, has re-appointed Mr. Jigar Mehta (DIN: 06829197) as a Managing Director of the Company for a further period of five years with effect from May 14, 2021, subject to the approval of the members in the ensuing Annual General Meeting.

Declaration of Independence by Independent Directors

The Board confirms that all Independent Directors of the Company have given a declaration to the Board that 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.

Independent Directors Databank :

The Directors have registered themselves at the databank and will appear the examination (the ones eligible) as per the prescribed time.

Key Managerial Personnel

During the year under review, there were no changes in the Key Managerial Personnel of your Company.

PERFORMANCE EVALUATION

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 to effectively and reasonably perform their duties.

NOMINATION AND REMUNERATION POLICY

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 SEBI (LODR), 2015.

The Policy is also available on the website of the Company at <https://www.onwardgroup.com/investors.php>

MEETINGS OF THE BOARD

5 (five) meetings of the Board of Directors were held during the financial year 2020-21. For further details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

AUDITORS AND INFORMATION ON AUDITORS' OBSERVATIONS

Statutory Auditors

M/s. Price Waterhouse, Chartered Accountants LLP (Firm Registration No.012754N/ N500016) were appointed as Statutory Auditors of the Company at the 26th Annual General Meeting held on July 21, 2017, to hold office till the conclusion of the 31st Annual General Meeting held in the year 2022.

M/s. Price Waterhouse has confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2021. 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 Auditor's

The Board of Directors of the Company has appointed Nilesh A. Pradhan & Co., LLP, Practising Company Secretaries, as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended March 31, 2021 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 - 3** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

Maintenance of cost records under Section 148(1) of the Companies Act, 2013 are not applicable to the business activities as carried out by the Company.

RELATED PARTY TRANSACTIONS

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 except enter into material related party transaction(s) with Onward Network Technologies Private Limited, holding company for buying of an immovable property. In respect of the said transaction, the Company has obtained approval of shareholders through postal ballot. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is set out in **Annexure - 4**.

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 - 30 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 <https://www.onwardgroup.com/investors.php>

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.

During the year under review, the Company implemented MS D365 Enterprise Resource Planning (ERP) system that connects all parts of the organisation, to record day to day transactions for accounting and financial reporting. The MS D365 ERP system is configured to ensure all transactions are integrated seamlessly, which brings the power of digital intelligence to business decisions.

The statutory auditors of your Company have audited the financial statements and have stated on the Company's internal financial control under Section 143 of Companies Act 2013 in their report. Further, the Company has appointed Ahuja Valecha & Associates LLP as 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.

WHISTLE BLOWER

Your Company has a Whistle Blower Policy in place as required under Section 177 of the Act and the SEBI (LODR) Regulations, 2015. 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: <https://www.onwardgroup.com/investors.php>

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.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year ended March 31, 2021, The Company has spent ₹ 18.39 Lakhs on the CSR activities. The CSR initiatives of the Company were under the area of education and health. The CSR Policy of the Company is available on the website of the Company at <https://www.onwardgroup.com/investors.php>

According to the CSR Rules, the Company confirms that there has been no unspent or unallocated money under CSR which is required to be disclosed and transferred to IEPF Fund.

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 - 5** to this report outlining the main initiatives during the year under review.

PARTICULARS OF EMPLOYEES

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 - 6**.

PARTICULARS OF ENERGY, 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 earning and outgo, are given in **Annexure - 7** forming part of this report.

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.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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 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.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on <https://www.onwardgroup.com/investors.php>

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.

OTHER DISCLOSURES:

1. During the year under review, there was no change in the nature of business of your Company.
2. There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2020-21 and the date of this report.
3. 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;
4. None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act;
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.

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

Date : May 14, 2021
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

ANNEXURE - 1**FORM AOC - 1**

(Pursuant to first proviso to Section 129(3) 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.	Onward Technologies GmbH	Onward Properties Private Limited (@)
1.	Date since when subsidiary was acquired	Since 1996	Since 2003	Since 1995
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	March 31, 2021	March 31, 2021	March 31
3.	Reporting currency	US Dollar	Euro	Indian Rupee
	Exchange Rate as on the last date of the financial year	For P&L - 73.3771 For BS - 73.2361	For P&L - 86.1305 For BS - 85.962	--
4.	Share capital (including share application money)(₹)	951.70	220.07	5.00
5.	Reserves and Surplus	444.69	(316.04)	(5.00)
6.	Total Assets	3,459.40	208.96	--
7.	Total Liabilities	2,063.01	304.94	--
8.	Investments	--	--	--
9.	Turnover	8,722.84	887.34	--
10.	Profit Before Taxation	(487.05)	26.29	--
11.	Provision for Taxation	(114.31)	--	--
12.	Profit After Taxation	8,837.15	887.34	--
13.	Proposed Dividend	--	--	--
14.	% of Shareholding	100.00	100.00	100.00

Notes: @ Onward Properties Private Limited had applied for strike-off under Section 248 of Companies Act, 2013 and awaited ROC approval in Form STK-8.

§ Onward eServices Limited has been merged with the Company with effect from May 14, 2021 and hence, reporting under said form is not required as on March 31, 2021.

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.

ANNEXURE - 2

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	
	2020-21	2019-20	2020-21	2019-20
Date of Annual General Meeting	August 31, 2009		July 25, 2019	
Total number of shares covered by ESOP Scheme approved by the shareholders	3,500,000		3,500,000	
Vesting requirements (Excludes lock-in period)	1 options equals to 4 shares to vested in 4 years			
Options granted	NIL	186,500	70,000	79,700
Maximum term of options granted (includes lock-in period)	5 years		5 years	
Source of shares	Primary		Primary	
Options vested	191,500		67,700	
Options exercised	54,025	59,425	11,050	0
The total number of shares arising as a result of exercise of option	216,100	237,700	44,200	0
Options forfeited	NIL	NIL	NIL	NIL
Options lapsed	12,950	44,413	8,000	4,000
Extinguishment or modification of options	None			
The exercise price	₹ 10		₹ 20	
Pricing formula	At Face Value of ₹ 10/- per share		At Face Value of ₹ 10/- per share and Premium of ₹ 10/- per share	
Variation of terms by exercise of options	None		None	
Money realised by exercise of options	₹ 21,61,000	₹ 23,77,000	₹ 8,84,000	0
Total number of options outstanding at the end of the year	86,825	1,53,800	1,26,650	75,700
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	None	None	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	None	None	None
Issued capital (excluding outstanding warrants and conversions of the Company at the time of grant.	₹ 16,33,87,700 (16338770 equity shares)	₹ 1604,25,700 (16042570 equity shares)	₹ 16,33,87,700 (16338770 equity shares)	₹ 16,04,25,700 (16042570 equity shares)
Method used to accounting of options	Fair Value	Fair Value	Fair Value	Fair Value
Diluted EPS calculated in accordance with International Accounting Standards (IAS) 33	7.50	4.93	7.50	4.93

ANNEXURE - 3**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

[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]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021 [01-04-2020 to 31-03-2021]

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

Dear Sirs,

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 verification through electronic mode/online mode due to COVID-19 situation and also the information provided by "the Company", its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended March 31, 2021 complied with the Statutory provisions listed hereunder and also that the Company and its Subsidiary 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 Onward Technologies Limited for the financial year from April 1, 2020 to March 31, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable as the Company has not issued any further share capital during the year);
 - g. 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 year);

- h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable as the Company has not issued and listed debt securities during the financial year under review);
- i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review);
- j. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted /propose to delist any of its securities during the financial year under review); and
- k. 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 financial year from April 1, 2020 to March 31, 2021 under review, the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance except in one such instance wherein Board Meeting was called at shorter notice of two days due to urgency of matter and with respect to which the Company has followed necessary compliances as per the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while wherever required, the dissenting member's views are captured and recorded as part of the minutes.

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 Board of Directors of the Company at its meeting held on May 15, 2021, approved the Scheme of Merger by Absorption of Onward eServices Limited ('Transferor Company'), wholly-owned subsidiary company with Onward Technologies Limited ('Transferee Company') in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions and laws, subject to necessary statutory and regulatory approvals, including approval of the Hon'ble National Company Law Tribunal, Mumbai (NCLT). The matter was heard by the Hon'ble NCLT and thereafter NCLT sanctioned the Scheme of Merger by absorption of Onward eServices Limited with Onward Technologies on March 25, 2021.

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 | COP No: 7891

PR:791/2020

UDIN: F007478C000299198

Place : Dombivali

Date : May 14, 2021

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

ANNEXURE I

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 | COP No: 7891

PR:791/2020

UDIN: F007478C000299198

Place : Dombivali

Date : May 14, 2021

ANNEXURE - 4**FORM NO. AOC -2**

(Pursuant to clause (h) of Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to Section 188(1) of the Companies Act, 2013, including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis : NIL
2. Details of contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Particulars	Details
a)	Name of the Related Party	Onward Network Technologies Private Limited ("ONTPL")
b)	Nature of Relationship	ONTPL is a holding company and promoter company of the Company.
c)	Nature of contracts/arrangements/ transaction	Purchase of an immovable property by the Company owned by ONTPL "E-space" situated at Pune at an agreed consideration of ₹ 1,083.65 Lakhs payable in 18 months excluding all applicable taxes and duties as may be levied under the laws and other related expenses.
d)	Duration of the contracts/ arrangements/transaction	Duration of contract is 18 months.
e)	Salient terms of the contracts or arrangements or transaction including the value, if any.	The Company has paid ₹ 1031.16 Lakhs in advance with the prior approval of the Audit Committee and Board of Directors of the Company. The amount disclosed above is net of interest expense on deferred payment and present value gain due to early payment.
f)	Date of approval by the Board	August 24, 2020
g)	Amount paid as advances, if any	Upfront amount paid of ₹ 83.65 Lakhs

For and on behalf of the Board of Directors

Date : May 14, 2021
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

ANNEXURE - 5**Annual Report on Corporate Social Responsibility**

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

The Onward Technologies Corporate Social Responsibility program is all about giving back to society with gratitude, for what has been given to us. The Company's has undertaken a number of CSR initiatives through Onward Foundation. Through their work with the foundation, The Company employees take responsibility of considering the interests of those sections of society that are less fortunate than us. Onward foundation's aim is to extend support to the community in the fields of education and health. With a view of "Making a difference to our community."

Onward Technologies CSR policy has been prepared in line with the provisions of Section 135 of the Companies Act, 2013. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. 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, 2021:

Sr. No.	Name of the Directors	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Harish Mehta	Chairman	1	1
2.	Mr. Jigar Mehta	Member	1	1
3.	Mrs. Prachi Mehta	Member	1	0
4.	Mr. Parish Meghani	Member	1	1

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 shared above and is available on the Company's website on:

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

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

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 (attach the report).

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
--		NIL	NIL

6. Average net profit of the Company as per Section 135(5): ₹ 919.59 Lakhs
7. a) 2% of average net profit of the Company as per Section 135(5): ₹ 18.39 Lakhs
- b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- c) Amount required to be set off for the financial year, if any: NIL
- d) Total CSR obligation for the financial year (7a+7b+7c): ₹ 18.39 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

(₹ In Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	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
18.39	NIL	--	--	NIL	--

b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(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 financial year (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Promoting Children's education during COVID-19 pandemic	Education	Yes	Maharashtra	Mumbai	2.25	No	Onward Foundation	Not available
2.	Promoting Children's education of economically weaker sections from The Society for Rehabilitation of Crippled Children (SRCC) Centre	Education	Yes	Maharashtra	Mumbai	5.70	No	Onward Foundation	Not available
3.	Promoting Health, Livelihood and Education of women and children through community programme	Empowerment of Women and Children	Yes	Maharashtra	Mumbai	0.03	No	Onward Foundation	Not available
4.	Developing of New paver blocks, Underground water tank lids, replacing CCTV and EPABX lines for children development at SRCC	Environmental Sustainability	Yes	Maharashtra	Mumbai	5.41	No	Onward Foundation	Not available
5.	Production cost for fund raising initiative in collaboration with Artist Ms. Dia Mehta Bhupal	Education	Yes	Maharashtra	Mumbai	5.00	No	Onward Foundation	Not available
Total						18.39			

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 18.39 Lakhs
- (g) Excess amount for set off, if any

(₹ in Lakhs)

Sr. No.	Particulars	Amount
i.	Two percent of average net profit of the Company as per section 135(5)	18.39
ii.	Total amount spent for the financial year	18.39
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
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)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
- d) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not Applicable
- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. 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

For and on behalf of CSR Committee

Date : May 14, 2021

Place : Mumbai

Harish Mehta

Chairman, CSR Committee

DIN: 00153549

Jigar Mehta

Managing Director

DIN: 06829197

ANNEXURE - 6

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:

	(Amount in Lakhs)
Median remuneration (A)	₹ 9,92,260
Remuneration of Mr. Harish Mehta (Executive Chairman) (B)	₹ 1,41,78,300
Remuneration of Mr. Jigar Mehta (Managing Director) (C)	₹ 84,00,000
Ratio of A to B	1:14
Ratio of A to C	1:9

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	0%
Mr. Jigar Mehta, Managing Director	0%
Mr. Devanand Ramandasani, CFO	16%
Ms. Dimple Chauhan, CS	16%

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

Percentage increase in median remuneration	0%
--	----

The number of permanent employees on the rolls of the Company: 1175

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year:	No Increment
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	Not applicable as no percentile increase in managerial remuneration during the year.
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

ANNEXURE - 7**CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****A Conservation of Energy:**

1	The steps taken or conservation of energy impact on	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 equipments	

B Technology Absorption, Adoption and Innovation:

1	The efforts made towards technology absorption	Your Company uses latest technology and equipments 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)	
	a) The details of technology imported	
	b) The year of import	
	c) Whether technology been fully absorbed?	
	d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
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:

	(₹ in Lakhs)	
	2020-21	2019-20
Foreign exchange earnings	3,392.44	4,235.38
Foreign exchange outgo	446.07	1,398.47

Management Discussion and Analysis

Macro-economic review

Global

The global economy, recovering from the cyclical slowdown of 2019, witnessed another blow with the outbreak of COVID-19 pandemic which impacted both advanced and developing economies. The pandemic triggered a severe health crisis necessitating governments across the globe to undertake lockdowns and restrict travel and trade. As a result, the world output declined by 3.3% in Calendar Year (CY) 2020. The output of advanced countries declined by 4.7% following a 6.6% decline in Euro Area and a 3.5% decline in the United States (US). The Emerging and Developing Economies saw a milder 2.2% de-growth, supported by a 2.3% growth in China, the region's largest economy.

Following a steep decline, the global economy is projected to have a V-shaped recovery and grow by 6.0%. This will be supported by large scale vaccination ongoing across the globe. Though fresh outbreaks of caseloads across several countries may pose challenge to the recovery. (Source: World Economic Outlook, International Monetary Fund, IMF)

India

The performance of Indian economy in Financial Year (FY) 2020-21 manifested its strong inherent fundamentals and domestic demand that will drive its growth in the long term. They went into recession in the first two quarters led by a stringent country-wide lockdown as the Government focused on lives over livelihood. Since then, a change in stance to lives as well as livelihood resulted in a sharp rebound and the economy registering a growth in the following two quarters.

The Government rolled-out a stimulus package to support those impacted by the pandemic as well as introduced a Budget conducive for growth with expenses channelized towards infrastructure to boost economic cycle and create jobs. The RBI also assisted recovery by extending loan moratorium and reducing repo rates to 3.35%.

As per the estimates by the Government, the Indian economy is likely to decline by 8% in FY 2020-21. However, economist and analysts globally have expressed positive long-term outlook for the Indian economy. Huge focus on infrastructure development, digitalization of economy, driving skill development and supporting the weaker sections with direct benefit transfer are likely to ensure strong growth. The IMF projects Indian economy to grow by 12.5% by

FY 2021-22. Though a more severe second wave outbreak starting March 2021 may pose challenge and dampen recovery. (Source: IMF, FICCI Economic Outlook Survey)

Industry review

Digital engineering market

Engineering R&D (ER&D) Services primarily include services across the product lifecycle – from conceptualization, design, engineering and sustenance to new product introduction across varied products and platforms. The advent of new technologies like 5G, AI/ML, Edge Computing, Blockchain, IoT, AR/VR, Cloud and 3D printing has revolutionized the ways in which products are being designed, manufactured and serviced.

According to NASSCOM, the global ER&D spend grew 5.4% YoY (year-over-year) to reach \$ 1,527 billion in 2019 with contribution of businesses ER&D at \$ 780 billion. The total spend is estimated to grow at a CAGR of 5.5% and reach \$ 2,033 billion (\$1,075 billion business ER&D) by 2025.

The growth in business ER&D spend will be fueled by digital engineering led by increasing convergence of technology and business, technology-led transformation and new business models, data engineering and monetization opportunities, and growth of start-ups and technology vendors. Digital engineering spending is expected to grow at 11-12% CAGR and reach \$385 billion, accounting for 36% of overall business ER&D spend.

Global sourcing of ER&D is expected to gain share in the overall spend. Sourcing spend is expected to grow from \$90 billion in 2019 to \$160 billion in 2025, of which 42% (i.e. \$68 billion) would be the share of digital ER&D. Factors like growing acceptance of offshoring, investments by global capability centers and service providers in building scale and competency, and local government support can further accelerate this growth to \$200 billion. Sourcing for software products and automotive sectors are likely to witness the fastest growth followed by consumer electronics, industrial and energy, telecom and aerospace and defense.

India, despite facing competition from major ER&D delivery locations, remains well-positioned to tap the opportunities with its low-cost, skilled talent availability and manufacturing capabilities advantage. It is fast emerging as the engineering, design, innovation and technology hub for automobiles, aerospace, consumer electronics, machinery, semiconductor, telecom,

construction, industrial automation, medical devices, energy and computing companies. This is facilitated by proactive and supportive policies.

The ER&D ecosystem in India include manufacturing organization having design capabilities, global corporations that have their design centers in India, engineering service providers from India, engineering and defense public sector units, SMEs and academia.

India’s share in ER&D global sourcing market is likely to increase from \$31 billion in 2019 to \$63 billion in 2025 with 35% (i.e. \$22 billion) share of digital engineering. With India pursuing an aspirational target of \$100 billion in ER&D global sourcing spend by 2025, there would be strong thrust on digital engineering segment. (Source: NASSCOM Digital Engineering Report)

Factors favoring India to capitalize on the digital engineering-led R&D growth:

Dominance in software engineering

- ~1.5 million software engineering and technology graduates annually

Talent availability

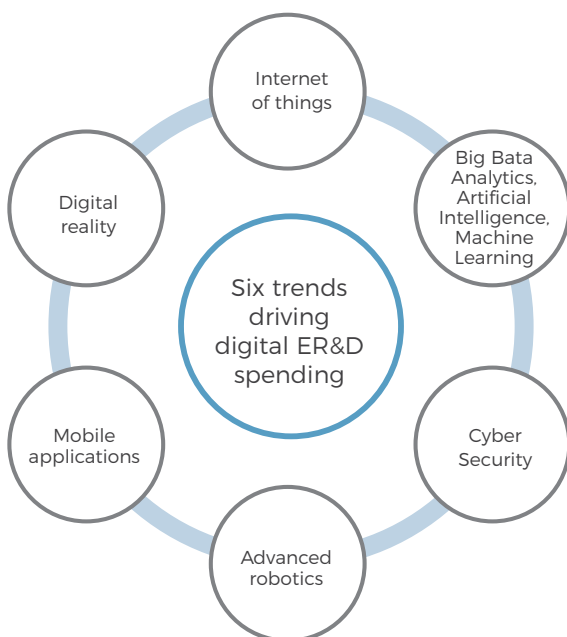
- 6,00,000+ engineers with diverse skillset

Innovation and start-up ecosystem

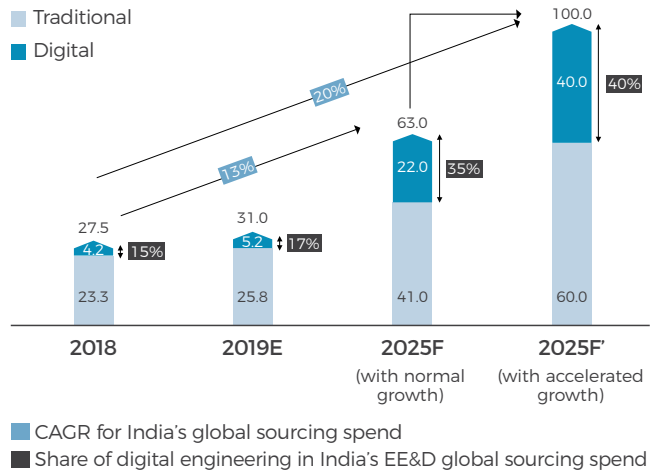
- 9,000+ start-ups and 25 unicorns as of 2019, most of which are working of niche technologies like AI, blockchain, robotics, cloud, etc.

Government support

- Favorable policies and IP protection laws
- 100% tax exemption for start-ups for three years



India ER&D global sourcing market and share of digital engineering 2018-25F; US\$



Over the last few years, Marketing Technology (MarTech) has witnessed continuous growth primarily driven by the expansion of the digital economy. This trend got accelerated during COVID-19 resulting in a huge shift in consumer behavior, increasing the importance of Digital Customer Experience (DCx).

Digital Transformation

Digital transformation is a fundamental organizational change achieved by integrating digital technologies across all levels and functions, across both business and production processes. By aligning enterprise strategy, product roadmap, technology architecture and customer expectations, digital technologies can shift from being a driver for cost optimization and efficiency improvements to becoming a transformation enabler that creates tangible business value for the enterprise.

Technologies like digital reality, big data and AI, IoT, advanced robotics, cyber security and mobile applications are revolutionizing operations across the entire business value chain. As digital technologies transform business models around the globe, enterprises are increasing their technology spending. Investments in digital, analytics, cloud, internet of things (IoT), cybersecurity and other emerging technologies have been growing exponentially in nearly every large enterprise. The COVID-19 pandemic has further accelerated the demand for such hi-tech solutions. While it has delayed some engagements, there will be tremendous opportunities for technology companies to grow in the medium and long term. The pandemic has also extended high growth phase for technology adoption from FY 2023-24 to FY 2026-27.

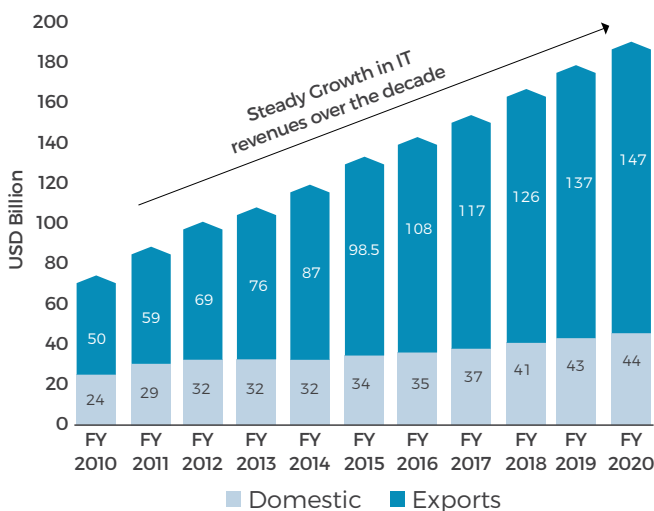
As demand for digital technologies accelerates and cost savings create opportunities to replace traditional technologies, the market for large digital transformation deals and managed services is growing. Technology services companies are investing in software products

and platforms that transform them into end-to-end solution providers. They are using mergers and acquisitions to acquire digital capabilities and access into newer geographies.

NASSCOM estimates global technology services spend to grow from \$ 2.8 trillion in 2014 to \$ 4 trillion by 2025. The Indian IT services is also likely to grow from \$ 108 billion in 2016 to \$350 billion by 2025. Digital will account for majority of business in both global and Indian perspective. In the Indian landscape, the companies have evolved from low skilled BPO services to becoming global capability centers (GCC) that undertake R&D, digital and dive innovation in emerging technologies. India currently accounts for ~45% of global GCCs with a large proportion being R&D centers catering to IT, BFSI, engineering and manufacturing industries.

India’s move to enhance its positioning in the global IT landscape is supported by the Government. The Digital India initiative under the guidance of the Ministry of Electronics and Information Technology, the Government of India has been a key enabler for digitalization in India. It was launched to ensure the delivery of the Government’s services through electronic media. Government has increased outlay for this program by 23% YoY to ₹ 3,958 crores for FY 2020-21. Further, the Government has also increased provision for the promotion of electronics and IT hardware manufacturing with the help of a modified special incentive package scheme, electronics development fund and electronics manufacturing cluster. A sum of ₹ 980 crores have been allocated to it for FY 2020-21 as compared to ₹ 690 crores in FY 2019-20.

Indian IT sector is driving technology-enabled transformation of businesses across the world



(Source: NASSCOM, C&W research)

Company Overview

Onward Technologies is a leading engineering R&D and digital transformation services company with presence in India, Americas, the UK and Europe. The Company operates in only one segment. However, it provides services in the areas of Engineering R&D, Digital Transformation and IT services. It provides services in mechanical, electrical and controls engineering, embedded products and systems development, mobile and enterprise software development, data analytics and digital transformation, robotic business process automation, and enterprise managed services for infrastructure, applications and databases.

The Company has highly skilled employees, dedicated to providing expert consulting and value-added services to customers across multiple sectors including large global companies. This includes automotive, off-highway, industrial equipment and machinery, healthcare and laboratory equipment, pharmaceuticals and life sciences, and banking, financial services and insurance industries.

Over the years, the Company has entered several strategic alliances with large enterprise software OEMs to provide a comprehensive range of end-to-end solutions and services.

Performance FY 2020-21

During the year, the Company’s revenues from operations on standalone basis stood at ₹ 17,266.72 Lakhs FY 2020-21 as compared to ₹ 18,055.99 Lakhs in FY 2019-20. Net Profit after Tax increased to ₹ 1,266.71 Lakhs as compared to ₹ 541.71 Lakhs in the previous corresponding period. On a consolidated basis, the revenue from operations decreased to ₹ 24,036.66 Lakhs as compared from ₹ 27,154.51 Lakhs in the previous reporting period. Revenue share from ER&D was 72%, from Digital was 2% and that from IT services was 26%. Offshore revenues was 30% and Onsite 70%.

The subsidiaries continued to support the Company’s operations in line with its customer-first approach while ensuring operational discipline. The revenue from subsidiaries was ₹ 9,610.18 Lakhs in FY 2020-21.

Significant Changes in Financial Ratios

Ratios	Standalone			
	FY 2020-21	FY 2019-20	Change %	Reason for such change
Debtors Turnover	5.55	5.27		NA
Inventory Turnover	NA	NA		NA
Interest Coverage Ratio	9.0	3.3	174.1%	Repayment of borrowed fund
Current Ratio	1.8	1.3	44.3%	Reduction in borrowing and improved collection
Debt Equity Ratio	0.0	0.1	1,247.2%	Reduction in borrowing
Operating Profit Margin (%)	11.4%	8.0%	41.2%	Reduction in operating expenses
Net Profit Margin (%)	7.0%	2.9%	141.5%	Increase in operating and other income
Return on Net Worth (%)	18.7%	9.2%	104.3%	Increase in operating and other income

Ratios	Consolidated			
	FY 2020-21	FY 2019-20	Change %	Reason for such change
Debtors Turnover	5.31	5.50		NA
Inventory Turnover	NA	NA		NA
Interest Coverage Ratio	5.3	3.8	40.3%	Repayment of borrowed fund
Current Ratio	1.7	1.5	12.6%	Reduction in borrowing and improved collection
Debt Equity Ratio	0.2	0.3	29.6%	Improved due to reduction in borrowings
Operating Profit Margin (%)	7.3%	8.6%	(15.6%)	Increase in operating expenses
Net Profit Margin (%)	3.1%	2.3%	33.8%	Increase in other income
Return on Net Worth (%)	10.6%	9.7%	9.2%	Increase in other income

Risk Management

Risk management is the responsibility of everyone in the organization and applies to all functions and operations. With the vision to integrate risk management within the overall strategic and operational practices, the Company has established a Risk Management Policy. This provides the foundation for an organization-wide practice designing, implementing, monitoring, reviewing and continually improving risk management.

The Company has prioritised following key risks and created effective mitigation strategies:

- Pandemic and Infectious Disease Risk
- Regulatory and Compliance
- Talent Management Risk
- Privacy Risk
- Competition
- Geopolitical Risk
- Confidentiality and Data Protection Risk
- Business Continuity Risk
- Tax-related Risk
- Forex Exchange Risk

The Company's Audit Committee assesses the effectiveness of the risk management systems and undertakes an independent review of the risk mitigation plans. It ensures that risks are identified using both a 'top-down' and 'bottom-up' approach.

Outlook

FY 2020-21 has started off on an unprecedented note with complete lockdown implemented in India as well as lockdowns / business restrictions of varying extent across the larger part of the world, due to the COVID-19 pandemic. Hence, the overall outlook for the year was grim. Governments across the world as well as all Central Banks have moved synchronously to provide large economic relief packages and enhance liquidity in the financial markets to support the economy.

With countries across the globe exhibiting immense resilience to control the spread of the pandemic and roll out vaccines, the global economic recovery is likely to be on track. This would have a direct impact on the demand conditions for all sectors of the economy. Inflation level is expected to stay low and provide support to consumers and manufacturers alike. Though fresh COVID-19 outbreaks may pose challenge to the recovery.

For the IT industry, the pandemic has been an accelerator of digital adoption and emerging technologies. While in the short-run there were some challenges, in the longer-run it is expected to witness growth as companies look to adopt more meaningful approach to doing business and communicating with customers. The IT industry revenue is expected to reach \$ 350 billion by 2025 on the back of increasing digitization, increasing mobile penetration and affordable data cost, among others. India's cloud market is expected to grow 3x to reach \$ 7.1 billion by 2022, driven by the demand for Big Data, Data Analytics, AI and IoT. The increasing adoption of AI is expected to drive India's annual growth rate by 1.3% by 2035, as per NITI Aayog. Great opportunities exist for growth of ER&D in India, which needs joint effort from the Industry, academia and government. The industry needs to develop competencies for the future and also innovate on new technologies to accelerate further growth. The software and hardware sector in India, aided by the incremental focus of the Government on digital economy, is estimated to reach ₹ 69,89,000 crores (\$ 1 trillion) by 2025.

With the rise of emerging technologies, the Company is strongly focused on capitalizing the mega opportunities and shape a digital future for its partner companies and potential clients. The Company already has competencies in various emerging technologies continues to build them by upskilling / reskilling employees, engaging subcontractors and entering strategic alliances. The Company is also undertaking geographic and capacity expansion initiatives. It has opened a new 2,500 sq ft office in Bengaluru to give more confidence to the existing clients as we target new clients in the high growth automotive segments. It opened an embedded electronics lab towards developing next-generation technologies. Another office in Netherland is underway and is expected to operationalize in June 2021.

The Company has also undertaken a strategic shift in its business approach. It is reducing focus on IT services (already exited India operations) business and channelizing resources to target more opportunities in the ER&D and Digital Transformation businesses which are more complex and offer better margins.

Material Development in Human Resources

Being a services company engaged in highly technical business line, human resource is key to the Company's long-term growth. The Company is fostering a happy and open culture. It promotes a fair and just human resource practice, balancing work and personal life. In FY 2020-21, the Company witnessed significant progress in its people policies and processes, enabling it on the journey of 'Delivered to Perfection'.

Safety of the employees is paramount to the Company, and this was reflected both during the onset of pandemic and living through it. The Company reset its ways of working keeping a long-term view in mind. It moved with agility to provide machines to enable employees work remotely, huddled to solve their problems, and adopted remote working. Within just three weeks of lockdown, it ensured business continuity of ~85-90% of its operations.

During the year, the Company implemented several digitalization initiatives to empower employees. Human Resource Management System was implemented to automate routine HR and payroll tasks and enable anytime, anywhere access. It has various self-service features to cover employee-to-business transactions and vice-versa. To empower sales team and drive their productivity, sales data was digitalized with salesforce CRM system. It will also enable them to improve customer orientation.

The Company strongly promotes a culture of diversity and is committed to the principles of equal opportunity. As on March 31, 2021, 13% of the Company's workforce of 278 were women employees. The robustness of the Company's HR function is evident in a young (~88% employees under 40 years of age) and experienced (~65% employees with 5+ years of experience) workforce.

The Company remains focused on expanding its digital technologies and capability of team to drive growth and efficiency. Exceeding customers' expectations requires a high level of focused approach, competence, technical expertise and go-getter attitude. To achieve this, it is strengthening recruitment efforts through continued employee referrals, job fairs, social media and campus recruitment drives. The Company ensures that its employees are abreast of the latest trends in the industry. They are imparted necessary development and training opportunities to be equipped with additional skills to offer value-addition to customers.

The Company has a robust Rewards & Recognition Policy to encourage and motivate employees. Managers are continuously encouraged to ingrain a culture of appreciation and nominate deserving employees for Annual, Quarterly (Star Performer) and Spot Awards. Top performers are also rewarded with stock options to build long-term relationship and create a sense of ownership.

Cautionary statement

Certain statements in this Management Discussion & Analysis Report concerning the future growth prospects are forward-looking statements, which involve a number of 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 TECHNOLOGIES'S PHILOSOPHY ON CORPORATE GOVERNANCE

The COVID-19 pandemic spread rapidly across the globe, leading governments to impose prolonged lockdowns on both movement and commerce. The regulators including Ministry of Corporate Affairs (MCA) and the Securities Exchange Board of India (SEBI) promptly announced many relaxations with respect to the compliance requirements for India to facilitate companies to conduct smooth operations and cope with the challenging times. The Company appreciates and acknowledges the relaxations and dispensations granted by the MCA and SEBI, inter-alia, for conduct of Annual General Meeting through electronic mode and dispatch of Annual Report electronically to shareholders, who have registered their email addresses. These relaxations are noteworthy and were the need of the hour.

Corporate Governance is an integral part of Onward Technologies's philosophy. Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing shareholders and stakeholders' value. The Company's philosophy on the 'Code of Governance' is based on compliance of applicable provisions and requires exchange of relevant information and appropriate disclosures to each group of stakeholders, connected with the area of common interest/stake between the Company and the Stakeholder. 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 Technologies and is driven relentlessly across the organization.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists eminent persons with professional experience and expertise and provides leadership and guidance to the management, thereby enhancing stakeholder's value.

2.1 Composition and category of Directors

The Board of Directors constitutes a combination of Executive and Non-Executive Directors, with atleast one woman director and with fifty percent of the Board comprising of independent directors as required under the SEBI (LODR) Regulations, 2015. As on March 31, 2021, your Company's Board has a strength of 7 (seven) Directors comprising of 2 (two) Executive Directors, 1 (one) Non-Executive, Non-Independent and 4 (four) Non-Executive, Independent Directors. The Chairman of the Board is the Executive Director. The composition of the Board is consistent with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

Composition of Board of Directors and other details as on March 31, 2021:

Name	Category	No. of other Directorship(s) In other Indian Public companies	Other Committee positions held		No. of Equity Shares held
			As Chairman	As Member including Chairman-ship	
EXECUTIVE DIRECTORS					
Mr. Harish Mehta, Executive Chairman	Promoter Non-Independent	1	0	1	216,528
Mr. Jigar Mehta, Managing Director	Promoter Non-Independent	1	0	0	576,299
NON-EXECUTIVE DIRECTORS					
Mrs. Prachi Mehta	Non-Independent	1	0	1	148,792
Mr. Rahul Rathi	Independent	2	1	1	NIL
Mr. Parish Meghani	Independent	1	0	1	285,918
Mr. Subrata Kumar Mitra	Independent	4	3	8	NIL
Mr. Jay Sonawala	Independent	1	0	1	500

Notes:

1. None of the Directors of the Company hold membership of more than ten Committees nor is a Chairperson of more than five committees, across all companies of which he / she is a director. Necessary disclosures regarding Committee positions in other Indian public companies as on March 31, 2021 have been made by the Directors.
2. The committees considered for the above purpose are Audit Committee and Stakeholders Relationship Committee.
3. Video Conferencing facilities are used to participate in the meetings and are counted for the purpose of attendance.
4. As on March 31, 2021, Mr. Harish Mehta, Mr. Jigar Mehta and Mrs. Prachi Mehta are related to each other. Mr. Jigar Mehta and Mrs. Prachi Mehta being son and daughter of Mr. Harish Mehta respectively. None of the other directors are related to each other.
5. Mr. Pranay Vakil and Mr. Nandkumar Pradhan ceased to be directors of the Company due to completion of independent directorship tenure hence not included in the above composition.
6. All independent directors have confirmed their 'independence' to the Board of the Company.

Name of other listed entities where Directors of the Company are Directors and the category of Directorship:

Sr. No.	Name of Directors	Name of listed entities in which the concerned Director is a Director	Category of Directorship
1.	Mr. Rahul Rathi	Plastiblends India Limited	Director
2.	Mr. Subrata Kumar Mitra	IL & FS Engineering and Construction Company Limited	Additional Director
		IL & FS Transportation Networks Limited	Director
		Centrum Capital Limited	Director

2.2 Board Meetings:

The meetings of the Board of Directors are prescheduled and intimated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Board meets at least once a quarter to review the quarterly performance and the financial results. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. In case of special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by the Companies Act, 2013 and are placed and confirmed before the Board at the next Board Meeting.

In view of the nationwide lockdown, meetings of the Board and its Committees were held through video conferencing mode in accordance with the provisions of law. The Board agenda along with notes and detailed background information and explanatory notes are prepared and circulated in advance to all the Board Members. 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 SEBI (LODR) Regulations, 2015 are circulated 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. Presentations are also being made by the CFO on the business operations of the Company.

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 the prescribed time. Comments, if any, received from the Directors are also incorporated in the Minutes.

During the financial year 2020-21, five (5) Board Meetings were held viz. on **May 15, 2020; July 16, 2020; August 24, 2020; October 23, 2020 and January 15, 2021** and the gap between the two Board Meetings has not exceeded one hundred and twenty days. Besides, the Non-Executive, Independent Directors held a separate meeting for the purpose required as applicable under the Companies Act, 2013 and Regulations 25 of SEBI (LODR) Regulations, 2015 on February 26, 2021.

The attendance of each Director at the Board Meetings for the financial year 2020-21 and last 29th Annual General Meeting (AGM) are detailed as under:

Name of the Directors	Board Meeting Meetings		% of meeting attended during the year	Attendance at the last 29 th AGM held on July 16, 2020
	Held	Attended		
Mr. Harish Mehta	5	4	80%	Yes
Mr. Jigar Mehta	5	4	80%	Yes
Mrs. Prachi Mehta	5	4	80%	No
\$ Mr. Pranay Vakil	5	2	40%	Yes
\$ Mr. Nandkumar Pradhan	5	2	40%	No
Mr. Rahul Rathi	5	4	80%	Yes
Mr. Parish Meghani	5	5	100%	Yes
@ Mr. S. K. Mitra	5	4	80%	Yes
@ Mr. Jay Sonawala	5	4	80%	Yes

\$ Independent directorship tenure completed on July 20, 2020.

@ Appointed as Independent director w.e.f. July 21, 2020.

2.3 Meetings of Independent Directors

Schedule IV of the Companies Act, 2013, 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 2020-21, a separate meeting of the Independent Directors convened on February 26, 2021. The Independent Directors, inter-alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman of the Company assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2.4 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 with the following link: <https://www.onwardgroup.com/investors.php>

2.5 Code of Conduct

The Company has laid down a "Code of Conduct" for the members of the Board of Directors and the Senior Management which is also available at the website <https://www.onwardgroup.com/investors.php>. The Code serves as a guide to the Board and Senior Management employees of the Company to make informed 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. The Managing Director has also certified to the Board with reference to the financial statement and other matters as required in the Listing Obligations.

2.6 Skills/Expertise/Competencies fundamentals for effective functioning of the Company, which are currently available with the Board

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks/threats and potential opportunities and knowledge of the industry in which the Company operates Behavioral skills- attributes and competencies to use their knowledge and to function well as a team member and to interact with key stakeholders contributing in company's growth.

In the table below, the specific areas of focus and expertise of individual Board Members have been highlighted.

Sr. No.	Names of the Directors	Skills possessed
1	Mr. Harish Mehta	Business Strategy, Decision Making, leadership skills
2.	Mr. Jigar Mehta	Business Strategy, Sales & Marketing, Decision Making, leadership skills, Business Administration
3	Mr. Rahul Rathi	Forex Management, Audit Views, Financial Operational skills, Strategic Investments
4.	Mr. Subrata Kumar Mitra	Compliance and Strategic Decision-Making,
5.	Mr. Parish Meghani	Business Strategy, Equity Market, Strategic Investments
6	Mrs. Prachi Mehta	Advertising and Marketing skills
7.	Mr. Jay Sonawala	Business Strategy, Banking skills, Forex Management

3. AUDIT COMMITTEE

The Company has constituted a well qualified and independent audit committee as required under Section 177 of the Companies Act, 2013 as also in fulfillment of the requirements of Regulations 18 of the SEBI (LODR), Regulations, 2015. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

3.1 Brief description of terms of reference 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, 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.

3.2 Composition, Name of Members and Chairman:

The Audit Committee of the Company comprises of the following members at the beginning of the year: Mr. Pranay Vakil, Chairman; Mr. Nandkumar Pradhan, Member; Mr. Parish Meghani, Member and Mr. Rahul Rathi, Member, all being Non-Executive and Independent directors. Mr. Pranay Vakil, Chairman of the Committee was an Independent Director and has financial and accounting knowledge.

The term of office of Mr. Nandkumar Pradhan and Mr. Pranay Vakil as Independent Directors came to an end on July 20, 2020 and consequently, the composition of the audit committee was reconstituted.

The Composition of the Audit Committee as on March 31, 2021 comprises of the following members: Mr. Rahul Rathi, Chairman; Mr. Parish Meghani, Member; Mr. Jay Sonawala, Member and Mr. S. K. Mitra, Member, all being Non-executive and Independent directors. Mr. Pranay Vakil, Past Audit Committee Chairman and Mr. Rahul Rathi, Current Chairman of the Audit Committee had attended the 29th Annual General Meeting held on July 16, 2020 and answered the queries raised by the shareholders.

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 their noting.

3.3 Details of meetings and attendance of the Audit Committee:

5 (Five) Audit Committee meetings were held on **May 15, 2020; July 16, 2020; August 23, 2020; October 23, 2020 and January 15, 2021** during the financial year and the gap between the two meetings did not exceed one hundred and twenty days. Necessary quorum was present at the meetings.

The details of meetings attended by its members are given below:

Names of the Members	Category	Designation	No. of Meetings	
			Held	Attended
§ Mr. Pranay Vakil	Independent	Chairman & Member	5	2
Mr. Rahul Rathi	Independent	Chairman & Member	5	5
§ Mr. Nandkumar Pradhan	Independent	Member	5	2
Mr. Parish Meghani	Independent	Member	5	5
@ Mr. Jay Sonawala	Independent	Member	5	3
@ Mr. S. K. Mitra	Independent	Member	5	3

§ Term of Office as Independent directors came to an end on July 20, 2020.

@ Appointed as Independent directors w.e.f. July 21, 2020.

4. NOMINATION AND REMUNERATION COMMITTEE [NRC]

The Nomination and Remuneration Committee's (NRC) constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR), Regulations, 2015.

4.1 Brief description of terms of reference 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.

4.2 Composition, Name of Members and Chairman:

The NRC of the Company comprised of the following members at the beginning of the year: Mr. Nandkumar Pradhan (Chairman), Mr. Parish Meghani, Mr. Rahul Rathi. All are Non-Executive Directors and Independent Directors.

The term of office of Mr. Nandkumar Pradhan as an Independent Director came to an end on July 20, 2020 and consequently, the composition of the NRC committee was reconstituted.

The NRC of the Company as at March 31, 2021 comprised of the following members: Mr. Parish Meghani, Chairman, Mrs. Prachi Mehta, Member and Mr. S. K. Mitra, Member.

During the year, the NRC met 1 (one) time that is on May 15, 2020. Necessary quorum was present at the meeting. The Company Secretary acts as the Secretary of the Committee. The attendance record is as per the table given below:

Names of the Members	Category	Designation	No. of Meetings	
			Held	Attended
§ Mr. Nandkumar Pradhan	Independent	Chairman	1	1
Mr. Parish Meghani, Current Chairman	Independent	Member	1	1
Mr. Rahul Rathi	Independent	Member	1	1
Mr. S. K. Mitra	Independent	Member	-	-
Mrs. Prachi Mehta	Non-Independent	Member	-	-

§ Term of Office as an Independent director came to an end on July 20, 2020.

4.3 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 Companies Act, 2013 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 February 26, 2021, performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

4.4 Remuneration Policy

In terms of the Section 178 of the Companies Act, 2013 and the Regulation 19 of SEBI (LODR) Regulations, the Remuneration Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company had been formulated by the NRC of the Company and approved by the Board of Directors. 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 Nomination and Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at: <https://www.onwardgroup.com/investors.php>

a) Remuneration to Executive Directors:

The Executive Directors including Managing Director are paid remuneration by way of salary, commission, perquisites, incentives and allowances, as recommended by the Committee and the Board of Directors and approved by the Members of the Company from time to time.

The details of remuneration paid to the executive directors during the financial year 2020-21 are given as under:

(₹ in Lakhs)				
Name	Salary	Allowances, Perquisites and other benefits	Incentive	Total
Mr. Harish Mehta, Executive Chairman	141.76	28.13	70.00	239.90
Mr. Jigar Mehta, Managing Director	70.46	0.40	70.00	140.85

b) Remuneration to Non-Executive Directors

The Non-Executive Independent Directors are also entitled for sitting fees for attending meetings of the Board of Directors. The details of sitting fees paid to the Non-Executive Directors during the financial year 2020-21 are given as under:

(Amount in ₹)			
Name	Sitting Fees paid during FY 2020-21		Total
	Board Meeting	Committee Meeting	
Mr. Pranay Vakil	1,50,000	1,00,000	2,50,000
Mr. Nandkumar Pradhan	1,50,000	1,05,000	2,55,000
Mr. Parish Meghani	3,12,500	2,22,500	5,35,000
Mr. Rahul Rathi	3,25,000	2,05,000	5,30,000
Mr. S. K. Mitra	2,37,500	1,17,500	3,55,000
Mr. Jay Sonawala	2,37,500	1,12,500	3,50,000
Mrs. Prachi Mehta	3,00,000	5,000	3,05,000

5. STAKEHOLDERS RELATIONSHIP COMMITTEE [SRC]

This Committee is constituted in compliance with Section 178 of the Companies Act, 2013 and the SEBI (LODR), 2015. The Stakeholders Relationship Committee is responsible for resolving investor's complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc.

5.1 Role of the SRC are as under:

- 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;
- Monitoring and reviewing service functioning of Registrar and Transfer Agents;
- Providing guidance and making recommendations to improve investor service levels for the investors.

5.2 Composition, Meeting and attendance of the Committee

The SRC of the Company comprised of the following members at the beginning of the year: Mr. Parish Meghani, Chairman; Mr. Jigar Mehta, Member and Mrs. Prachi Mehta, Member. Mr. Parish Meghani, being Non-Executive Independent Director is the Chairman of the Committee.

Due to change in the composition of the members, following are the members of SRC committee as on March 31, 2021: Mr. S. K. Mitra - Chairman, Mrs. Prachi Mehta, Member and Mr. Harish Mehta, Member. Mr. S. K. Mitra, being Non-Executive Independent Director is the Chairman of the committee.

During the year, the SRC met 1 (one) time that is on October 23, 2020. Necessary quorum was present at the meeting. Ms Dimple Chauhan, Company Secretary acts as the Secretary of this Committee..

The attendance record is as per the table given below:

Name of the Members	Category	Designation	No. of Meetings	
			Held during the tenure	Attended
Mr. S. K. Mitra	Independent	Chairman	1	1
Mr. Harish Mehta	Non-Independent	Member	1	1
Mr. Prachi Mehta	Non-Independent	Member	1	1

5.3 Name and designation of Compliance Officer

Ms. Dimple Chauhan, Company Secretary
Onward Technologies Limited
Tel: +91-22-2492 6570
Email: investors@onwardgroup.com

5.4 Summary of Shareholders Complaints:

Sr. No.	Nature of Complaints	Received	Resolved
1.	Non-receipt of Dividend	01	01
2.	Non-receipt of Annual Reports/Notices	-	-
3.	Non-receipt of Share Certificates	-	-
3.	Complaints from SEBI, Stock Exchanges	-	-
4.	Others, if any	-	-
Total		01	01

All the queries and complaints received during the financial year ended March 31, 2021, were duly redressed and no queries are pending at the year end. All requests for dematerialization of shares were carried out within the stipulated time period and no share certificate was pending for dematerialization.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility [CSR] Committee of directors as required under Section 135 of the Companies Act, 2013 and the Rules framed thereunder. The Committee's responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy' and to suggest remedial measures wherever necessary.

6.1 The terms of reference of the CSR Committee are as under:

- 1) Formulate and recommend to the Board, a CSR Policy to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- 2) Recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
- 3) Monitor the implementation of the CSR activities undertaken by the Company;

The Committee oversees the CSR activities and execution of initiatives approved by the Board. The CSR policy of the Company is available on our website: <https://www.onwardgroup.com/investors.php>

6.2 Composition, Meetings and attendance of CSR Committee:

The CSR Committee of the Company comprised of the following members at the beginning of the year: Mr. Pranay Vakil, Chairman; Mr. Harish Mehta, Member and Mrs. Prachi Mehta, Member. Mr. Pranay Vakil, being Non-Executive Independent Director is the Chairman of the Committee.

The term of office of Mr. Pranay Vakil as Independent Directors came to an end on July 20, 2020 and consequently, the composition of the CSR Committee committee was reconstituted. The CSR Committee of the Company as at March 31, 2021 comprised of the following members: Mr. Harish Mehta, Chairman, Mr. Jigar Mehta, Member and Mr. Parish Meghani, Member. Mr. Harish Mehta is the Chairman of the committee.

Further in accordance with the amendments in companies act under section 135 (9) companies whose CSR expenditure doesn't exceed 50 Lakhs rupees may not have CSR committee and the board of the company is responsible to ensure all the compliances related to CSR. Hence the board approved the dissolution of CSR Committee w.e.f. May 14, 2021. at its board meeting.

During the year, the CSR Committee met 1 (one) time that is on January 13, 2021. Necessary quorum was present at the meeting. Ms Dimple Chauhan, Company Secretary acts as the Secretary of the CSR committee meeting.

The Composition of the CSR Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Harish Mehta	Non - Independent	Chairman	1	1
Mr. Jigar Mehta	Non - Independent	Member	1	1
Mrs. Prachi Mehta	Non - Independent	Member	1	0
Mr. Parish Meghani	Independent	Member	1	1

Further, the brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company during the financial year 2020-21 are set out in this Annual Report in the format prescribed in the Companies (Corporate Social Responsibility Policy), Rules, 2014.

7. BANKING COMMITTEE:

7.1 Brief description of terms of reference:

The scope of Banking Committee is to discuss the matter relating to banking transaction, i.e. opening of account, change in signatories, obtaining financial assistance from the banks, etc.

7.2 Composition:

The Banking Committee comprised of three members. During the year under review, there was no banking committee meeting held.

The composition of the banking committee is as under:

Name of the Director	Designation	Category
Mr. Harish Mehta	Chairman	Executive Director
Mr. Rahul Rathi	Member	Independent Director
Mr. Jay Sonawala	Member	Independent Director

8. RISK MANAGEMENT COMMITTEE:

The provision of the formation of Risk Management Committee is applicable only to 100 companies by market capitalization. Therefore, the Company has not formed Risk Management Committee.

9. GENERAL BODY MEETINGS

9.1 Details of Annual General Meetings held during last three years, are as follows:

Year	General Meeting	Date of Meeting	Time	Location
2019-20	29 th Annual General Meeting	Thursday, July 16, 2020	3.00 p.m.	Online via video conferencing/other audio-visual means ("VC/OAVM")
2018-19	28 th Annual General Meeting	Friday, July 25, 2019	3.00 p.m.	The Victoria Memorial School for the Blind, 73, Tardeo Road, Mumbai - 400 034.
2017-18	27 th Annual General Meeting	Friday, July 20, 2018	3.00 p.m.	The Victoria Memorial School for the Blind, 73, Tardeo Road, Mumbai - 400 034.

9.2 Details of special resolutions passed in the previous three Annual General Meetings

Year	Date of Meeting	Subject matter of special resolutions
2019-20	Thursday, July 16, 2020	<ol style="list-style-type: none"> 1) Appointment of Mr. Subrata Kumar Mitra as an Independent Director of the Company for a period 3 years w.e.f. July 21, 2020. 2) Appointment of Mr. Jay Sonawala as an Independent Director of the Company for a period of 3 years w.e.f. July 21, 2020. 3) Re-appointment of Mr. Rahul Rathi for the second term as an Independent Director of the Company for a period of 3 years w.e.f. July 21, 2020. 4) Re-appointment of Mr. Parish Meghani for the second term as an Independent Director of the Company for a period of 3 years w.e.f. July 21, 2020.
2018-19	Friday, July 25, 2019	<ol style="list-style-type: none"> 1) Continue office of Mr. Harish Mehta (DIN: 00153549) as an Executive Chairman who is above 70 years of age. 2) Revision of remuneration of Mr. Harish Mehta (DIN: 00153549), Executive Chairman of the Company. 3) Revision of remuneration of Mr. Jigar Mehta (DIN: 06829197), Managing Director of the Company. 4) Create, offer, issue and allot options under employee stock option plan: 5) Approve Employee Stock Option Plan for employees of the Subsidiary Companies.
2017-18	Friday, July 20, 2018	None

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

9.3 Extra-ordinary General Meeting:

No Extra-ordinary General Meeting of the members was held during the year.

9.4 Postal Ballot:

During the year under review, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made thereunder), the Company passed resolution for Approval of Material Related Party Transaction(s) with Onward Network Technologies Private Limited, holding company by postal ballot, the details of voting are given below:

Voting table

	No. of Votes Polled	No. of Votes – In Favour	No. of Votes Against	% of Votes in favour on votes polled	% of votes against on votes polled
Members voted in favour of the resolution (Assent)					
Promoter & Promoter group	508,583	508,583	0	100%	0.00
Public Institutions	0	0	0	0	0
Public Non-Institutions	12,34,238	12,24,106	0	99.1791	0
Members voted against the resolution (Dissent)					
Promoter & Promoter group	0	0	0	0	0
Public Institutions	0	0	0	0	0
Public Non-Institutions	0	0	10,132	0	0.8209

M/s Nilesh A. Pradhan & Co. LLP, Practicing Company Secretaries, was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for Postal Ballot:

In compliance with Sections 110 and 108 of the Companies Act, 2013 (the “Act”), and all other applicable provisions, if any, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), General Circular No. 14/ 2020 dated 8 April 2020, General Circular No. 17/2020 dated 13 April 2020 and General Circular No. 22/ 2020 dated 15 June 2020 in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID - 19” issued by the Ministry of Corporate Affairs, Government of India (“MCA Circulars”), and applicable provisions of the LODR Regulations, the Company provided electronic voting (e-voting) facility to all its members. The Company engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

On account of difficulties posed in the dispatch of this Notice along with the explanatory statement by post or courier, due to the threat posed by the COVID-19 pandemic and as permitted under the MCA Circulars, the Company sent Notice of Postal Ballot in electronic form only to all the members whose e-mail addresses were registered with the Company or with the depositories in compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the aforementioned MCA Circulars, the Company extended the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The members had to vote on resolutions through remote e-voting facility only. Assent or dissent of the members on the resolution mentioned in the Notice would only be taken through the remote e-voting system as per the MCA Circulars.

The e-voting commenced on Saturday, August 29, 2020 at 9:00 a.m. (IST) and ended on Sunday, September 27, 2020 at 5:00 p.m. (IST). The e-voting module was disabled by NSDL for voting thereafter.

On the basis of the Report of the Scrutinizer, M/s Nilesh A. Pradhan & Co. LLP, Practicing Company Secretaries, Ms. Dimple Chauhan, Company Secretary, on behalf of Board declared the result of Postal Ballot and announced that the Ordinary Resolution as specified in the Postal Ballot Notice was duly passed by the requisite majority. The result of postal ballot was displayed on the website of the Company; <https://www.onwardgroup.com/investors.php>, besides being communicated to the Stock Exchanges and Registrar & Share Transfer Agents. The date of declaration of results of Postal Ballot was the date on which the resolution was deemed to have been passed, approved by requisite majority.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

10. MEANS OF COMMUNICATION:

We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

Financial Results: The Quarterly/Half Yearly/ Annual Financial Results are published in the English daily 'Free Press Journal and in a vernacular language newspaper 'Navshakti.

Website and Press Releases: The Company's audited financial results, press releases and the presentations made to institutional investors and analyst and other intimations to Stock Exchanges are posted on the Company's website - <https://www.onwardgroup.com/investors.php> in the downloadable form and websites of BSE and NSE viz. www.bseindia.com and www.nseindia.com

The Company also conducts calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Managing Director, CFO and other members of the management.

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. 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.

11. GENERAL SHAREHOLDER INFORMATION**11.1 30th Annual General Meeting:**

Day	: Friday
Date	: July 16, 2021
Time	: 3.00 P.M.
Venue	: Meeting is being conducted through VC/OAVM Pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM.

11.2 Financial Year:

The financial year of the Company starts from April 1 of every year to March 31 of the next year.

11.3 Date of Book Closure

As mentioned in the Notice of this AGM.

11.4 Particulars of Dividend Payment:

The Board of Directors of your Company have recommended a final dividend of ₹ 3/- per equity share of face value of ₹ 10/each i.e. @ 30% for the financial year 2020-21. The final dividend, if approved, shall be paid/credited within 30 days from the date of AGM i.e. August 13, 2021.

11.5 Listing on Stock Exchanges and Scrip Information:

The equity shares of the Company are listed at BSE Limited [BSE] and National Stock Exchange of India Limited [NSE].

Stock Code and Other related Information:

BSE	NSE	ISIN	CIN
517536;	ONWARDTEC	INE229A01017	L28920MH1991PLC062542

11.6 Annual Listing Fees and Custodial Fees:

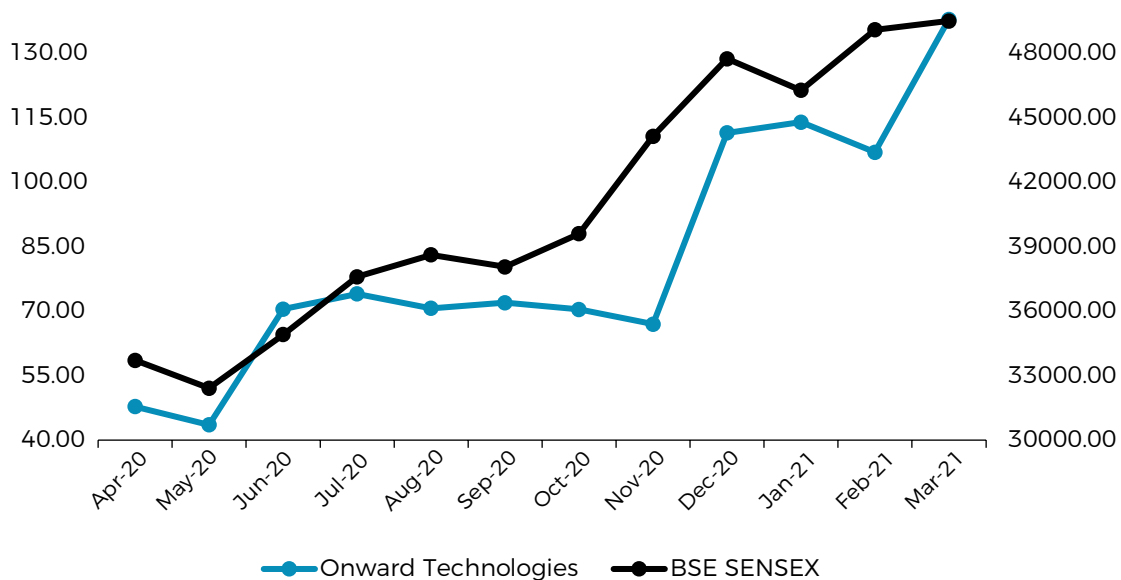
The listing fees and custodial fees for the financial year 2021-22 have been paid by your Company within the stipulated time.

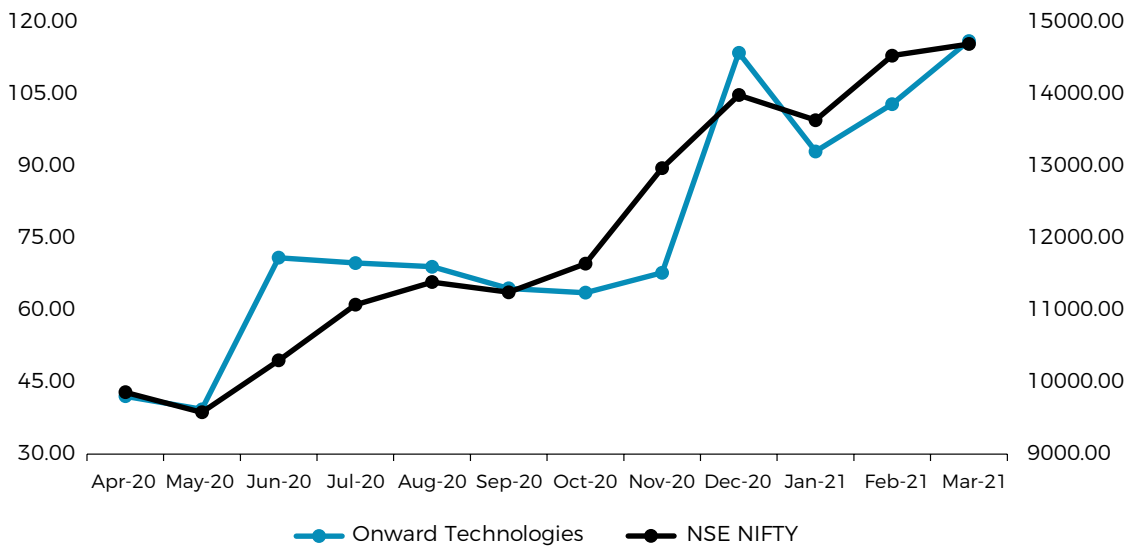
11.7 Market Price Data:

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 - 2020	47.85	38.15	42.05	38.25
May - 2020	43.60	34.65	39.35	35.05
June - 2020	70.50	39.50	70.90	60.55
July - 2020	74.05	53.70	69.80	60.30
August - 2020	70.70	60.00	69.00	58.35
September - 2020	72.00	57.70	64.50	61.55
October - 2020	70.45	57.60	63.60	61.00
November - 2020	67.00	58.90	67.75	63.55
December - 2020	111.50	64.50	113.55	105.00
January - 2021	114.00	82.05	93.00	88.00
February - 2021	107.00	84.85	102.85	98.00
March - 2021	137.90	100.75	116.00	113.05

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





11.8 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: <https://www.onwardgroup.com/investors.php>

The details of the outstanding unclaimed dividend as on March 31, 2021 is as under:

Year of Declaration	Date of Declaration	Interim/ Final	Unclaimed Amount as on March 31, 2021
2015-16	July 18, 2016	Final	₹ 212,820
2016-17	July 21, 2017	Final	₹ 234,582
2017-18	July 20, 2018	Final	₹ 246,921
2018-19	July 25, 2019	Final	₹ 334,452
2019-20	July 16, 2020	Final	₹ 222,843

11.9 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

11.10 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.

11.11 Distribution of Shareholding as on March 31, 2021:

Sr. No.	Shareholding No. of Shares		Shares	% To Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	1,280,869	7.84	9,552	87.50
2	501	1000	525,805	3.22	635	5.82
3	1001	2000	487,507	2.98	321	2.94
4	2001	3000	311,640	1.91	122	1.12
5	3001	4000	258,177	1.58	71	0.65
6	4001	5000	308,902	1.89	65	0.60
7	5001	10000	534,207	3.27	74	0.68
8	10001	999999999	1,26,31,663	77.31	77	0.71
TOTAL			1,63,38,770	100.00	10,917	100.00

Ownership Pattern as on March 31, 2021

Category	No. of Shares	%
Promoters & Promoters Group	1,00,82,281	61.71
Mutual Funds	3,750	0.0230
Banks/ Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions/ Non-Govt. Institutions)	350	0.0021
Private Corporate Bodies	569,559	3.4859
Indian Public	53,95,789	34.52
HUF	1,61,167	0.9864
NRIs/OCBs/ Foreign Nationals	1,25,874	0.77
Total	1,63,38,770	100%

11.12 Dematerialization of shares and liquidity:

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. As at March 31, 2021, 1,61,60,841 Equity Shares out of 1,63,38,770 Equity Shares of the Company, constituting 98.91% of the Company's paid-up capital is held in the dematerialized form.

11.13 ADRs/GDRs/Warrants:

The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.

11.14 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.

11.15 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.

11.16 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

12. OTHER DISCLOSURES

12.1 The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations.

12.2 Related Party Transactions

During the financial year 2020-21, the Company had not entered into any material transactions with any of its related parties 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 SEBI (LODR) 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 Board of Directors have approved a policy for related party transactions which has been uploaded on the Company's website: <https://www.onwardgroup.com/investors.php>

12.3 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 SEBI (LODR) Regulations is also available on the Company's website: <https://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.

12.4 Insider Trading Policy

The Company has a Code of Conduct for Prevention of Insider Trading as required under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to regulate trading in securities by the Directors and designated employees of the Company.

The Board have also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the requirements of the SEBI Insider Trading Regulations. Fair Disclosure and Conduct have been uploaded on website of the Company and can be accessed through the following link: <https://www.onwardgroup.com/investors.php>

12.5 In accordance with the provisions of Regulation 26(6) of the SEBI (LODR) 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.

12.6 The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets. There were no penalties imposed or strictures passed against the Company by SEBI, stock exchange(s) on which the shares of the Company are listed or any statutory authority in this regard, during the last 3 (three) years.

12.7 Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Agreement:

The Company has fully complied with the mandatory requirements of the SEBI (LODR) Regulations entered into with the Stock Exchanges.

12.8 Material Subsidiary

Regulation 24 of the SEBI (LODR) Regulations relating to Corporate Governance defines a 'material non-listed Indian Subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company 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: <https://www.onwardgroup.com/investors.php>.

12.9 The Company has not raised funds through preferential allotment or Qualified Institutional Placement till March 31, 2021.

12.10 Credit Ratings and any Revisions Thereto For Debt Instruments

Onward Technologies Limited obtained its rating from ICRA Ltd. As on November 3, 2020, the long term reaffirmed to Onward Technologies Limited and was [ICRA] BBB- being stable and assigned short term non fund based rating [ICRA](A3). The documents related to credit rating is available on www.onwardgroup.com.

12.11 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

a	number of complaints filed during the financial year	Nil
b	number of complaints disposed of during the financial year	Nil
c	number of complaints pending as on end of the financial year	Nil

12.12 Disclosure of Discretionary Requirements:

Disclosures of discretionary requirements as per Part E of Schedule II read with Regulation 27 (1) of the Listing Obligations are as under:

- A) 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.
- B) The Company shall endeavor to provide half yearly declarations on financial performance of the Company including significant events in last six months of operations.
- C) The Company strives towards having an unmodified audit opinion. Further, there has not been any modified audit opinions during the financial year 2020-21.
- D) M/s. Ahuja Valecha & Associates LLP, Chartered Accountant, internal auditors of the Company for the financial year 2020-21 reported directly to the Audit Committee of the Company.

12.13 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 engaged the services of Nilesh A. Pradhan & Co., LLP, Practicing Company Secretary as Secretarial Auditor of the Company for providing this certification. The Company has also obtained the said Secretarial Compliance Report, on voluntary basis from Secretarial Auditor of the Company.

12.14 Certificates from Practicing Company Secretary

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Prajakta Padhye, (CP No. 7891), Partner of M/s. Nilesh A. Pradhan & Co., LLP, Practicing Company Secretaries, that 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 14, 2021. A compliance certificate from Nilesh A. Pradhan & Co., LLP, Practicing Company Secretary pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is attached.

12.15 The particulars of payment of Statutory Auditor's fees, on consolidated basis for financial year March 31, 2021 is given below:

Particulars	(₹ in Lakhs)
	FY 2020-21
Audit Fees	15.00
Limited Review	6.00
Tax Audit Fees	--
Fees for Other Services	4.40
Reimbursement of expenses	0.60
Total	26.00

12.16 CEO/CFO Certification:

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2020-21 signed by Mr. Jigar Mehta, Managing Director and Mr. Devanand Ramandasani, CFO, was placed before the Board of Directors of the Company at their meeting held on May 14, 2021 and is annexed to this Report.

12.17 During the financial year 2020-21, the Board has accepted all the recommendations of its Committee

CEO & CFO Certification

We, Jigar Mehta, Managing Director and Devanand Ramandasani, 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 2020-21 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.
4. 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 14, 2021

Jigar Mehta

Managing Director

Devanand Ramandasani

Chief Financial Officer

Declaration

To,
The Members,
Onward Technologies Limited

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, 2021.

For Onward Technologies Limited

Place : Mumbai

Date : May 14, 2021

Jigar Mehta
Managing Director
DIN: 06829197

Practising Company Secretaries' Certificate on Corporate Governance

**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, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) 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') pursuant to the Listing Agreement of the said Company with stock exchange(s).

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 explanation given to us by the Company the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

COP No: 7891

UDIN: F007478C000299220

Date : May 14, 2021

Place : Dombivali

Certificate [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 registers, records, forms and returns maintained / filed by Onward Technologies Limited (CIN:L28920MH1991PLC062542) having its Registered Office at Sterling Centre, 2nd Floor, Dr. A.B. Road, Worli, Mumbai - 400 018 (hereinafter referred to as the "Company") and notices and disclosures received from the Directors of the Company and produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 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) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company as listed hereunder as on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other statutory authority.

Sr. No.	Name of Directors	Director Identification Number (DIN)	Date of Appointment *
1	Harish Shantilal Mehta	00153549	18/07/1991
2	Jigar Harish Mehta	06829197	16/05/2016
3	Prachi Harish Mehta	06811085	27/03/2015
4	Parish Arun Meghani	02106768	10/05/2017
5	Rahul Ramkumar Rathi	00966359	24/04/2017
6	Subrata Kumar Atindra Mitra	00029961	15/05/2020
7	Jay Nitin Sonawala	01401445	15/05/2020

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

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

COP No: 7891

UDIN: F007478C000299220

Date : May 14, 2021

Place : Dombivali

Independent Auditors' Report

To the Members of Onward Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying 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") (refer Note 1(a) to the attached Consolidated Financial Statements), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as the "Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' 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 India in terms of the Code of Ethics issued by ICAI 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, other than the financial information as certified by the management and referred to in sub-paragraph 14 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 38 of the Consolidated Financial Statement relating to merger of Onward eServices Limited (the "Transferor Company") with the Holding Company. The impact of the merger has been eliminated in the Consolidated financial results. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. 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	How our audit addressed the key audit matter
Appropriateness of recognition of revenue:	
Refer note 1(f) and note 20 in the Consolidated Ind AS Financial Statements.	Our audit procedures included the following:
The Group enters into revenue contracts and management uses its judgement in respect of matters such as identification of performance obligations; allocation of consideration to identified performance obligations and recognition of revenue basis assessment of whether performance obligation is fulfilled over time or at a point in time, as per the requirement of the Ind AS 115.	<ul style="list-style-type: none"> • Obtaining an understanding of and testing the design and operating effectiveness of key controls around the revenue recognition; • Testing of revenue transactions during the year on sample basis to gain an understanding of the terms of the contracts including pattern of transfer of rights and obligations under the contract; • In respect of the contracts tested, evaluating the management's assessment of revenue recognition, ensuring the compliance with the requirement of Ind AS 115 and reaffirming the judgements applied by the management based on the actual outcome of delivery of contract;
This has been determined as a KAM in view of the complexity in application of requirements of Ind AS 115 and significant management judgements and estimates involved in such application. Further, there is an inherent and presumed risk of fraud involved in the revenue recognition.	<ul style="list-style-type: none"> • Verifying the underlying evidences to ensure that revenue is recognised appropriately; • Evaluating the adequacy of disclosures in the Consolidated Financial Statements.
	Based on the above procedures performed, we did not find any significant exceptions to management's assessment of recognition of revenue.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained 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.

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

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective 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 the Group 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 the design, implementation and

maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

8. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

10. 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 auditors' 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.
11. 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 Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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 and appropriate audit evidence regarding the financial information of the 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 Consolidated

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.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements 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.
13. 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.
14. 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 auditors' 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

15. We did not audit the financial information of two subsidiaries whose financial information reflect total assets of ₹ 208.96 lakhs and net assets (negative) of ₹ 95.98 lakhs as at March 31, 2021, total revenue of ₹ 887.34 lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 21.94 lakhs and net cash flows (net inflow) of ₹ 3.27 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar 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 including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

16. As required by Section 143(3) of the Act, 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 reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), 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 and records maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 28(a) to the Consolidated Financial Statements.
 - ii. The Group has long-term contracts including derivative contracts as at March 31, 2021 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended as on March 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.
17. The Group has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 21108391AAAADP7724

Place : Pune

Date : May 14, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the consolidated financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of Onward Technologies Limited (hereinafter referred to as the "Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting 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 (ICAI). 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

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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

7. 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 control 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.

Opinion

8. In our opinion, the Holding Company, has in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 21108391AAAADP7724

Place : Pune

Date : May 14, 2021

Consolidated Balance Sheet

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	1,713.90	801.60
Intangible assets	4	387.87	408.53
Intangible assets under development	4	7.50	-
Right of use assets	31	879.45	1,594.14
Financial assets			
(a) Loans	6(a)	252.64	303.21
(b) Other financial assets	6(b)	51.26	-
Deferred tax assets	13(a)	330.52	275.10
Income tax assets (net)	13(b)	1,113.03	1,932.23
Other non-current assets	11	2.58	24.99
Total non-current assets		4,738.75	5,339.79
II. Current assets			
Financial assets			
(a) Investments	5	10.00	-
(b) Trade receivables	7	4,082.84	4,979.90
(c) Cash and cash equivalents	8	2,849.05	1,778.65
(d) Bank balances other than (c) above	9	98.28	435.77
(e) Contract assets	10(a)	1,340.10	418.07
(f) Other financial assets	10(b)	9.68	14.68
Other current assets	12	639.45	646.60
Total current assets		9,029.40	8,273.67
Total assets		13,768.15	13,613.47
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	1,633.88	1,604.26
Other equity	14 (b)	5,814.25	5,202.68
Total equity		7,448.13	6,806.94
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	15	60.40	-
(b) Lease Liabilities	31	546.20	1,088.06
Provisions	19(a)	479.46	246.72
Deferred tax liabilities	13(a)	-	67.44
Total non-current liabilities		1,086.06	1,402.22

Consolidated Balance Sheet (Contd.)

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
II. Current liabilities			
Financial liabilities			
(a) Borrowings	16	1,464.72	1,806.12
(b) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		27.96	41.70
- Total outstanding dues of creditors other than micro enterprises and small enterprises		689.02	543.53
(c) Lease Liabilities	31	429.73	570.93
(d) Other financial liabilities	18	1,512.65	1,510.58
Provisions	19(b)	137.38	207.22
Income Tax Liabilities	13(b)	-	54.45
Contract Liabilities	20(a)	294.81	48.85
Other current liabilities	20(b)	677.69	620.93
Total current liabilities		5,233.96	5,404.31
Total liabilities		6,320.02	6,806.53
Total equity and liabilities		13,768.15	13,613.47

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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Jigar Mehta Devanand Ramandasani
Executive Managing Director Chief Financial Officer
Chairman DIN: 06829197
DIN: 00153549

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Consolidated Statement of Profit and Loss

For the year ended March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	21	24,036.66	27,154.51
Other income (net)	22	533.52	105.96
Total Income		24,570.18	27,260.47
Expenses			
Purchase of Software Licenses	23	174.29	44.57
Employee benefits expense	24	18,897.20	21,097.97
Finance costs	25	232.38	346.42
Depreciation and amortisation expense	26	1,044.47	1,132.81
Other expenses	27	3,240.57	3,674.37
Total expenses		23,588.91	26,296.14
Profit before tax		981.27	964.33
Income tax expense			
Current tax	13(b)	373.56	480.00
Deferred tax	13(a)	(126.08)	(139.44)
Total tax expense		247.48	340.56
Profit for the year		733.79	623.77
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	19(b)	14.41	42.63
Income tax relating to these items	13(b)	(3.63)	(10.73)
Items that may be reclassified to profit or loss			
Exchange differences on foreign operations	14(b)	(39.67)	154.20
Income tax relating to these items		-	(3.12)
Total other comprehensive income for the year, net of tax		(28.89)	182.98
Total comprehensive income for the year		704.90	806.75
Earnings per share			
Basic	28	4.52	3.90
Diluted	28	4.35	3.76

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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Jigar Mehta Devanand Ramandasani
Executive Managing Director Chief Financial Officer
Chairman DIN: 06829197
DIN: 00153549

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Statement of Changes in Equity

For the year ended March 31, 2021

A Equity share capital

	Notes	Total
As at April 1, 2019		1,580.49
Change in equity share capital	14(a)	23.77
As at March 31, 2020		1,604.26
Change in equity share capital	14(a)	29.62
As at March 31, 2021		1,633.88

B Other Equity

	Note	Securities premium account	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve	Share Application Money pending allotment	Total
As at April 1, 2019		1,541.95	2,547.19	324.06	100.35	7.93	4,521.48
Profit for the year		-	623.77	-	-	-	623.77
Other Comprehensive Income		-	31.90	-	151.08	-	182.98
Total comprehensive income for the year		-	655.67	-	151.08	-	806.75
Transactions with owners in their capacity as owners							
Issue of equity shares	38	162.29	-	(162.29)	-	-	-
Employee stock option expenses	38	-	-	165.00	-	-	165.00
Dividends paid	14(b)	-	(239.67)	-	-	-	(239.67)
Utilisation of Tax credit for payment dividend distribution tax	14(b)	-	(28.70)	-	-	-	(28.70)
Dividend Distribution tax on above	14(b)	-	(19.99)	-	-	-	(19.99)
Shares allotted against the share application money received	14(b)	-	-	-	-	(23.77)	(23.77)
Shares application money received for allotment of shares	14(b)	-	-	-	-	21.58	21.58
As at March 31, 2020		1,704.24	2,914.50	326.77	251.43	5.74	5,202.68

Statement of Changes in Equity (Contd.)

For the year ended March 31, 2021

Note	Securities premium account	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve	Share Application Money pending allotment	Total
	-	733.79	-	-	-	733.79
	-	10.78	-	(39.67)	-	(28.89)
Total comprehensive income for the year	-	744.57	-	(39.67)	-	704.90
Transactions with owners in their capacity as owners						
Issue of equity shares	200.10	-	(200.10)	-	-	-
Transfer on account for lapsed and forfeited option	-	16.52	(16.52)	-	-	-
Employee stock option expenses	-	-	153.22	-	-	153.22
Dividends paid	-	(243.21)	-	-	-	(243.21)
Shares allotted against the share application money received	-	-	-	-	(33.79)	(33.79)
Shares application money received for allotment of shares	-	-	-	-	30.45	30.45
As at March 31, 2021	1,904.34	3,432.38	263.37	211.76	2.40	5,814.25

The above statement of changes in equity should be read in conjunction with the accompanying notes..

This is the statement of changes in equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta
Executive
Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Devanand Ramandasani
Chief Financial Officer

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Consolidated Statement of Cash Flows

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
A) Cash flows from operating activities		
Profit before income tax	981.27	964.33
Adjustments for		-
Depreciation and amortisation expense	1,044.47	1,132.81
(Profit) / loss on disposal of property, plant and equipment	(11.73)	(0.38)
Interest income	(41.58)	(13.41)
Unwinding of discount on security deposit	(22.76)	(21.62)
Employee share based payment expenses	153.22	164.48
Finance costs	232.38	346.42
Net gain on termination of lease arrangements	(7.66)	-
Unrealised foreign exchange (gain)/loss	(19.16)	(10.46)
Provision for Onerous contract	17.89	-
Allowance for doubtful debts	19.45	49.81
Bad debts written off	4.85	53.82
Operating profit before working capital changes	2,350.64	2,665.80
Changes in operating assets and liabilities		
Decrease/(Increase) in trade receivables	870.92	(129.26)
Decrease in other financial assets	14.49	91.15
Decrease/(Increase) in other assets	29.40	(211.79)
(Increase)/Decrease in Contract assets	(922.51)	438.55
Decrease in loans	73.33	5.45
Increase in trade payables	131.26	151.14
Increase in other liabilities	300.33	234.27
(Decrease)/Increase in other financial liabilities	(101.46)	153.60
Increase in employee benefit obligations	159.14	59.82
Cash generated from operations	2,905.54	3,458.73
Net Refund received/(Income taxes paid)	390.70	(582.16)
Net cash inflow from operating activities	3,296.24	2,876.57
B) Cash flows from investing activities		
Payments for property, plant and equipment	(1,262.96)	(198.63)
Payments for intangible assets	(73.25)	(39.32)
Proceeds from sale of property, plant and equipment	31.40	14.31
Net proceeds from the investments in fixed deposits	286.23	(352.39)
Investment in mutual funds	(10.00)	-
Interest received	41.58	13.41
Net cash outflow from investing activities	(987.00)	(562.62)

Consolidated Statement of Cash Flows (Contd.)

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
C) Cash flows from financing activities		
Interest paid	(218.49)	(356.86)
Principal elements of lease payments	(500.86)	(487.16)
Proceeds from issue of shares	29.62	23.77
Proceeds from share application money pending allotment	(3.34)	(2.19)
(Repayment)/Proceeds (of)/from borrowings	(290.02)	66.81
Payment of Dividend	(243.21)	(239.67)
Net cash outflow from financing activities	(1,226.30)	(995.30)
Net increase / (decrease) in cash and cash equivalents	1,082.94	1,318.65
Cash and cash equivalents at the beginning of the period	1,778.65	433.93
Effect of foreign exchange on cash and cash equivalents	(12.54)	26.07
Cash and cash equivalents at the end of the period	2,849.05	1,778.65

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

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	2,849.05	1,778.65
Balances as per statement of cash flows	2,849.05	1,778.65

The above statement of cash flow is prepared under Indirect Method of Ind AS 7 - Statement of cash flows.

Non-cash financing and investing activities

- Acquisition of right-of-use assets - INR 29.94 lakhs (March 31, 2020 - INR 14.45 lakhs) (Refer Note 31)

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

This is the consolidated statement of cash flow referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016Neeraj Sharma
Partner
Membership No.: 108391For and on behalf of the Board of Directors of
Onward Technologies Limited

Harish Mehta Executive Chairman DIN: 00153549	Jigar Mehta Managing Director DIN: 06829197	Devanand Ramandasani Chief Financial Officer
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Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359Dimple Chauhan
Company SecretaryPlace : Pune
Date : May 14, 2021Place : Mahabaleshwar
Date : May 14, 2021Place : Pune
Date : May 14, 2021

Notes to the Consolidated Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Background:

Onward Technologies Limited (referred as the “Holding Company”) and its subsidiaries (together referred as “Group”). 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 and is listed at both, National Stock Exchange and Bombay Stock Exchange. The 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 has its registered office in Mumbai and in Pune. The Group has a branch in United Kingdom.

1. Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Interest in Subsidiaries

Sr. No.	Name of the entity	% of Holding		Country of Incorporation
		March 31, 2021	March 31, 2020	
1	Onward Technologies Inc.	100%	100%	United States of America
2	Onward Technologies GmbH	100%	100%	Germany
3	Onward Properties Private Limited	100%	100%	India
4	Onward eServices Limited*	100%	100%	India

*Merged with the holding company effective from April 1, 2019

(b) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects 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 authorised these financial statements for issue on May 14th 2021.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) 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 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) New and amended standards adopted by the Group

The group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(c) Principles of Consolidation

(i) 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 deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

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.

(d) 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. Accordingly, separate segment information is not required to be disclosed.

(e) 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.

(ii) Transactions and balances

Foreign currency transactions (including transaction of foreign branches) are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss and are presented in the Statement of Profit and Loss on a net basis.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Group Companies

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.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(f) 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
- iv. allocate the transaction price to each of the separate performance obligations, and
- v. recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Group derives revenue primarily from engineering design services, IT services and sale of licenses. 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 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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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.

(i) Sale of services

a) Time and material contracts:

Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.

b) Fixed- price contracts:

For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual costs incurred to the total estimated cost to complete the performance obligation in context of the contract.

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.

(ii) Revenue from sale of user licenses/software products:

Revenue from the sale of user licenses for software applications is recognised at point in time on transfer of the title in the user license. Revenue is recognised on principal basis if the group controls a promised good or service before the entity transfers the good or service to a customer.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues and advance amount received from customers which are classified as contract liabilities (referred to as unearned revenues and advance from customers).

Revenue from sale of service is derived from service over the period of time and Revenue from Sale of traded software licenses is derived from services at a point in time'.

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.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(iii) 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 is recognised on time proportionate basis taking into account the amount outstanding and the rate applicable. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

(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 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 and presented with other income.

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 period is the tax payable on the current period'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 period 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 substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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 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

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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

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:

- fixed payments (including - in-substance fixed payments), less any lease incentive receivable.
- amounts expected to be payable by the Group under residual value guarantees.
- 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

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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 hardwares.

Further, the group has adopted the policy of accounting for Intangible Assets as per Ind AS 38 and not as per the leases standard.

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.

(j) Impairment of 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.

(k) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(l) 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 the amount of consideration 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.

(m) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(n) Investments and other Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follows:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Group subsequently measures equity investment at fair value. The Group's Management elects to present fair value gains and losses on equity investments in other comprehensive income on an instrument by instrument basis.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(iv) Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(o) Derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in Other income or Other expenses, as the case may be.

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.

(p) 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.

(q) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using straight -line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term 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.

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.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(r) Intangible assets

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. 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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(s) 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.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been distinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/(expenses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as a consequence of the breach.

(u) Provisions and contingent 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.

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.

(v) 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 expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(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.

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.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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.

(b) Defined contribution Plans – Provident Fund, Employee State Insurance Scheme

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 when they are due.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(iv) Share-based payments**

Employee options are provided to employees of the Group via the Onward ESOP Scheme 2009. The fair value of the options granted under the Onward ESOP Scheme 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.

(w) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(x) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(y) 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.

(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.

(z) 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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

2. Critical judgements and estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i. Legal contingencies

The Group has received various orders and notices from tax authorities in respect of direct taxes which are subject to different legal interpretation and/or question of facts. The outcome of these matters may have a material effect on financial position, results of operation of cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses. In making the decisions regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiency reliable estimate of the amount of loss. The filing of suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

ii. Segment reporting

Ind-AS 108 Operating Segments requires management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Group has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors, based on its internal reporting structure and functions. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Board of Directors to assess performance and allocate resources.

iii. Revenue Recognition

The Group enters into revenue contracts and management uses its judgement in respect of matters such as identification of performance obligations; allocation of consideration to identified performance obligations and recognition of revenue basis assessment of whether performance obligation is fulfilled over time or at a point in time, as per the requirement of the Ind AS 115.

Critical estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using the Black-Scholes model to determine the fair value of the options. Estimating the fair value of the share-based payment transactions requires determination of the most appropriate valuation model, which

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating the fair value for share-based payments are disclosed in Note 37.

ii. Useful lives of property, plant and equipment and intangible assets

The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss.

The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

iii. Impairment of Trade Receivables

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv. Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations are given in Note 19.

v. Lease Liabilities and Right of Use

The Group has used following estimates in determining the Lease Liability and Right of Use

- a. Discounting Rate
- b. Lease Term

For Discounting Rate, the management refers to the implicit rate in the lease agreement and in absence of the same, incremental rate of borrowing is used.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Leasehold Improvements		Furniture & Fixtures		Vehicles		Office Equipment		Electrical Equipments		Computers		Land & Building		Total
Opening gross carrying amount as on April 1, 2019	432.94	381.15	141.86	146.24	15.66	789.63	-	1,907.48							
Additions	34.47	14.97	-	28.79	-	82.85	-	161.08							
Disposals	(1.67)	(7.10)	-	(20.20)	-	(48.08)	-	(77.05)							
Effect of foreign currency exchange differences	4.48	6.98	-	(0.84)	-	2.71	-	13.33							
Gross carrying amount as on March 31, 2020	470.22	396.00	141.86	153.99	15.66	827.11	-	2,004.84							
Accumulated depreciation	231.16	121.62	51.44	58.89	6.48	459.92	-	929.51							
Charge for the year	71.52	43.43	24.11	29.33	1.87	160.87	-	331.13							
Disposals	(1.66)	(3.83)	-	(16.78)	-	(40.85)	-	(63.12)							
Effect of foreign currency exchange differences	1.89	2.93	-	(1.27)	-	2.17	-	5.72							
Closing accumulated depreciation as at March 31, 2020	302.91	164.15	75.55	70.17	8.35	582.11	-	1,203.24							
Net carrying amount as on March 31, 2020	167.31	231.85	66.31	83.82	7.31	245.00	-	801.60							
Particulars	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Electrical Equipments	Computers	Land & Building	Total							
Opening gross carrying amount as on April 1, 2020	470.22	396.00	141.86	153.99	15.66	827.11	-	2,004.84							
Additions	-	3.55	76.38	1.24	-	142.45	1,040.68	1,264.30							
Disposals	(77.83)	(20.34)	(54.76)	(23.69)	-	(38.37)	-	(214.99)							
Effect of foreign currency exchange differences	(1.45)	(2.82)	-	(0.33)	-	(1.11)	-	(5.71)							
Gross carrying amount as on March 31, 2021	390.94	376.39	163.48	131.21	15.66	930.08	1,040.68	3,048.44							
Accumulated depreciation	302.91	164.15	75.55	70.17	8.35	582.11	-	1,203.24							
Charge for the year	78.00	48.23	22.35	29.19	1.71	140.41	11.09	330.98							
Disposals	(68.80)	(16.51)	(51.28)	(20.96)	-	(37.78)	-	(195.33)							
Effect of foreign currency exchange differences	(0.68)	(2.71)	-	(0.22)	-	(0.74)	-	(4.35)							
Closing accumulated depreciation as at March 31, 2021	311.43	193.16	46.62	78.18	10.06	684.00	11.09	1,334.54							
Net carrying amount as on March 31, 2021	79.51	183.23	116.86	53.03	5.60	246.08	1,029.59	1,713.90							

Notes:

- 1 Refer note 15 for hypothecation of charge on vehicle acquired during the year.
- 2 Refer to note 29(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	Intangible assets under development
Opening gross carrying amount as on April 1, 2019	1,179.69	1,179.69	17.89
Additions	28.03	28.03	-
Disposals	(25.19)	(25.19)	-
Effect of foreign currency exchange differences	1.81	1.81	(17.89)
Gross carrying amount as on March 31, 2020	1,184.34	1,184.34	-
Accumulated Amortisation			
Balance as at April 1, 2019	613.69	613.69	-
Amortisation charge for the year	185.51	185.51	-
Disposals	(25.19)	(25.19)	-
Effect of foreign currency exchange differences	1.80	1.80	-
Closing accumulated amortisation as at March 31, 2020	775.81	775.81	-
Net carrying value as on March 31, 2020	408.53	408.53	-

Particulars	Computer Software	Total	Intangible assets under development
Opening gross carrying amount as on April 1, 2020	1,184.34	1,184.34	-
Additions	153.15	153.15	36.30
Disposals	(3.96)	(3.96)	(28.80)
Effect of foreign currency exchange differences	-	-	-
Gross carrying amount as on March 31, 2021	1,333.53	1,333.53	7.50
Accumulated Amortisation			
Balance as at April 1, 2020	775.81	775.81	-
Amortisation charge for the year	173.73	173.73	-
Disposals	(3.96)	(3.96)	-
Effect of foreign currency exchange differences	0.07	0.07	-
Closing accumulated amortisation as at March 31, 2021	945.66	945.66	-
Net carrying value as on March 31, 2021	387.87	387.87	7.50

Notes:

1 Intangible assets under development mainly comprises of software under the process of implementation.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

5 Investment - Current

	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (unquoted)		
Investment in mutual funds		
HDFC Liquid fund - DP - Growth Option 123.99 units (March 31, 2020 : Nil)	5.00	-
HDFC Overnight fund - DP - Growth Option 164.01 units (March 31, 2020 : Nil)	5.00	-
Total	10.00	-
	As at March 31, 2021	As at March 31, 2020
Total current investments	10.00	-
Aggregate amount of unquoted investments	10.00	-
Aggregate amount of impairment in the value of investments	-	-

6 (a) Loans

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Security deposits	252.64	303.21
Total	252.64	303.21

6 (b) Others financial assets - non-current

	As at March 31, 2021	As at March 31, 2020
Balances held as security against bank borrowings	51.26	-
Total	51.26	-

7 Trade Receivables

	As at March 31, 2021	As at March 31, 2020
Trade Receivables	4,124.14	5,001.74
Less: Loss allowance	(41.29)	(21.84)
Total	4,082.84	4,979.90

Break-up of security details

	As at March 31, 2021	As at March 31, 2020
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	4,124.13	5,001.74
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Less: Loss allowance	(41.29)	(21.84)
Total	4,082.84	4,979.90

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***8 Cash and cash equivalents**

	As at March 31, 2021	As at March 31, 2020
Cash in hand	0.60	1.20
Balances with banks		
In current accounts	2,848.44	1,547.90
- Deposits with maturity less than 3 months	-	229.55
Total	2,849.05	1,778.65

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

9 Bank balances other than 8 above

	As at March 31, 2021	As at March 31, 2020
In earmarked accounts		
Balances held as security against borrowings	85.79	425.50
Earmarked balances with banks*	12.49	10.27
Total	98.28	435.77

* Amount represents unclaimed dividend account held for dividend remittance and hence are not available for use.

10 (a) Contract Assets

	As at March 31, 2021	As at March 31, 2020
Contract Asset relating to Mechanical Engineering Design and IT consulting contracts		
- Unbilled Revenue	1,261.78	402.22
- Cost incurred to fulfill the contract	78.32	15.85
Total	1,340.10	418.07

Contract assets - Unbilled revenue

	As at March 31, 2021	As at March 31, 2020
Opening balance	402.22	855.04
Changes on account of:		
Invoice raised during the year	(402.22)	(855.04)
Work performed, invoice yet to be received	1,261.78	402.22
Total	1,261.78	402.22

Significant changes in contract assets

The contract assets have increased as on March 31, 2021 as compared to the previous year on account of timing difference in actual billing and certain costs incurred for which actual billing is pending.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

10 (b) Others financial assets - current

	As at March 31, 2021	As at March 31, 2020
Derivative financial instrument		
- Foreign exchange forward contracts	9.68	-
Security deposits	-	14.68
Total	9.68	14.68

11 Other current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	2.58	24.99
Total	2.58	24.99

12 Other current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	288.00	348.54
Interest receivable on income tax refund	-	30.44
Export Incentives Receivable	206.33	30.16
Research and Development expenditure credit receivable	95.84	-
Others*	49.28	237.46
Total	639.45	646.60

*Others include advances paid to suppliers and employees.

13 (a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at March 31, 2021	As at March 31, 2020
Tax Credits available		
MAT Entitlement	-	34.82
Tax Losses	93.03	94.32
Deferred tax assets		-
Defined Benefit Obligation	158.61	95.73
Allowance for Doubtful debts	10.87	5.57
Disallowance u/s 43B	8.94	20.46
Lease Liabilities	29.01	23.95
Property, plant and equipment and intangible assets	35.44	25.00
Others	16.29	1.99
	352.19	301.84

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

	As at March 31, 2021	As at March 31, 2020
Deferred tax liability		
Property, plant and equipment and intangible assets	19.23	-
Interest on income tax refund	-	4.54
Fair value gain on Preference Shares	-	22.20
Fair value gain on Foreign exchange Forward contracts	2.44	-
	21.67	26.74
Total deferred tax assets (net)	330.52	275.10

The balance of deferred tax comprises temporary differences attributable to:

	As at March 31, 2021	As at March 31, 2020
Tax Credits available		
Tax Losses	-	1.21
Deferred tax assets		
Lease Liabilities	-	1.16
Defined Benefit Obligation	-	-
Others	-	-
	-	2.37
Deferred tax liability		
Property, plant and equipment and intangible assets	-	27.50
Undistributed earnings	-	42.31
	-	69.81
Total deferred tax (liabilities) (net)	-	(67.44)

Note: Disclosed the movement of deferred tax asset and liabilities separately as the Group does not have legal right to offset the same.

Movement in deferred tax assets/ (liabilities) in consolidated statement of profit and loss (charged)/ credited during the year

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
MAT Entitlement	(34.82)	(4.96)
Tax Losses	(94.32)	50.17
Defined Benefit Obligation	56.99	14.71
Allowance for Doubtful debts	5.30	(16.09)
Disallowance u/s 43B	(11.51)	(11.41)
Lease Liabilities	4.80	23.95
Others	5.08	(3.04)
Property, plant and equipment and intangible assets	10.44	48.00
Interest on income tax refund	4.54	4.40
Fair value gain on Preference Shares	22.20	(12.03)
Fair value gain on Foreign exchange Forward contracts	(2.44)	22.44

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
- Foreign subsidiaries		
Tax Losses	91.82	(0.75)
Lease Liabilities	(0.89)	0.84
Defined Benefit Obligation	9.52	-
Others	8.79	(0.50)
Property, plant and equipment and intangible assets	8.27	12.32
Undistributed earnings	42.31	(17.31)
Total	126.08	110.74

Movement in Deferred tax assets/ (liabilities) in Retained earnings (charged)/credited during the year

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Utilisation of Tax credit for payment dividend distribution tax	-	28.70

13 (b) Taxation

Income tax assets /(Income tax liabilities)

	As at March 31, 2021	As at March 31, 2020
Opening Balance		
- Income tax liabilities (Current)	(54.45)	-
- Income tax assets (Non-Current)	1,932.23	1,775.61
Add : Current tax payable for the year	(373.56)	(480.00)
Add/ (Less) : (Refund Received)/ Taxes paid	(390.70)	582.16
On account of Exchange differences on translation of foreign operations	(0.49)	0.01
Closing balance		
- Income tax liabilities (Current)	-	54.45
- Income tax assets (Non-Current)	1,113.03	1,932.23

Income Tax Expenses

The major components of income tax expense for the year ended March 31, 2021 and March 31, 2020

Profit and Loss section	Year ended March 31, 2021	Year ended March 31, 2020
Current income tax charge		
Current income tax		
- Current tax on profit for the current year	479.63	458.37
- Adjustments for current tax of prior periods	(106.07)	21.63
Deferred tax	(126.08)	(139.44)
Income tax expense reported in the consolidated statement of profit or loss	247.48	340.56

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

Other comprehensive income section	Year ended March 31, 2021	Year ended March 31, 2020
Deferred tax related to items recognised in OCI during the year	(3.63)	(13.85)
Income tax charged to OCI	(3.63)	(13.85)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

	Year ended March 31, 2021	Year ended March 31, 2020
Accounting profit before tax	981.27	964.33
Tax at Indian income tax rate of 25.17% (March 31, 2020: 25.17%)	246.97	242.70
Adjustments in respect of current income tax of previous years	(18.71)	21.63
Difference in tax rates	(36.69)	(31.72)
Deferred tax expenses/(reversal) on undistributed earnings	(42.31)	17.30
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	11.08	50.05
Deferred tax asset not recognized on losses incurred by subsidiaries	-	21.51
Tax effect of Change in tax rate	17.37	-
Write off of MAT	34.82	-
Tax credit utilised against DDT liability payable	-	(28.70)
Others	34.95	47.79
Total	247.48	340.56
Income tax expense reported in the statement of profit or loss	247.48	340.56

14 (a) Equity share capital

	As at March 31, 2021	As at March 31, 2020
Authorised share capital:		
18,000,000 (March 31, 2020 : 18,000,000) Equity shares of ₹ 10 each	1,800.00	1,800
1,000,000 (March 31, 2020 : 1,000,000) Preference shares of ₹ 10 each	100.00	100
1,000,000 (March 31, 2020 : 1,000,000) unclassified shares of ₹ 10 each	100.00	100
Total	2,000.00	2,000
Issued, subscribed and paid up :		
16,338,770 (March 31, 2020 :16,042,570) Equity Shares of ₹ 10 each	1,633.88	1,604.26
Total	1,633.88	1,604.26

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Reconciliation of number of equity shares issued

	As at March 31, 2021	As at March 31, 2020
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	16,042,570	15,804,870
Shares issued during the year(Nos.) (Refer Note 37)	296,200	237,700
Shares outstanding at the end of the year	16,338,770	16,042,570

(ii) Reconciliation of issued equity share capital

	As at March 31, 2021	As at March 31, 2020
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year	1,604.26	1,580.49
Shares issued during the year	29.62	23.77
Shares outstanding at the end of the year	1,633.88	1,604.26

(iii) Terms/ rights attached to equity shares

The Company has 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.

853,900 (March 31, 2020 : 918,000) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date; each share being fully paid equity share of ₹ 10 each. Refer note 38 for further details of the ESOP scheme.

(iv) Shares held by holding Company

	As at March 31, 2021	As at March 31, 2020
Onward Network Technologies Private Limited (Nos.)	8,388,983	8,343,983

(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, 2021		As at March 31, 2020	
	% holding	No. of shares	% holding	No. of shares
Onward Network Technologies Private Limited	51.34%	8,388,983	52.01%	8,343,983

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***14 (b) Other Equity**

	As at March 31, 2021	As at March 31, 2020
Reserves and Surplus		
Securities premium account		
Opening Balance	1,704.24	1,541.95
Add : Additions on account of exercise of options under Employee Stock Option Plan	200.10	162.29
Closing Balance	1,904.34	1,704.24
Share option outstanding account		
Opening Balance	326.77	324.06
Less : Employee stock options exercised	(200.10)	(162.29)
Less: Transfer on account for lapsed and forfeited option	(16.52)	-
Add : Employee stock option expenses	153.22	165.00
Closing Balance	263.37	326.77
Foreign currency translation reserve		
Opening Balance	251.43	100.35
Gain on translation of foreign currency balances	(39.67)	151.08
Closing Balance	211.76	251.43
Share Application Money pending allotment		
Opening Balance	5.74	7.93
Less : Shares allotted against the share application money received	(33.79)	(23.77)
Add : Shares application money received for allotment of shares	30.45	21.58
Closing Balance	2.40	5.74
Retained earnings		
Opening balance	2,914.50	2,547.19
Net profit for the year	733.79	623.77
	3,648.29	3,170.96
Add: Transfer on account for lapsed and forfeited option	16.52	
Less: Dividend paid	(243.21)	(239.67)
Less: Utilisation of Tax credit for payment dividend distribution tax	-	(28.70)
Less: Dividend distribution tax on above	-	(19.99)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of post-employment benefit obligations (net of tax)	10.78	31.90
Closing Balance	3,432.38	2,914.50
Total	5,814.25	5,202.68

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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 value of equity settled share based payment transactions with employees. 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, kept aside to meet future (known or unknown) obligations.

15 Non-Current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans from financial institutions		
Vehicle loan	69.29	6.68
Total Non-Current Borrowings	69.29	6.68
Less : Current maturities of non-current borrowings (included in Note 18)	8.89	6.68
Total	60.40	-

(i) Terms of repayment for non-current borrowings

	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loan from Bank			
Vehicle Loans	Repayable in 48 instalments beginning from March 4, 2021	Monthly Instalments	8.21%
The borrowing is hypothecated against the car			

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***16 Current borrowings**

	As at March 31, 2021	As at March 31, 2020
Secured		
Cash credit (Refer note (i) below)	-	1,806.12
Unsecured		
Paycheck Protection Program Scheme (Refer note (ii) below)	1,464.72	-
Total	1,464.72	1,806.12

Notes:**(i) Terms of repayment and security details for borrowings availed by the company as at March 31, 2020:**

	Name of the Company	Terms of repayment	Coupon/ Interest rate
Loans repayable on demand			
Secured			
From Banks			
Cash Credit	Onward Technologies Limited	Payable on Demand	Overnight MCLR + 0.8%
Secured			
From Banks			
Cash Credit	Onward Technologies, Inc.USA	Payable on Demand	Prime rate + 1%

Security details for current borrowings

- Onward Technologies Limited
Secured by the Term deposits amounting to INR 348.22 Lakhs with Bank as on March 31,2020 and has exclusive charge on all present and future Current assets including Stocks and Book debts.
- Onward Technologies, Inc.
The line of credit facility is secured by first charge on all assets of the Company.

- ii)** The Group has obtained a loan amounting to INR 1,464.72 lakhs under Paycheck Protection Program ("PPP") in the USA. The Group has provided expenses and interest on loan in statement of profit & loss for the Financial year 2020-2021. The Group's application for forgiveness of the outstanding amount of the loan under the scheme is pending for evaluation and approval by the Small Business Authorities (SBA). Considering lack of precedence of such approval, the amount has been classified as borrowing. Upon receipt of approval from SBA, such loan waiver amount and interest thereon will be recognised as Income in the statement of profit and loss account in corresponding quarter.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for March 31, 2021 and March 31, 2020

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	2,849.05	1,778.65
Other Bank Balances (excluding earmarked balances with banks)	137.05	425.50
Current and Non-current borrowings	(1,534.01)	(1,812.80)
Lease Liabilities	(975.93)	(1,658.99)
Interest accrued	(13.89)	-
Net Debt	462.27	(1,267.64)

	Other assets		Liabilities from financing activities	
	Cash and Cash Equivalents	Other Bank Balance	Borrowings	Lease Obligation
Net debt as on March 31, 2019	434.04	76.44	(1,786.42)	-
Recognised on adoption of Ind AS 116	-	-	-	(2,118.05)
Cash flows	1,318.54	349.06	(66.00)	487.16
Effect of foreign exchange on cash and cash equivalents	26.07	-	29.17	(28.10)
Interest expenses	-	-	(170.92)	(175.50)
Interest paid	-	-	181.36	175.50
Net debt as on March 31, 2020	1,778.65	425.50	(1,812.80)	(1,658.99)
Additions to lease liabilities	-	-	-	(29.19)
Termination of lease arrangements	-	-	-	208.58
Cash flows	1,082.94	(288.45)	290.02	500.86
Effect of foreign exchange on cash and cash equivalents	(12.54)	-	(11.23)	2.81
Interest expenses	-	-	(113.85)	(118.53)
Interest paid	-	-	99.96	118.53
Net debt as on March 31, 2021	2,849.05	137.05	(1,547.90)	(975.93)

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***17 Trade payables**

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	27.96	41.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (Refer Note 30)	-	0.16
(ii) Others	689.02	543.37
Total	716.98	585.23

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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:

	As at March 31, 2021	As at March 31, 2020
Principal amount due to micro and small suppliers registered under the MSMED Act and remaining unpaid as at year end	23.69	38.99
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.27	2.71
Principal amounts paid to micro and small suppliers registered under the MSMED Act, beyond the appointed day during the year	180.10	396.03
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	1.56	1.96
Further interest remaining due and payable for earlier years	2.71	0.75

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

18 Other financial liabilities - current

	As at March 31, 2021	As at March 31, 2020
Unsecured		
Capital creditors	105.49	18.17
Current maturities of non-current borrowings	8.89	6.68
Unpaid Dividend	12.49	10.27
Interest accrued	13.89	-
Employee benefit payable	1,371.89	1,475.46
Total	1,512.65	1,510.58

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

19 (a) Non-current provisions

	As at March 31, 2021	As at March 31, 2020
Employee related provisions		
- Provision for Gratuity	335.93	185.86
- Provision for compensated absences	143.53	60.86
Total	479.46	246.72

19 (b) Current provisions

	As at March 31, 2021	As at March 31, 2020
Employee related provisions		
- Provision for Gratuity	38.04	161.18
- Provision for compensated absences	81.45	46.04
Other provisions		
- Provision for Onerous contract (refer note (D) below)	17.89	-
Total	137.38	207.22

A Defined contribution plan

(i) Provident fund

The Group has certain defined contribution plans. Contributions are made to provident fund for employees at the rate specified by regulatory authorities 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 ₹ 514.50 lakhs (March 31, 2020 - ₹ 633.73 lakhs).

(ii) The expense recognised during the period towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 37.89 lakhs (March 31, 2020 - ₹ 67.29 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 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 Consolidated 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 :**

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2019	338.18	(17.94)	320.24
Current service cost	110.25	-	110.25
Past service cost	7.74	-	7.74
Mortality Charges	-	-	-
Interest expense/(income)	14.81	(1.64)	13.17
Total amount recognised in Profit or Loss	132.80	(1.64)	131.16
Return on plan assets	-	1.21	1.21
(Gain)/loss from experience change	(14.02)	-	(14.02)
(Gain)/loss from demographic change	(2.73)	-	(2.73)
(Gain)/loss from change in financial assumption	(27.08)	-	(27.08)
Total amount recognised in Other Comprehensive Income	(43.83)	1.21	(42.62)
Employer contributions	-	(61.74)	(61.74)
Benefits paid	(52.51)	52.51	-
March 31, 2020	374.64	(27.60)	347.04
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2020	374.64	(27.60)	347.04
Current service cost	71.35	-	71.35
Past service cost	-	-	-
Mortality Charges	-	-	-
Interest expense/(income)	23.95	(1.76)	22.19
Total amount recognised in Profit or Loss	95.30	(1.76)	93.54
Return on plan assets	-	4.00	4.00
(Gain)/loss from experience change	(37.98)	-	(37.98)
(Gain)/loss from demographic change	(10.33)	-	(10.33)
(Gain)/loss from change in financial assumption	29.90	-	29.90
Total amount recognised in Other Comprehensive Income	(18.41)	4.00	(14.41)
Employer contributions	-	(45.88)	(45.88)
Benefits paid	(60.07)	53.75	(6.32)
March 31, 2021	391.46	(17.49)	373.97

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 :

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation	391.46	374.64
Fair value of plan assets	(17.49)	(27.60)
Deficit	373.97	347.04

The Group has no legal obligation to settle the deficit in the funded plan with an immediate contribution or additional one-off contributions.

Fair value of the plan assets represents the balance as confirmed by LIC as on balance sheet date.

III Significant estimates

The significant actuarial assumptions were as follows :

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.30%	6.10% - 6.40%
Salary growth rate for First year	5.00%	3.00%
Thereafter	5.00%	3.00% - 5.00%
Withdrawal rate		
Service greater than 4 years	5.00%	5.00%
Service less than 4 years	40.00%	25.00%
Expected average remaining working lives of employees (in years)	7.02	5.82 - 7.18

IV Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	As at March 31, 2021	As at March 31, 2020
Discount rate		
1 % increase	(37.30)	(29.63)
1 % decrease	44.04	30.97
Salary growth rate		
1 % increase	43.01	28.27
1 % decrease	(37.00)	(24.84)
Withdrawal rate		
1 % increase	(2.55)	(3.65)
1 % decrease	3.17	4.33

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

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

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.

Projected benefits payable from the fund in future years from the date of reporting:

	As at March 31, 2021	As at March 31, 2020
Less than a year	38.04	25.64
Between 2 to 5 years	101.32	162.54
Between 6 to 10 years	147.94	385.63
More than 10 years	580.99	-
Total	868.29	573.81

The weighted duration of the defined benefit obligation is 11 years (March 31, 2020 : OTL 8.36 years and OeSL 7.18 years)

The Group expects to contribute ₹ 120.00 lakhs (March 31, 2020 INR 64.84 lakhs) during the next year towards planned assets.

V The major categories of plan assets are as follows:

	As at March 31, 2021	As at March 31, 2020
Funds managed by insurer	100%	100%

VI 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). Note: The above is a standard list of risk exposures in providing the gratuity benefit. The Company is advised to carefully examine the above list and make suitable amendments (including adding more risks, if relevant) to the same before disclosing the above in its financial statements.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

C Code on Social Security

The Code on Social Security, 2020 ('Code'), pertaining to employee benefits during employment and post-employment, received Presidential assent in September 2020. The ministry of Labour and employment has released draft rules for the code on Social security, 2020 on November 13, 2020. The new code may impact the existing employee benefit obligations of the Group. The Company will assess the impact and recognise it in its financial statements in the period in which the Code becomes effective and the related rules are notified.

D Provision for Onerous contract

This provision for onerous contract is recognized when the expected benefits to be derived by the Company from a revenue contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

	Movement during the year
As at April 1, 2020	-
Charged to profit or loss	
- additional provisions recognised	17.89
Amounts used during the year	-
As at March 31, 2021	17.89

20 (a) Contract liabilities

	As at March 31, 2021	As at March 31, 2020
Advances from customers	-	5.71
Deferred Revenue	283.17	34.19
Others	11.64	8.95
Total	294.81	48.85

Movement in contract liabilities

	As at March 31, 2021	As at March 31, 2020
Opening balance	48.85	1.77
Changes on account of:		
Consideration received from customer - work yet to be performed	11.64	14.66
Revenue recognised in the year that was included in advance from customers	(48.85)	(1.77)
Invoicing done but revenue to be reconised	283.17	34.19
Total	294.81	48.85

Significant changes in contract liabilities

There has been an increase in the contract liabilities as on March 31, 2021 as compared to the previous year mainly on account of increase in the deferred revenue due to increase in advance billings for few customers of the Group.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***20 (b) Other current liabilities**

	As at March 31, 2021	As at March 31, 2020
Statutory dues payable (refer note below)	677.69	620.93
Total	677.69	620.93

Note:

This includes INR 171.34 Lakhs pertaining to credit adjustment made against employee tax liability payable in the USA. The Group is in the process of assessing its eligibility under the Employee Retention Credit relief available under The Coronavirus Aid, Relief and Economic Security Act (CARES Act) introduced by the USA Government. Such amount will be recognised in Statement of Profit and loss once the Group concludes it's eligibility to claim such benefits.

21 Revenue from Operations

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Contract with Customers		
Sale of services		
- Professional and consultancy services	23,794.43	26,718.30
Sale of products		
- Software products	242.23	39.97
	24,036.66	26,758.27
Other Operating Revenue		
- Export Incentives (refer note (d) below)	-	396.24
	-	396.24
Revenue from Operations	24,036.66	27,154.51

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, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors

	Year ended March 31, 2021	Year ended March 31, 2020
India	12,820.45	13,557.20
Outside India	11,216.21	13,201.07
Total	24,036.66	26,758.27

b) Reconciliation of revenue recognised with contract price

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract Price	24,048.30	26,749.32
Adjustment for:- Expected Sales reversal	(11.64)	(8.95)
Revenue from continuing operations	24,036.66	26,758.27

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, 2021	Year ended March 31, 2020
Aggregate amount of transaction price allocated to contracts that are unsatisfied as at reporting date	1,302.51	299.77

Note:

Management expects that entire transaction price allocated to the unsatisfied contracts as of 31 March 2021 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.

d) Other Operating Revenue -

Revenue from Operations for the year ended March 31, 2020 includes export incentives amounting to INR 203.82 lakhs under Service Exports from India Scheme, 2015 (SEIS Scheme) for services exported upto March 31, 2020. In absence of certain clarifications regarding applicability and extent of such benefit for the current year, management has not recognised any such benefit for services exported during the year ended March 31, 2021. Management is confident of receiving benefits against the income recognised for the year ended March 31, 2020.

22 Other income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income from financial assets carried at amortised cost		
Interest on bank deposits	41.58	13.41
Interest income on security deposits	22.76	21.62
Interest on income tax refunds	89.34	37.08
Net profit on disposal of property, plant and equipment	11.73	0.38
Net gain on foreign currency transactions and translations	49.68	-
Government grant (Refer note below)	279.57	-
Net gain on termination of lease arrangements	7.66	-
Miscellaneous income	31.20	33.47
Total	533.52	105.96

Note:

The Company has filed and received an approval for research and development expenditure credit available in the United Kingdom for the FY 2018-19 and FY 2019-20 to the extent of INR 183.74 Lakhs. Based on its assessment and precedence, the Company has recognised for such incentive on accrual basis for the current year to the extent of INR 95.83 Lakhs as it is confident that such grant will be received. The Company is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***23 Purchase of Software Licenses**

	Year ended March 31, 2021	Year ended March 31, 2020
Purchase of Software Licenses	174.29	44.57
Total	174.29	44.57

24 Employee benefits expense

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	17,829.39	19,770.58
Gratuity Expenses (Refer note 19)	93.54	131.16
Contributions to provident and other funds (Refer note 19)	552.39	701.02
Social security and other benefit plans for overseas employees	241.81	292.09
Employee share based payment expense (Refer note 38)	153.22	165.00
Staff welfare expenses	26.85	38.12
Total	18,897.20	21,097.97

The Group continues to evaluate eligibility for benefits announced by the Governments in countries where it operates. During the year ended as on March 31, 2021, the Group has recognised benefits amounting to INR 87.29 lakhs (March 31, 2020: INR Nil) against the employee benefits expense.

25 Finance costs

	Year ended March 31, 2021	Year ended March 31, 2020
Interest on borrowings	106.41	150.56
Interest on Lease Liabilities	118.53	175.50
Other borrowing cost	7.44	20.36
Total	232.38	346.42

26 Depreciation and amortization expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	330.98	331.13
Amortisation of intangible assets	173.73	185.51
Depreciation of right-of-use Assets	539.76	616.17
Total	1,044.47	1,132.81

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Water power and fuel	143.09	179.45
Rent	124.75	67.38
Software Expenses	415.37	398.14
Director sitting fees (Refer note 30)	26.00	19.00
Allowance for doubtful debts	19.45	21.84
Bad Debts written off	4.85	53.82
Communication	78.98	98.17
Rates and taxes	31.24	29.76
Insurance	100.87	75.29
Repairs and maintenance		
- Buildings	59.38	108.95
- Others	42.84	120.79
Travelling and conveyance	355.14	809.14
Legal and professional charges	1,505.32	1,243.44
Payment to auditors (Refer note 27(a))	25.50	23.57
Advertisement and sales promotion	13.17	38.45
Office Expenses	66.14	103.35
Marketing Expenses	2.88	38.82
Net loss on foreign currency transactions and translations	-	59.68
CSR Expenditure (Refer note 27(b))	18.39	15.00
Miscellaneous Expenses	207.21	170.33
Total	3,240.57	3,674.37

27 (a) Payment to auditors

	Year ended March 31, 2021	Year ended March 31, 2020
As auditor		
Statutory Audit	15.00	10.75
Limited reviews	6.00	6.00
In other capacities		
Fees for other services	3.90	4.75
Reimbursement of out of pocket expenses	0.60	2.07
Total	25.50	23.57

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***27 (b) Corporate Social Responsibility (CSR)**

	Year ended March 31, 2021	Year ended March 31, 2020
Amount spent during the year on various projects	18.39	15.00
Amount required to be spent as per Section 135 of Companies Act, 2013	18.39	12.61
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	18.39	15.00
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

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.

28 Earnings per share (EPS)

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	733.79	623.77
Weighted average number of Equity Shares	16,233,960	15,983,104
Basic Earnings per share	4.52	3.90
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	733.79	623.77
Weighted average number of Equity Shares (including potential shares) - Refer note (c) below	16,879,908	16,600,841
Diluted Earnings per share	4.35	3.76
(c) Weighted Average number of shares used as denominator		
	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	16,233,960	15,983,104
Adjustments for calculating diluted earnings per share :		
Options	645,948	617,737
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	16,879,908	16,600,841

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

29 Contingencies and commitments

a) Contingent liabilities

	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts		
Income-tax matters	861.35	921.27
Total	861.35	921.27

Provident fund

The honorable Supreme Court has issued a judgement in February, 2019 in relation to inclusion of certain allowances in the definition of basic wages as defined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group has completed its evaluation and it believes that there will not be any additional liability due to supreme court judgement. The Group will continue to monitor and evaluate its position based on future events and developments.

b) Capital commitments

- i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 25.63 lakhs (March 31, 2020 : ₹ Nil)

30 Related party transactions

a. Parent Entity

- 1 Onward Network Technologies Private Limited

b. Subsidiaries:

Interests in Subsidiaries are set out in note 36.

c. Fellow Subsidiaries:

- 1 Desai Finwealth Investments & Securities Private Limited
- 2 Onward Software Technologies Private Limited

d. Key Management Personnel:

- 1 Mr. Harish Mehta (Executive Chairman)
- 2 Mr. Jigar Mehta (Managing Director)
- 3 Mrs. Prachi Mehta (Director)
- 4 Mr. Pranay Vakil (Independent Director) - (Upto July 20, 2020)
- 5 Mr. Nandkumar Pradhan (Independent Director) - (Upto July 20, 2020)
- 6 Mr. Parish Meghani (Independent Director)
- 7 Mr. Rahul Rathi (Independent Director)
- 8 Ms. Dimple Chauhan (Company Secretary)
- 9 Mr. Devanand Ramandasani (Chief Financial Officer) (w.e.f. October 23, 2019)
- 10 Mr. Venkatasatyasrivan Narayanacharyulu Mudu (Chief Financial Officer) - (upto October 23, 2019)
- 11 Mr. Jay Sonawala (Additional Director) - (w.e.f. May 15, 2020), (Independent Director) - (w.e.f. July 21, 2020)
- 12 Mr. Subrata Kumar Mitra (Additional Director) - (w.e.f. May 15, 2020), (Independent Director) - (w.e.f. July 21, 2020)

e. Other related Parties

- 1 Onward Foundation

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

30 Transactions with related parties:

I Transactions with related parties:

Nature of transaction	Holding Company		Fellow subsidiaries		Key management personnel		Other	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rent paid	63.59	91.26	-	-	-	-	-
Reimbursement of Expenses received	-	0.42	0.05	0.05	-	-	-	-
Reimbursement of Expenses paid	3.49	5.30	0.05	0.05	-	-	-	1.50
Reimbursement of CSR Expenses	-	-	-	-	-	-	18.39	15.00
Employee benefits	-	-	-	-	439.55	412.17	-	-
Long term employee benefits (Refer Note 1)	-	-	-	-	0.15	(3.30)	-	-
Post-employment benefits (Refer Note 2)	-	-	-	-	0.48	2.67	-	-
Purchase of property, plant and equipment (Refer note 3)	1,031.16	-	-	-	-	-	-	-
Employee share-based payments	-	-	-	-	7.94	6.19	-	-
Director sitting fees	-	-	-	-	26.00	19.00	-	-

Note:

- 1 Amount included Reversal of provision made in previous year.
- 2 Amount excludes payment of gratuity made during the year, provided in earlier years amounting to ₹ Nil (March 31, 2020: ₹ 5.55 Lakhs)
- 3 During the year, the Group had acquired office premises from its holding company, Onward Network Technologies Private Limited, as per the agreement dated September 29, 2020 for an agreed consideration amounting to INR 1,083.65 lakhs payable as per agreed tenure. The transaction was approved by the shareholders through postal ballot on September 27, 2020. During the year, the Group has settled the outstanding amount considering the present value of remaining payments. The Audit Committee and Board of Directors have approved the early payment. The amount disclosed above is net of interest expense on deferred payment and present value gain due to early payment. The interest expense is debited to profit and loss account, as a part of financing cost amounting to INR 11.73 Lakhs.

II Outstanding Balances from sale/ purchase of goods and services

	Holding Company		Fellow subsidiaries		Key management personnel	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Salary and Allowance payable	-	-	-	-	105.93	122.38
Trade Payable	-	0.16	-	-	-	-
Deposit	11.70	44.45	-	-	-	-

III Terms and conditions for outstanding balances

Transactions with related parties 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 Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

31 Leases :

(i) Amounts Recognised in the balance sheet :

	As at March 31, 2021	As at March 31, 2020
Right-of-use assets		
Property	879.45	1,594.14
Lease Liabilities		
Current	429.73	570.93
Non Current	546.20	1,088.06
Total	975.93	1,658.99

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 INR 29.94 lakhs (31 March 2020: INR 14.45 lakhs).

(iii) Amounts Recognised in the Statement of Profit and Loss

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expenses (included in finance cost)	118.53	175.50
Expense relating to short-term leases (included in other expenses)	124.75	67.38
Depreciation of right-of-use Assets	539.76	616.17
Total	783.04	859.05

The total cash outflow for leases for the year ended March 31, 2021 was INR 619.39 Lakhs (March 31, 2020 : ₹ 662.66).

32 Fair value measurements

Financial instruments by category

	March 31, 2021		March 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Loans	-	252.64	-	303.21
Trade receivables	-	4,082.84	-	4,979.90
Cash and cash equivalents	-	2,849.05	-	1,778.65
Other bank balances	-	149.54		435.77
Derivative financial assets	9.68	-	-	-
Contract assets	-	1,340.10	-	418.07
Other financial assets		-		14.68
Investments in mutual fund	10.00	-	-	-
Total financial assets	19.68	8,674.17	-	7,930.28

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

	March 31, 2021		March 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial liabilities				
Borrowings	-	1,534.01	-	1,812.80
Trade payables	-	716.98	-	585.23
Capital creditors	-	105.49	-	18.17
Lease Liabilities	-	975.93	-	1,658.99
Interest accrued	-	13.89	-	-
Employee Benefit Payable	-	1,371.89	-	1,475.46
Unpaid Dividend	-	12.49	-	10.27
Total financial liabilities	-	4,730.68	-	5,560.92

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, 2021				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	9.68	-	9.68
Investments in mutual fund	10.00	-	-	10.00

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.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Foreign currency forward contracts - the present value of future cash based on the forward exchange rates at the balance sheet date.
- Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

33 Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk.

The Group's senior management 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 contract assets) 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. 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 eg, 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. Refer note 40 for the assessment of impact of COVID - 19 on credit risk.

Trade Receivables and contract assets

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, 2019	71.64
Write offs against loss allowance	(71.64)
Additional loss allowance provision made	21.84
Loss allowance on March 31, 2020	21.84
Additional loss allowance provision made	19.45
Loss allowance on March 31, 2021	41.29

Financial assets at fair value through profit or loss

The Group is also exposed to credit risk in relation to investments in mutual fund 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 INR 10.00 lakhs (March 31,2020: INR Nil).

Notes to the Consolidated Financial Statements (Contd.)*(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:

	As at 31 March 2021	As at 31 March 2021
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	2,464.72	1,070.92
Total	2,464.72	1,070.92

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 tables below analyse the Group's financial liabilities into relevant maturity group based on their contractual maturities for:

March 31, 2021	< 1 year	> 1 year
Borrowings	1,464.72	60.40
Trade Payables	716.98	-
Payable for purchase of Property, Plant and Equipment	105.49	-
Lease Liabilities	429.73	546.20
Employee Benefit Payable	1,371.89	-
Unpaid Dividend	12.49	-
Interest accrued	13.89	-
Current Maturities of Long-term Debt	8.89	-
Total	4,124.08	606.60

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

March 31, 2020	< 1 year	> 1 year
Borrowings	1,806.12	-
Trade Payables	585.23	-
Payable for purchase of Property, Plant and Equipment	18.17	-
Lease Liabilities	570.93	1,088.06
Employee Benefit Payable	1,475.46	-
Unpaid Dividend	10.27	-
Current Maturities of Long-term Debt	6.68	-
Total	4,472.86	1,088.06

The Group has made detailed assessment of its liquidity position for next one year considering the outbreak of COVID -19 situation and it is confident to meet its financial obligations which will mature during next year.

(C) Market risk

1) Foreign currency risk

The Group operates internationally and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP and NOK. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the Group's functional currency (INR). 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 INR, are as follows :-

	March 31, 2021				March 31, 2020			
	USD	Euro	GBP	NOK	USD	Euro	GBP	NOK
Financial assets								
Trade receivables	12.74	-	447.80	7.51	26.33	5.65	274.60	-
Bank balances	-	-	87.87	-	-	-	96.80	-
Exposure to foreign currency risk (assets)	12.74	-	535.67	7.51	26.33	5.65	371.40	-
Derivative instruments*								
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	455.09	351.92	395.01	-	-	-	-	-
Financial liabilities								
Trade payables	11.83	13.57	-	-	2.26	31.41	17.80	-
Exposure to foreign currency risk (liabilities)	11.83	13.57	-	-	2.26	31.41	17.80	-

* 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.

Notes to the Consolidated 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 financial instruments:

	Impact on Profit after tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD - Increase by 5% (31 March 2020 - 5%)	0.05	1.20
INR/USD - Decrease by 5% (31 March 2020 - 5%)	(0.05)	(1.20)
EURO sensitivity		
INR/Euro - Increase by 5% (31 March 2020 - 5%)	(0.68)	(1.29)
INR/Euro - Decrease by 5% (31 March 2020 - 5%)	0.68	1.29
GBP sensitivity		
INR/GBP - Increase by 5% (31 March 2020 - 5%)	26.78	17.68
INR/GBP - Decrease by 5% (31 March 2020 - 5%)	(26.78)	(17.68)
NOK sensitivity		
INR/GBP - Increase by 5% (31 March 2020 - 5%)	0.38	-
INR/GBP - Decrease by 5% (31 March 2020 - 5%)	(0.38)	-

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 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:

	Weighted Average Interest rate	March 31, 2021	March 31, 2020
Variable rate borrowings	8.25%	-	1,806.12
Fixed rate borrowings	8.21%	69.29	6.68
Total borrowings		69.29	1,812.80

The disclosure stated above is exclusive of loans received from US government under Paycheck Protection Program ("PPP") Scheme. The application for forgiveness of the outstanding amount of the loan under the scheme is pending for evaluation and approval by the Small Business Authorities (SBA).

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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The sensitivity of profit or loss to changes in the interest rates is tabulated below:

	Impact on Profit after tax	
	March 31, 2021	March 31, 2020
Interest rate - Increase by 50 basis points (50bps) *	(4.52)	(8.96)
Interest rate - Decrease by 50 basis points (50bps) *	4.52	8.96

* Holding all other variables constant

34 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, 2021 and March 31, 2020..

The gearing ratios were as follows:

	31 March 2021	31 March 2020
Net Debt*	-	1,267.64
Total Equity	7,448.13	6,806.94
Net Debt to Equity Ratio	0.00%	18.62%

*Since net debt is negative, it is considered as nil in the table above. The net debt to equity ratio for the current year is reduced during the current year. Net debt position is decreased in contrast with increase in net assets. This decrease in net debt position can be attributable to the repayment of borrowings and Lease liability, resulting in net cash position as on reporting date.

(i) Loan Covenants

There are no loan covenants for borrowing outstanding as at balance sheet date.

35 Events after reporting period

- a) The final dividend recommended by Directors is subject to the approval of shareholders in the ensuing annual general meeting.

Dividends

	March 31, 2021	March 31, 2020
i) Equity shares		
Final Dividend for the year ended March 31, 2020 of ₹ 1.5 (March 31, 2019 : ₹ 1.5) per fully paid share	243.21	239.66
i) Dividends not recognised at the end of reporting period	490.16	243.21

The Directors have recommended the payment of a final dividend of ₹ 3.00 per fully paid equity share (March 31, 2020 ₹ 1.5 per equity share). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***36 Interest in Other Entities****(a) Subsidiaries**

The group's subsidiaries as on March 31, 2021 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
		%	%	%	%	
Onward Technologies Inc.	United States of America	100.00	100.00	-	-	
Onward Technologies GmbH	Germany	100.00	100.00	-	-	Mechanical Engineering
Onward eServices Limited*	India	100.00	100.00	-	-	Design and IT Services
Onward Properties Private Limited	India	100.00	100.00	-	-	

*Merged with the holding company effective from April 1, 2019

37 Segment reporting

The company has only one operating segment which is Mechanical Engineering Design and IT Services. Accordingly, separated segment information is not required to be disclosed.

Geographical Information

	31 March 2021	31 March 2021
(1) Revenue from external customers		
- Within India	12,820.45	13,557.20
- Outside India	11,216.21	13,201.07
Total revenue per statement of profit and loss	24,036.66	26,758.27
The revenue information above is based on the locations of the customers		
(2) Non-current operating assets (refer note below)		
- Within India	2,862.33	2,562.94
- Outside India	126.39	241.33
Total	2,988.72	2,804.27

Note:

Non-current assets for this purpose consist of property, plant and equipment, right to use assets, Intangible assets under development and intangible assets.

(3) Revenue from external customers

Revenue from one customer in India amounted to INR 2,848.80 Lakhs (31 March 2020: INR 2,092.78 Lakhs)

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

38 Share-based payments

Employee Stock Option Plan

The Holding Company instituted the 2009 plan and 2019 Plan for all eligible employees in pursuance of a special resolution approved by the shareholders at the extraordinary general meeting held on August 31, 2009 and 25th July 2019 respectively. Schemes cover grant of options to specified permanent employees of the Company as well as its subsidiaries.

Pursuant to schemes, the 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. 25% of the options will vest in the employees at the end of first year, 25% at the end of second year, 25% at the end of third year and balance 25% at the end of fourth year from the grant date.

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 can be exercised within the time prescribed as mentioned above, failing which they would stand cancelled.

Set out below is the summary of the options granted under the plan:

Particulars	March 31, 2021 No. of Options	March 31, 2021 Average exercise price per share option (INR)	March 31, 2020 No. of Options	March 31, 2020 Average exercise price per share option (INR)
Opening Balance	229,500	12.06	150,488	10.00
Granted during the year	70,000	20.00	186,500	13.27
Forfeited/ cancelled during the year	2,425	10.00	6,125	10.00
Lapsed during the year	18,525	12.67	48,413	10.00
Exercised during the year*	65,075	10.95	52,950	10.00
Outstanding as at the end of the year	213,475	14.17	229,500	12.06
Vested and exercisable (shares)	46,500	14.55	66,900	10.00
Unvested (shares)	807,400	14.15	851,100	12.32

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was INR 67.25 (March 31, 2020 - INR 62.75)

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

Share options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	Expiry Date	Expiry Price	Share Options	
			March 31, 2021	March 31, 2020
August 1, 2014	August 1, 2019	10	-	4,625
November 1, 2014	November 1, 2019	10	-	7,450
July 1, 2016	July 1, 2021	10	1,875	9,875
January 24, 2017	January 24, 2022	10	2,500	2,500
May 10, 2017	May 10, 2022	10	7,925	18,100
August 11, 2017	August 11, 2022	10	750	1,500
April 17, 2018	April 16, 2023	10	15,550	24,450
April 1, 2019	March 31, 2024	10	39,750	53,000
July 15, 2019	July 14, 2024	10	2,500	7,500
September 1, 2019	August 31, 2024	10	-	3,500
September 16, 2019	September 15, 2024	10	9,600	12,800
March 4, 2020	March 3, 2025	10	6,375	8,500
November 18, 2019	November 17, 2024	20	51,650	65,700
March 4, 2020	March 3, 2025	20	5,000	10,000
May 15, 2020	May 14, 2024	20	10,000	-
June 25, 2020	June 24, 2024	20	2,500	-
August 28, 2020	August 27, 2024	20	12,500	-
October 12, 2020	October 11, 2024	20	32,500	-
November 10, 2020	November 9, 2024	20	10,000	-
January 12, 2021	January 11, 2025	20	2,500	-
Weighted average remaining contractual life of options outstanding at the end of the period			2.20 years	3.92 years

Fair value of the options granted

The fair value at the grant date is determined using the Black Scholes 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.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The model inputs for options granted during the year ended March 31, 2021 included :

Particulars	Inputs as on March 31, 2021					
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (₹)	20	20	20	20	20	20
Grant Date	May 15, 2020	June 25, 2020	August 28, 2020	October 12, 2020	November 10, 2020	January 12, 2021
Expiry Date	May 15, 2025	June 25, 2025	August 28, 2025	October 12, 2025	November 10, 2025	January 12, 2026
Share Price as on Grant Date (₹)	40.5	52.0	62.7	64.6	61.3	106.3
Fair value as on Grant Date (₹)	23.4	32.9	42.8	44.5	41.1	81.5
Expected Volatility (%)	49.1%	49.6%	50.4%	51.1%	51.4%	52.5%
Expected Dividend yield (%)	1.8%	1.8%	1.8%	2.3%	2.3%	2.3%
Risk free interest rate (%)	5.2%	3.7%	2.4%	6.0%	4.9%	4.4%

The model inputs for options granted during the year ended March 31, 2020 included :

Particulars	Inputs as on March 31, 2020						
	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2019	ESOP 2019
Exercise Price (₹)	10	10	10	10	20	10	20
Grant Date	April 1, 2019	July 15, 2019	September 1, 2019	September 16, 2019	November 18, 2019	March 4, 2020	March 4, 2020
Expiry Date	April 1, 2024	July 15, 2024	September 1, 2024	September 16, 2024	November 18, 2024	March 4, 2025	March 4, 2025
Share Price as on Grant Date (₹)	70.4	65.9	60.5	64.2	69.5	56.9	56.9
Fair value as on Grant Date (₹)	58.9	54.5	49.3	52.9	50.4	45.8	38.5
Expected Volatility (%)	43.7%	42.8%	42.0%	42.0%	47.0%	45.9%	45.9%
Expected Dividend yield (%)	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Risk free interest rate (%)	6.8%	6.4%	6.3%	6.5%	6.2%	5.7%	5.7%

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.

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employee Option Plan	153.22	165.00
Total	153.22	165.00

Notes to the Consolidated Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***39 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, 2021	98.88%	7,364.66	172.63%	1,266.71	(37.35%)	10.79	181.23%	1,277.50
March 31, 2020	90.36%	6,150.87	86.84%	541.71	16.84%	30.82	70.97%	572.53
Subsidiaries (group's share)								
Indian								
Onward Properties Private Limited								
March 31, 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31, 2020	0.00%	-	(0.80%)	(5.00)	0.00%	-	(0.62%)	(5.00)
Foreign								
Onward Technologies Inc.								
March 31, 2021	18.75%	1,396.39	(50.80%)	(372.74)	163.66%	(47.28)	(59.59%)	(420.02)
March 31, 2020	29.90%	2,035.28	50.70%	316.24	0.00%	-	39.20%	316.24
Onward Technologies GmbH								
March 31, 2021	(1.29%)	(95.98)	3.58%	26.29	15.06%	(4.35)	3.11%	21.94
March 31, 2020	(1.73%)	(118.06)	(11.39%)	(71.04)	0.00%	-	(8.81%)	(71.04)
Consolidation adjustments								
March 31, 2021	(16.34%)	(1,216.94)	(25.41%)	(186.47)	(41.36%)	11.95	(24.76%)	(174.52)
March 31, 2020	(18.53%)	(1,261.15)	(25.35%)	(158.14)	83.16%	152.16	(0.74%)	(5.98)
Total								
March 31, 2021	100.00%	7,448.13	100.00%	733.79	100.00%	(28.89)	100.00%	704.90
March 31, 2020	100.00%	6,806.94	100.00%	623.77	100.00%	182.98	100.00%	806.75

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

40 Impact of COVID-19

The Group has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic while preparing the financial statements. As a part of such assessment, the Group has considered the recoverability of outstanding trade receivables, contract assets, impact of lease modifications, accounting for benefits received from governments and future cash flow position upto the date of approval of these financial statements. The Group is confident of recoverability of assets as on March 31, 2021. However, the impact assessment of COVID-19 is an ongoing process and its impact remains uncertain, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any significant impact on the Group's financial position..

41 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, 2020 (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.

42 Business combination

Onward eServices Limited (the "Transferor Company") , a part of the Group, a wholly owned subsidiary of the Holding Company was incorporated on June 19, 2003 under the provisions of the Companies Act, 1956.

During the year, Transferor Company is merged with the Holding Company with an appointed date of January 1, 2020 under a Scheme of merger by absorption approved by the Hon'ble NCLT Mumbai vide order dated March 25, 2021. Hence, the impact of merger is given in the financial statements under the pooling of interest method in accordance with Appendix C of Ind AS 103 read with clarifications issued by Ind AS Technical Facilitation group.

The impact of the merger has been eliminated in the Consolidated financial statement.

43 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

44 Previous year/period figures have been regrouped / rearranged wherever considered necessary.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Executive Chairman DIN: 00153549	Jigar Mehta Managing Director DIN: 06829197	Devanand Ramandasani Chief Financial Officer
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Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Independent Auditors' Report

To the Members of Onward Technologies Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Onward Technologies Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and 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.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' 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.

Emphasis of Matter

4. We draw your attention to Note 38 to the Standalone Financial Statements which describes that Hon'ble National Company Law Tribunal (NCLT) has approved a Scheme of Merger by Absorption between the Company and Onward eServices Limited (the "Transferor Company") on March 25, 2021, by virtue of which the Transferor Company has merged with the Company and the effect of the same has been given in these Financial Statements with effect from April 01, 2019, as per Clause 16(b) of the said scheme. Also refer Note 38 to the Standalone Financial Statements which explains the impact of the merger on the previous year Financial Statements. Our opinion is not modified in respect of this matter.

Key audit matters

5. 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	How our audit addressed the key audit matter
Appropriateness of recognition of revenue:	
Refer note 1(d) and note 21 in the Standalone Ind AS Financial Statements.	Our audit procedures included the following:
The Company enters into revenue contracts and management uses its judgement in respect of matters such as identification of performance obligations; allocation of consideration to identified performance obligations and recognition of revenue basis assessment of whether performance obligation is fulfilled over time or at a point in time, as per the requirement of the Ind AS 115..	<ul style="list-style-type: none"> · Obtaining an understanding of and testing the design and operating effectiveness of key controls around the revenue recognition; · Testing of revenue transactions during the year on sample basis to gain an understanding of the terms of the contracts including pattern of transfer of rights and obligations under the contract; · In respect of the contracts tested, evaluating the management’s assessment of revenue recognition, ensuring the compliance with the requirement of Ind AS 115 and reaffirming the judgements applied by the management based on the actual outcome of delivery of contract;
This has been determined as a KAM in view of the complexity in application of requirements of Ind AS 115 and significant management judgements and estimates involved in such application. Further, there is an inherent and presumed risk of fraud involved in the revenue recognition..	<ul style="list-style-type: none"> · Verifying the underlying evidences to ensure that revenue is recognised appropriately; · Evaluating the adequacy of disclosures in the Standalone Financial Statements..
	Based on the above procedures performed, we did not find any significant exceptions to management’s assessment of recognition of revenue..

Other Information

6. The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s report but does not include the Standalone Financial Statements and our auditors’ report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained 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.

Responsibilities of management and those charged with governance for the Standalone Financial Statements

7. The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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.

8. In preparing the Standalone 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the Standalone Financial Statements

9. 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 auditors' 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Standalone Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.
11. 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.
12. 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.
13. 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 auditors' 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 Matter

14. We draw your attention to Note 38 to the Standalone Financial Statements. The Financial Statements for the year ended March 31, 2020 of the wholly owned subsidiary, Onward eServices Limited, which is merged with the Company with effect from April 01, 2019, were audited by another independent firm of chartered accountants under the Act who, vide their report dated May 15, 2020, expressed an unmodified opinion on those Financial Statements.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its Standalone financial position in its Standalone Financial Statements – Refer Note 29 to the Standalone Financial Statements;
 - ii. The Company has long term contracts including derivative contracts as at March 31, 2021 for which there are no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
17. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner

Place : Pune
Date : May 14, 2021

Membership Number: 108391
UDIN: 21108391AAAADQ1971

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Standalone financial statements of Onward Technologies Limited (the "Company") as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (ICAI). 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of internal financial controls with reference to Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 21108391AAAADQ1971

Place : Pune

Date : May 14, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of profession tax, provident fund, though there have been a slight delays in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Further, for the period from May 1, 2020 to May 31, 2020, the company has paid Goods and Service Tax and filed GSTR 3B (after the due date but) within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification no. 35/2020 dated April 3, 2020, on fulfilment of conditions specified therein.

Also refer Note 29(a) to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, value added tax or goods and service tax as at March 31, 2021 which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount in ₹ Lakhs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1962	Income Tax	938.92	FY 2007-08 and 2008-09	ITAT, Mumbai
	Income Tax	44.72	FY 2017-18	Assistant Commissioner of Income Tax
	Income Tax	27.39	FY 2016-17	CIT (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at the balance sheet date. Further, there are no outstanding loans or borrowings from the Government, nor the Company has any issued any debentures as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 17 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner

Membership Number: 108391
UDIN: 21108391AAAADQ1971

Place : Pune
Date : May 14, 2021

Standalone Balance Sheet

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	1,637.71	695.36
Intangible assets	4	387.87	408.45
Intangible assets under development	4	7.50	-
Right-of-use-assets	32	829.25	1,459.13
Financial assets			
(a) Investments	5 (b)	1,214.21	1,214.21
(b) Loans	6 (a)	226.90	288.04
(c) Other financial assets	6 (b)	51.26	-
Deferred tax assets	13 (a)	238.15	275.10
Income-tax assets (net)	13 (b)	1,106.80	1,932.23
Other non-current assets	7	2.58	10.53
Total non-current assets		5,702.23	6,283.05
II. Current assets			
Financial assets			
(a) Investments	5 (a)	10.00	-
(b) Trade receivables	8	2,833.79	3,387.56
(c) Cash and cash equivalents	9 (a)	1,188.44	750.21
(d) Bank balances other than (c) above	9 (b)	98.28	422.87
(e) Contract assets	10	1,265.74	325.95
(f) Other financial assets	11	19.41	27.80
Other current assets	12	601.94	580.48
Total current assets		6,017.60	5,494.87
Total assets		11,719.83	11,777.92
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	1,633.88	1,604.26
Other equity	14 (b)	5,730.78	4,546.61
Total equity		7,364.66	6,150.87
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	15	60.40	-
(b) Lease Liabilities	32	546.20	1,040.04
Provisions	19 (a)	461.15	246.72
Total non-current liabilities		1,067.75	1,286.76

Standalone Balance Sheet (Contd.)

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
II. Current liabilities			
Financial liabilities			
(a) Borrowings	16	-	679.59
(b) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		27.96	41.70
- Total outstanding dues of creditors other than micro enterprises and small enterprises		750.63	917.51
(c) Lease Liabilities	32	378.50	479.46
(d) Other financial liabilities	18	1,252.35	916.09
Provisions	19 (b)	112.27	200.65
Contract Liabilities	20 (a)	283.17	581.73
Other current liabilities	20 (b)	482.54	523.56
Total current liabilities		3,287.42	4,340.29
Total liabilities		4,355.17	5,627.05
Total equity and liabilities		11,719.83	11,777.92

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Jigar Mehta Devanand Ramandasani
Executive Managing Director Chief Financial Officer
Chairman DIN: 06829197
DIN: 00153549

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Standalone Statement of Profit and Loss

For the year ended March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	21	17,266.72	18,055.99
Other income (net)	22	846.14	651.93
Total Income		18,112.86	18,707.92
Expenses			
Purchase of Software Licenses	23	174.29	44.46
Employee benefits expense	24	12,190.37	13,240.91
Finance costs	25	207.94	329.38
Depreciation and amortisation expense	26	928.48	1,018.96
Other expenses	27	2,940.95	3,317.96
Total expenses		16,442.03	17,951.67
Profit before tax		1,670.83	756.25
Income tax expense			
Current tax	13(b)	370.78	365.42
Deferred tax	13(a)	33.34	(150.88)
Total tax expense		404.12	214.54
Profit for the year		1,266.71	541.71
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	14(b)	14.41	42.63
Income tax relating to these items	13(b)	(3.62)	(11.81)
Total other comprehensive income for the year, net of tax	14(b)	10.79	30.82
Total comprehensive income for the year		1,277.50	572.53
Earnings per share			
Basic	28	7.80	3.39
Diluted	28	7.50	3.26

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Jigar Mehta Devanand Ramandasani
Executive Managing Director Chief Financial Officer
Chairman DIN: 06829197
DIN: 00153549

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Statement of Changes in Equity

For the year ended March 31, 2021

A Equity share capital

	Note	Total
As at April 1, 2019		1,580.49
Change in equity share capital		
As at March 31, 2020	14(a)	23.77
Change in equity share capital		
As at March 31, 2021	14(a)	29.62
		1,633.88

B Other Equity

	Note	Securities premium account	Retained Earnings	Share option outstanding account	Share application money pending allotment	Total
As at April 1, 2019		1,541.95	2,664.70	324.06	7.93	4,538.64
Pursuant to the merger of OeSL (Refer to Note 37)		-	(459.01)	-	-	(459.01)
Adjusted opening balance as at April 1, 2019		1,541.95	2,205.69	324.06	7.93	4,079.63
Profit for the year		-	541.71	-	-	541.71
Other Comprehensive Income		-	30.82	-	-	30.82
Total comprehensive income for the year		-	572.53	-	-	572.53
Transactions with owners in their capacity as owners						
Issue of equity shares	14(b)	162.29	-	(162.29)	-	-
Employee stock option expenses	36	-	-	119.12	-	119.12
Employee stock option expenses (for employees of subsidiary)	36	-	-	45.88	-	45.88
Dividends paid	14(b)	-	(239.66)	-	-	(239.66)
Utilisation of Tax credit for payment of dividend distribution tax	14(b)	-	(28.70)	-	-	(28.70)
Shares allotted against the share application money received	14(b)	-	-	-	(23.77)	(23.77)
Shares application money received for allotment of shares	14(b)	-	-	-	21.58	21.58
As at March 31, 2020		1,704.24	2,509.86	326.77	5.74	4,546.61
Profit for the year		-	1,266.71	-	-	1,266.71
Other Comprehensive Income		-	10.79	-	-	10.79
Total comprehensive income for the year		-	1,277.50	-	-	1,277.50

Statement of Changes in Equity (Contd.)

For the year ended March 31, 2021

	Note	Securities premium account	Retained Earnings	Share option outstanding account	Share application money pending allotment	Total
Transactions with owners in their capacity as owners						
Issue of equity shares	14(b)	200.10	-	(200.10)	-	-
Transfer on account for lapsed and forfeited option	36	-	16.52	(16.52)	-	-
Employee stock option expenses	36	-	-	110.11	-	110.11
Employee stock option expenses (for employees of subsidiary)	36	-	-	43.11	-	43.11
Dividends paid	14(b)	-	(243.21)	-	-	(243.21)
Shares allotted against the share application money received	14(b)	-	-	-	(33.79)	(33.79)
Shares application money received for allotment of shares	14(b)	-	-	-	30.45	30.45
As at March 31, 2021		1,904.34	3,560.67	263.37	2.40	5,730.78

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Executive Chairman
DIN: 00153549
Jigar Mehta Managing Director
DIN: 06829197
Devanand Ramadasani Chief Financial Officer

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Standalone Statement of Cash Flows

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
A) Cash flows from operating activities		
Profit before income tax	1,670.83	756.25
Adjustments for		
Depreciation and amortisation expense	928.48	1,018.96
(Profit) / loss on disposal of property, plant and equipment	(11.73)	(0.38)
Dividend and interest income classified as investing cash flow	(264.48)	(287.01)
Provision for Impairment of Investment	-	160.93
Unwinding of discount on security deposit	(22.76)	(21.62)
Employee share based payment expenses	110.11	119.12
Finance costs	207.94	329.38
Net gain on termination of lease arrangements	(7.66)	-
Provision for Onerous contract	17.89	-
Unrealised foreign exchange (gain)/loss	(19.16)	(10.46)
Allowance for doubtful debts	19.45	21.84
Bad Debts written off	4.85	17.10
Operating profit before working capital changes	2,633.76	2,104.11
Changes in operating assets and liabilities		
Decrease in trade receivables	539.05	58.32
Decrease in other financial assets	61.18	201.02
(Increase) in other assets	(13.51)	(144.22)
Decrease in loans	83.90	17.61
(Increase)/Decrease in Contract assets	(939.79)	506.38
(Decrease)/Increase in trade payables	(180.72)	338.85
(Decrease)/Increase in other liabilities (including contract liabilities)	(339.58)	394.32
Increase in other financial liabilities	246.73	5.43
Increase in employee benefit obligations	122.57	59.52
Cash generated from operations	2,213.59	3,541.34
Net Refund received/(Income taxes paid)	454.65	(569.29)
Net cash inflow from operating activities	2,668.24	2,972.06
B) Cash flows from investing activities		
Payments for property, plant and equipment	(1,258.63)	(197.21)
Payments for intangible assets	(73.33)	(10.09)
Proceeds from sale of property, plant and equipment	31.40	10.59
Net proceeds from the investments in fixed deposits	273.33	(389.99)
Interest received	41.58	13.41
Dividend received	222.90	273.60
Investment in mutual funds	(10.00)	-
Net cash inflow from investing activities	(772.75)	(299.69)

Standalone Statement of Cash Flows (Contd.)

As at March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
C) Cash flows from financing activities		
Intercorporate deposits taken (Paid) during the year	-	(100.12)
Principal elements of lease payments	(415.41)	(421.55)
Interest paid (including interest on lease liabilities)	(207.94)	(339.00)
Proceeds from issue of shares	29.62	23.77
Proceeds from share application money pending allotment	(3.34)	(2.19)
Repayment of borrowings	(616.98)	(1,089.70)
Payment of Dividend	(243.21)	(239.66)
Net cash outflow from financing activities	(1,457.26)	(2,168.45)
Net increase / (decrease) in cash and cash equivalents	438.23	503.92
Cash and cash equivalents at the beginning of the period	750.21	246.29
Cash and cash equivalents at the end of the period	1,188.44	750.21

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

	March 31, 2021	March 31, 2020
Cash and cash equivalents	1,188.44	750.21
Balances as per statement of cash flows	1,188.44	750.21

Non-cash financing and investing activities

- Acquisition of right-of-use assets - ₹ 29.94 lakhs (March 31, 2020 - INR INR 14.45 lakhs) (Refer Note 31)

The above statement of cash flow should be read in conjunction with the accompanying notes.

This is the statement of cash flow referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016Neeraj Sharma
Partner
Membership No.: 108391For and on behalf of the Board of Directors of
Onward Technologies LimitedHarish Mehta Jigar Mehta Devanand Ramandasani
Executive Managing Director Chief Financial Officer
Chairman DIN: 06829197
DIN: 00153549

Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359Dimple Chauhan
Company SecretaryPlace : Pune
Date : May 14, 2021Place : Mahabaleshwar
Date : May 14, 2021Place : Pune
Date : May 14, 2021

Notes to the Standalone Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

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, listed at both Bombay Stock Exchange and National Stock Exchange. The Company has its registered office in Mumbai and in Pune. The Company has a branch in United Kingdom.

1. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The separate financial statements comply in all material aspects 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 authorised these financial statements for issue on May 14, 2021.

(ii) Historical cost convention

The separate financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) 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 realisation 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) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material - amendments to Ind AS 1 and Ind AS 8
- Definition of a Business - amendments to Ind AS 103
- COVID-19 related concessions - amendments to Ind AS 116

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one operating segment which is Engineering Design and IT services. The chief operating decision maker are the Board of Directors. Refer note 1 (d) and 37 of the consolidated financial statements of the Company.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the separate financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The separate financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions (including transaction of foreign branches) are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss and are presented in the Statement of Profit and Loss on a net basis.

(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:

- 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. recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company derives revenue primarily from engineering design services, IT services and sale of licenses. 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 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 recognizing revenues and costs depends on the nature of the services rendered. The Company assesses 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 recognises revenue at a point-in-time.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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

(i) Sale of services

a) Time and material contracts:

Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.

b) Fixed- price contracts:

For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual costs incurred to the total estimated cost to complete the performance obligation in context of the contract.

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.

(ii) Revenue from sale of user licenses/software products:

Revenue from the sale of user licenses for software applications is recognised at point in time on transfer of the title in the user license. Revenue is recognised on principal basis if the company controls a promised good or service before the entity transfers the good or service to a customer.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues and advance amount received from customers which are classified as contract liabilities (referred as unearned revenues and advance from customers).

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.

(iii) 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 is recognised on time proportionate basis taking into account the amount outstanding and the rate applicable. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

(e) 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 and presented with other income.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period'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 period.

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 separate 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 period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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 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.

(g) Leases

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.
- 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.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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 of 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 hardwares.

Further, the company has adopted the policy of accounting for Intangible Assets as per Ind AS 38 and not as per the leases standard.

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.

(h) 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 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.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) 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 the amount of consideration 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.

(k) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(l) Investments and other Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Company subsequently measures equity investment at fair value. The Company's Management elects to present fair value gains and losses on equity investments in other comprehensive income on an instrument by instrument basis.

Equity investment in subsidiaries, associates and joint venture are carried at historical cost as per the accounting policy choice given by IND AS 27.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(m) Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in Other income or Other expenses, as the case may be.

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.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(n) 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.

(o) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate 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 separate 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.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II to the Companies Act, 2013 (Act) except in some cases where 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.

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.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognises per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(p) Intangible assets**

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. 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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(q) 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.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been distinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/(expenses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the separate financial statements for issue, not to demand payment as a consequence of the breach.

(s) Provisions and contingent 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.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Contingent liabilities are disclosed by way of a note to the separate 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.

(t) 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 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.

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans 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.

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.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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.

(b) Defined contribution plans – Provident fund, Employee state insurance scheme

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 when they are due.

iv) Share-based payments

Share-based compensation benefits are provided to employees of the Company and its subsidiaries via the Onward ESOP Scheme 2009 and ESOP Scheme 2019.

The fair value of the options granted under the Onward ESOP Scheme is recognised as an 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.

The Company recovers the expense related to employees of subsidiaries and such recovery is netted off against gross shared based payment expense.

(v) Bonus plans

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.

(u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) 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.

Notes to the Standalone 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.

(x) Business Combination:

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(y) Rounding of amounts:

All amounts disclosed in the separate 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)

2. Critical judgements and estimates

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items, which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i. Legal contingencies

The Company has received various orders and notices from tax authorities in respect of direct taxes which are subject to different legal interpretation and/or question of facts. The outcome of these matters may have a material effect on financial position, results of operation of cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses. In making the decisions regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiency reliable estimate of the amount of loss. The filing of suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertion, does not automatically indicate that a provision of a loss may be appropriate.

ii. Revenue Recognition

The Company enters into revenue contracts and management uses its judgement in respect of matters such as identification of performance obligations; allocation of consideration to identified performance obligations and recognition of revenue basis assessment of whether performance obligation is fulfilled over time or at a point in time, as per the requirement of the Ind AS 115.

Critical estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using the Black-Scholes model to determine the fair value of the options. Estimating the fair value of the share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating the fair value for share-based payments are disclosed in Note 36.

ii. Impairment to the carrying value of investment

The Company has investments in various subsidiaries. The Company makes evaluation of impairment risk in carrying value of investment in subsidiaries using estimated discounted cash flows (value in use) model. Company's significant judgements involves assessing the appropriateness of the valuation methodology, estimates of future cash flows as well as assumptions like Weighted Average Cost of Capital (WACC), revenue and earnings growth rate, terminal growth rate. Refer Note 5 for further disclosures.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

iii. Useful lives of property, plant and equipment and intangible assets

The charge in respect of periodic depreciation and amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss.

The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

iv. Impairment of Trade Receivables

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

v. Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations are given in Note 19.

vi. Lease Liabilities and Right of Use

The Company has used following estimates in determining the Lease Liability and Right of Use

- a. Discounting Rate
- b. Lease Term

For Discounting Rate, the management refers to the implicit rate in the lease agreement and in absence of the same, incremental rate of borrowing is used.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Electrical Equipments	Computers	Building	Total
Opening gross carrying amount as on April 1, 2019	206.99	271.34	141.85	125.99	15.66	691.86	-	1,453.69
Acquired in business combination	168.69	0.29	-	7.39	-	69.45	-	245.82
Additions	34.47	5.64	-	28.78	-	72.85	-	141.74
Disposals	(1.66)	(0.29)	-	(18.79)	-	(48.07)	-	(68.81)
Gross carrying amount as on March 31, 2020	408.49	276.98	141.85	143.37	15.66	786.09	-	1,772.44
Accumulated depreciation	141.91	79.56	51.44	49.22	6.47	380.07	-	708.67
Acquired in business combination	72.29	0.19	-	2.79	-	55.10	-	130.37
Charge for the year	63.67	24.71	24.11	26.75	1.87	155.54	-	296.65
Disposals	(1.66)	(0.29)	-	(15.82)	-	(40.84)	-	(58.61)
Closing accumulated depreciation as at March 31, 2020	276.21	104.17	75.55	62.94	8.34	549.87	-	1,077.08
Net carrying amount as on March 31, 2020	132.28	172.81	66.30	80.43	7.32	236.22	-	695.36
Particulars	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Electrical Equipments	Computers	Building	Total
Opening gross carrying amount as on April 1, 2020	408.49	276.98	141.85	143.37	15.66	786.09	-	1,772.44
Additions	-	3.55	76.38	1.24	-	136.77	1,040.68	1,258.62
Disposals	(77.83)	(20.34)	(54.76)	(23.30)	-	(29.09)	-	(205.32)
Gross carrying amount as on March 31, 2021	330.66	260.19	163.47	121.31	15.66	893.77	1,040.68	2,825.74
Accumulated depreciation	276.21	104.17	75.55	62.94	8.34	549.87	-	1,077.08
Charge for the year	69.27	30.52	22.35	27.09	1.71	134.57	11.09	296.60
Disposals	(68.80)	(16.51)	(51.28)	(20.57)	-	(28.49)	-	(185.65)
Closing accumulated depreciation as at March 31, 2021	276.68	118.18	46.62	69.46	10.05	655.95	11.09	1,188.03
Net carrying amount as on March 31, 2021	53.98	142.01	116.85	51.85	5.61	237.82	1,029.59	1,637.71

Notes:

- 1 Refer note 15 for hypothication of charge on vehicle acquired during the year.
- 2 Refer to note 29(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	Intangible assets under development
Opening gross carrying amount as on April 1, 2019	1,131.42	1,131.42	17.89
Pursuant to the merger of OeSL (Refer to Note 37)	26.18	26.18	-
Additions	28.03	28.03	-
Disposals	(25.05)	(25.05)	(17.89)
Gross carrying amount as on March 31, 2020	1,160.58	1,160.58	-
Accumulated Amortisation			
Balance as at April 1, 2019	573.22	573.22	-
Pursuant to the merger of OeSL (Refer to Note 37)	18.74	18.74	-
Amortisation charge for the year	185.20	185.20	-
Disposals	(25.03)	(25.03)	-
Closing accumulated amortisation as at March 31, 2020	752.13	752.13	-
Net carrying value as on March 31, 2020	408.45	408.45	-
Particulars	Computer Software	Total	Intangible assets under development
Opening gross carrying amount as on April 1, 2020	1,160.58	1,160.58	-
Additions	153.15	153.15	36.30
Disposals	(3.96)	(3.96)	(28.80)
Gross carrying amount as on March 31, 2021	1,309.77	1,309.77	7.50
Accumulated Amortisation	752.13	752.13	-
Amortisation charge for the year	173.73	173.73	-
Disposals	(3.96)	(3.96)	-
Closing accumulated amortisation as at March 31, 2021	921.90	921.90	-
Net carrying value as on March 31, 2021	387.87	387.87	7.50

Notes:

- Intangible assets under development mainly comprises of software under the process of implementation. As a part of process, management records the amount not yet to be capitalised in Intangible assets under development.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***5 (a) Investment - Non-current**

	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments of subsidiaries		
Unquoted		
Investment in Onward Technologies, Inc.		
114,000 (March 31, 2020 : 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 Properties Private Limited		
5,000 (March 31, 2020 : 5,000) equity shares of ₹ 100 per share	106.93	106.93
Less:-Provision for Impairment [Refer Note (b) below]	(106.93)	(106.93)
Total (equity instruments)	1,214.21	1,214.21
Total current investments	10.00	-
Aggregate market value of quoted investments	10.00	-
Total non-current investments	1,214.21	1,214.21
Aggregate amount of unquoted investments	1,214.21	1,214.21
Aggregate amount of impairment in the value of investments	160.93	160.93

5 (b) Investment - Current

	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (quoted)		
Investment in mutual funds		
HDFC Liquid fund-DP-Growth Option 123.99 units (March 31, 2020 : Nil)	5.00	-
HDFC Overnight fund - DP - Growth Option 164.01 units (March 31, 2020 : Nil)	5.00	-
	10.00	-

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(a) Investment in Onward Technologies, GmbH

The company has accumulated losses and negative net worth as on balance sheet. Amount of value in use based on future cash flow projections is higher than the value of investment and accordingly the impairment loss has been restricted amount recognised during the previous year.

Summary of key assumptions used for computing value in use is as follows :

- Terminal growth rate - 2% (March 31, 2020: 2%)
- Sales Growth rate - 5% to 6% (March 31, 2020: 4% to 6%)
- EBITDA to Sales % - (1%) to 3% ((March 31, 2020: (9%) to 6%)
- Discount rate - 8.04% (March 31, 2020: 6.43%)

(b) Investment in Onward Properties Private Limited

The Company is in the process of striking off it's wholly owned subsidiary, Onward Properties Private Limited. The company has recognised provision for impairment on the investment in subsidiary amounting to ₹ 106.93 lakhs in the Year ended March 31, 2020 in "Other Expenses".

6 (a) Loans - non-current

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Security deposits	226.90	288.04
Total	226.90	288.04

6 (b) Others financial assets - non-current

	As at March 31, 2021	As at March 31, 2020
Balances held as security against bank borrowings	51.26	-
Total	51.26	-

7 Other non-current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	2.58	10.53
Total	2.58	10.53

8 Trade Receivables

	As at March 31, 2021	As at March 31, 2020
Trade Receivables	2,542.05	3,062.41
Receivables from related parties (Refer Note 30)	333.03	346.99
Subtotal	2,875.08	3,409.40
Less: Allowance for doubtful debts	(41.29)	(21.84)
Total	2,833.79	3,387.56

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***Break-up of security details**

	As at March 31, 2021	As at March 31, 2020
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	2,875.08	3,409.40
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Less: Allowance for doubtful debts	(41.29)	(21.84)
Total	2,833.79	3,387.56

9 (a) Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash in hand	0.60	1.20
Balances with banks		
In current accounts	1,187.84	519.46
- Deposits with maturity less than 3 months	-	229.55
Total	1,188.44	750.21

9 (b) Bank balances other than 9 (a) above

	As at March 31, 2021	As at March 31, 2020
In earmarked accounts		
Balances held as security against bank guarantees	85.79	412.60
Earmarked balances with banks*	12.49	10.27
Total	98.28	422.87

* Amount represents unclaimed dividend account held for dividend remittance and hence are not available for use.

10 Contract Assets

	As at March 31, 2021	As at March 31, 2020
Contract Asset relating to Mechanical Engineering Design and IT consulting contracts		
- Unbilled Revenue	1,187.42	310.10
- Cost incurred to fulfill the contract	78.32	15.85
Total	1,265.74	325.95

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Contract assets - Unbilled revenue

	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening unbilled revenue	310.10	356.79
Pursuant to the merger of OeSL (Refer to Note 37)	-	475.57
Changes on account of		
Invoice raised during the year	(310.10)	(832.36)
Work performed, invoice yet to be received	1,187.42	310.10
Total	1,187.42	310.10

Significant changes in contract assets

The contract assets have increased as on March 31, 2021 as compared to the previous year on account of timing difference in actual billing and certain costs incurred for which actual billing is pending.

11 Others financial assets - current

	As at March 31, 2021	As at March 31, 2020
Derivative financial instrument		
- Foreign exchange forward contracts	9.68	-
Receivable from related party for employee stock options (Refer note 30)	9.73	26.07
Receivable from related party for Corporate Guarantee provided (Refer note 30)	-	1.73
Total	19.41	27.80

12 Other current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	275.96	294.86
Interest receivable on income-tax refund	-	30.44
Export Incentives Receivable	206.33	203.82
Research and Development expenditure credit receivable	95.84	-
Others*	23.81	51.36
Total	601.94	580.48

*Others include advances paid to suppliers, employees.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***13 (a) Deferred tax assets (net)**

The balance of deferred tax comprises temporary differences attributable to:

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Defined benefit obligations	149.10	95.73
Allowance for Doubtful debts	10.87	5.57
Disallowance u/s 43B	8.94	20.46
Lease Liabilities	28.74	22.12
Property, plant and equipment and intangible assets	35.44	25.00
Tax Losses	-	94.32
MAT Credit Entitlement	-	34.82
Others	7.50	3.83
	240.59	301.85
Deferred tax liability		
Interest on income tax refund	-	4.55
Fair value gain on Preference Shares	-	22.20
Fair value gain on Foreign exchange Forward contracts	2.44	-
	2.44	26.75
Net deferred tax asset	238.15	275.10

Movement in Deferred tax assets/ (liabilities) in Statement of profit and loss [(charged)/credited during the year]

	Year ended March 31, 2021	Year ended March 31, 2020
Defined benefit obligations	56.97	15.82
Allowance for Doubtful debts	5.30	(16.08)
Disallowance u/s 43B	(11.52)	(6.47)
Lease Liabilities	6.62	22.12
Property, plant and equipment and intangible assets	10.44	41.91
Tax Losses	(94.32)	56.26
MAT Credit Entitlement	(34.82)	(4.96)
Others	3.67	(1.22)
Interest on income tax refund	4.55	4.39
Fair value gain on Preference Shares	22.20	(12.03)
Fair value gain on Foreign exchange Forward contracts	(2.45)	22.44
Total	(33.34)	122.18

Movement in Deferred tax assets/ (liabilities) in Retained earnings [(charged)/credited during the year]

	Year ended March 31, 2021	Year ended March 31, 2020
Utilisation of Tax credit for payment dividend distribution tax	-	28.70

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

13 (b) Taxation

Income tax assets/(Income tax liabilities)

	As at March 31, 2021	As at March 31, 2020
Opening Balance	1,932.23	1,006.72
Pursuant to the merger of OeSL (Refer to Note 37)	-	721.64
Less : Current tax payable for the year	(370.78)	(365.42)
Add/ (Less) : (Refund Received)/ Taxes paid	(454.65)	569.29
Closing balance	1,106.80	1,932.23

Income Tax Expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Current income tax charge		
Current income tax		
- Current tax on profit for the current year	476.85	343.79
- Adjustments for current tax of prior periods	(106.07)	21.63
Deferred tax	33.34	(150.88)
Income tax expense reported in the statement of profit or loss	404.12	214.54

	Year ended March 31, 2021	Year ended March 31, 2020
Deferred tax related to items recognised in Other comprehensive income during the year	(3.62)	(11.81)
Income tax charged to OCI	(3.62)	(11.81)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

	Year ended March 31, 2021	Year ended March 31, 2020
Accounting profit before tax	1,670.83	756.25
At Statutory income tax rate of 25.17% (March 31, 2020 : 25.17%)	420.51	187.83
Adjustments in respect of current income tax of previous years	(18.71)	21.63
Pursuant to merger of Onward eServices Limited	(32.65)	-
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	1.28	57.70
Tax effect of Income chargeable at lower tax rate	(17.15)	(15.26)
Tax effect of Exempt Income	-	(18.98)
Tax effect of Change in tax rate	17.37	6.48
Tax credit utilised against DDT liability payable	-	(28.70)
Write off MAT Credit entitlement as not usable in future	34.82	-
Others	(1.35)	3.84
Total	404.12	214.54
Income tax expense reported in the statement of profit or loss	404.12	214.54

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***14 (a) Equity share capital**

	As at March 31, 2021	As at March 31, 2020
Authorised share capital:		
18,000,000 (March 31, 2020 : 18,000,000) Equity shares of ₹ 10 each	1,800.00	1,800.00
1,000,000 (March 31, 2020 : 1,000,000) Preference shares of ₹ 10 each	100.00	100.00
1,000,000 (March 31, 2020 : 1,000,000) unclassified shares of ₹ 10 each	100.00	100.00
Total	2,000.00	2,000.00
Issued, subscribed and paid up :		
16,338,770 (March 31, 2020 :16,042,570) Equity Shares of ₹ 10 each	1,633.88	1,604.26
Total	1,633.88	1,604.26

(i) Reconciliation of number of equity shares issued

	As at March 31, 2021	As at March 31, 2020
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	16,042,570	15,804,870
Shares issued during the year(Nos.) (Refer Note 37)	296,200	237,700
Shares outstanding at the end of the year	16,338,770	16,042,570

(ii) Reconciliation of issued equity share capital

	As at March 31, 2021	As at March 31, 2020
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year	1,604.26	1,580.49
Shares issued during the year	29.62	23.77
Shares outstanding at the end of the year	1,633.88	1,604.26

(iii) Terms/ rights attached to equity shares

The Company has 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.

853,900 (March 31, 2020 : 918,000) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date; each share being fully paid equity share of ₹ 10 each. Refer note 37 for further details of the ESOP scheme.

(iv) Shares held by ultimate holding Company

	As at March 31, 2021	As at March 31, 2020
Onward Network Technologies Private Limited	8,388,983	8,343,983

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(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, 2021		As at March 31, 2020	
	% holding	No. of shares	% holding	No. of shares
Onward Network Technologies Private Limited	51.34%	8,388,983	52.01%	8,343,983

14 (b) Other Equity

	As at March 31, 2021	As at March 31, 2020
Reserves and Surplus		
Securities premium account		
Opening Balance	1,704.24	1,541.95
Add: Additions on account of exercise of options under Employee Stock Option Plan	200.10	162.29
Closing Balance	1,904.34	1,704.24
Share option outstanding account		
Opening Balance	326.77	324.06
Less: Employee stock options exercised	(200.10)	(162.29)
Less: Transfer on account for lapsed and forfeited option	(16.52)	-
Add: Employee stock option expenses	153.22	165.00
Closing Balance	263.37	326.77
Share Application Money pending allotment		
Opening Balance	5.74	7.93
Less: Shares allotted against the share application money received	(33.79)	(23.77)
Add: Shares application money received for allotment of shares	30.45	21.58
Closing Balance	2.40	5.74
Retained earnings		
Opening balance	2,509.86	2,664.70
Add: Pursuant to the merger of OeSL (Refer to Note 37)	-	(459.01)
Net profit for the year	1,266.71	541.71
	3,776.57	2,747.40
Add: Transfer on account for lapsed and forfeited option	16.52	-
Less: Dividend paid	(243.21)	(239.66)
Less: Utilisation of Tax credit for payment of dividend distribution tax	-	(28.70)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of post-employment benefit obligations (net of tax)	10.79	30.82
Closing Balance	3,560.67	2,509.86
Total	5,730.78	4,546.61

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.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***Share option outstanding account**

The share option outstanding account is used to record the fair value of options 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 Group's undistributed earnings after taxes, kept aside to meet future (known or unknown) obligations.

15 Non-Current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans from financial institutions		
Vehicle Loans	69.29	6.68
Total Non-Current Borrowings	69.29	6.68
Less : Current maturities of non-current borrowings (Refer Note 18)	8.89	6.68
Total	60.40	-

(i) Terms of repayment for non-current borrowings

	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loans from financial institutions			
Vehicle Loans	Repayable in 48 instalments beginning from March 4, 2021.	Monthly Instalments	8.21%
The borrowing is hypothecated against the car			

16 Current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Cash credit (Refer Note below)	-	679.59
Total	-	679.59

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note:**(i) Terms of repayment and security details for borrowings availed by the company as at March 31, 2020:**

	Terms of repayment	Coupon/ Interest rate
Loans repayable on demand		
Secured		
From Banks		
Cash credit (Refer note below)	Payable on Demand	8.75%

Security details for current borrowings

Secured by the Term deposits amounting to INR 348.22 lakhs with Bank as on March 31, 2020 and has exclusive charge on all present and future Current assets including Stocks and Book debts..

Net debt reconciliation

An analysis of net debt and the movements in net debt for March 31, 2021

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	1,188.44	750.21
Other Bank Balances (excluding earmarked balances with banks)	137.05	412.60
Current and Non-current borrowings	(69.29)	(686.27)
Lease Liabilities	(924.70)	(1,519.50)
Interest Accrued	-	-
Net Cash/(Debt)	331.50	1042.96

	Other assets		Liabilities from financing activities	
	Cash and Cash Equivalents	Other Bank Balance	Borrowings	Lease Obligation
Net debt as on March 31, 2019	213.81	25.93	(1,339.42)	-
Pursuant to the merger of OeSL (Refer to Note 37)	32.48	-	(546.29)	-
Recognised on adoption of Ind AS 116	-	-	-	(1,941.05)
Cash flows	503.92	386.67	1,189.82	421.55
Interest Expenses	-	-	(164.36)	(165.02)
Interest paid	-	-	173.98	165.02
Net debt as on March 31, 2020	750.21	412.60	(686.27)	(1,519.50)
Additions to lease liabilities	-	-	-	(29.19)
Termination of lease arrangements	-	-	-	208.58
Cash flows	438.23	(275.55)	616.98	415.41
Interest Expenses	-	-	(95.11)	(112.83)
Interest paid	-	-	95.11	112.83
Net debt as on March 31, 2021	1,188.44	137.05	(69.29)	(924.70)

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***17 Trade payables**

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	27.96	41.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (Refer Note 30)	112.50	141.16
(ii) Others	638.13	776.35
Total	778.59	959.21

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:

	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	23.69	38.99
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.27	2.71
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	180.10	396.03
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	1.56	1.96
Further interest remaining due and payable for earlier years	2.71	0.75

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.

18 Other financial liabilities - current

	As at March 31, 2021	As at March 31, 2020
Capital creditors	105.49	18.17
Current maturities of non-current borrowings	8.89	6.68
Unpaid Dividend	12.49	10.27
Employee benefit payables	1,125.48	880.97
Total	1,252.35	916.09

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

19 (a) Non-current provisions

	As at March 31, 2021	As at March 31, 2020
Employee related provisions		
- Provision for Gratuity	335.93	185.86
- Provision for compensated absences	125.22	60.86
Total	461.15	246.72

19 (b) Current provisions

	As at March 31, 2021	As at March 31, 2020
Employee related provisions		
- Provision for Gratuity	38.04	161.18
- Provision for compensated absences	56.34	39.47
Other provisions		
- Provision for Onerous contract (refer Note (D) below)	17.89	-
Total	112.27	200.65

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 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 ₹ 514.50 lakhs (March 31, 2020 - ₹ 638.87 lakhs).

- (ii) The expense recognised during the period towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 37.89 lakhs (March 31, 2020 - ₹ 62.15 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 :**

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2019	221.24	(17.40)	203.84
Pursuant to the merger of OeSL (Refer to Note 37)	116.94	(0.54)	116.40
Current service cost	110.25	-	110.25
Past service cost	7.74	-	7.74
Mortality Charges	-	-	-
Interest expense/(income)	14.81	(1.64)	13.17
Total amount recognised in Profit or Loss	132.80	(1.64)	131.16
Return on plan assets	-	1.21	1.21
(Gain)/loss from experience change	(14.02)	-	(14.02)
(Gain)/loss from demographic change	(2.73)	-	(2.73)
(Gain)/loss from change in financial assumption	(27.08)	-	(27.08)
Total amount recognised in Other Comprehensive Income	(43.83)	1.21	(42.62)
Employer contributions	-	(61.74)	(61.74)
Benefits paid	(52.51)	52.51	-
March 31, 2020	374.64	(27.60)	347.04
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2020	374.64	(27.60)	347.04
Current service cost	71.35	-	71.35
Past service cost	-	-	-
Mortality Charges	-	-	-
Interest expense/(income)	23.95	(1.76)	22.19
Total amount recognised in Profit or Loss	95.30	(1.76)	93.54
Return on plan assets	-	4.00	4.00
(Gain)/loss from experience change	(37.98)	-	(37.98)
(Gain)/loss from demographic change	(10.33)	-	(10.33)
(Gain)/loss from change in financial assumption	29.90	-	29.90
Total amount recognised in Other Comprehensive Income	(18.41)	4.00	(14.41)
Employer contributions	-	(45.88)	(45.88)
Benefits paid	(60.07)	53.75	(6.32)
March 31, 2021	391.46	(17.49)	373.97

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

II The net liability disclosed above relates to funded plans are as follows :

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation	391.46	374.64
Fair value of plan assets	(17.49)	(27.60)
Deficit	373.97	347.04

The Company has no legal obligation to settle the deficit in the funded plan with an immediate contribution or additional one-off contributions.

Fair value of the plan assets represents the balance as confirmed by LIC as on Balance Sheet date.

III Significant estimates

The significant actuarial assumptions were as follows :

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.30%	6.10% - 6.40%
Salary growth rate for First year	5.00%	3.00%
Thereafter	5.00%	3.00% - 5.00%
Withdrawal rate		
Service greater than 4 years	5.00%	5.00%
Service less than 4 years	40.00%	25.00%
Expected average remaining working lives of employees (in years)	7.02	5.82 - 7.18

IV Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	As at March 31, 2021	As at March 31, 2020
Discount rate		
1 % increase	(37.30)	(28.05)
1 % decrease	44.04	32.55
Salary growth rate		
1 % increase	43.01	28.28
1 % decrease	(37.00)	(24.82)
Withdrawal rate		
1 % increase	(2.55)	(3.65)
1 % decrease	3.17	4.33

The above sensitivity analyses 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

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

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.

Projected benefits payable from the fund in future years from the date of reporting:

	As at March 31, 2021	As at March 31, 2020
Less than a year	38.04	25.64
Between 2 to 5 years	101.32	162.54
Between 6 to 10 years	147.94	385.63
More than 10 years	580.99	-
Total	868.29	573.81

The weighted duration of the defined benefit obligation is 11 year INR (March 31, 2020 : 7.18 - 8.36 years)

The Company expects to contribute ₹ 120.00 lakhs (March 31, 2020 INR 64.84 lakhs) during the next year towards planned assets.

V The major categories of plan assets are as follows:

	As at March 31, 2021	As at March 31, 2020
Funds managed by insurer	100%	100%

VI 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). Note: The above is a standard list of risk exposures in providing the gratuity benefit. The Company is advised to carefully examine the above list and make suitable amendments (including adding more risks, if relevant) to the same before disclosing the above in its financial statements.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

C Code on Social Security

The Code on Social Security, 2020 ('Code'), pertaining to employee benefits during employment and post-employment, received Presidential assent in September 2020. The ministry of Labour and employment has released draft rules for the code on Social security, 2020 on November 13, 2020. The new code may impact the existing employee benefit obligations of the Company. The Company will assess the impact and recognise it in its financial statements in the period in which the Code becomes effective and the related rules are notified.

D Provision for Onerous contract

This provision for onerous contract is recognized when the expected benefits to be derived by the Company from a revenue contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

	Movement during the year
As at April 1, 2020	-
Charged to profit or loss	
- additional provisions recognised	17.89
Amounts used during the year	-
As at March 31, 2021	17.89

20 (a) Contract Liabilities

	As at March 31, 2021	As at March 31, 2020
Advance from customers		
- From related party (Refer note 30)	-	541.13
- From Others	-	5.71
Deferred Revenue	283.17	34.89
Total	283.17	581.73

Movement in contract liabilities

	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening balance	581.73	1.77
Changes on account of:		
Consideration received from customer - work yet to be performed	-	546.84
Revenue recognised in the year that was included in advance from customers	(581.73)	(1.77)
Invoicing done but revenue to be reconised	283.17	34.89
Total	283.17	581.73

Significant changes in contract liabilities

There has been a decrease in the contract liabilities as on March 31, 2021 as compared to the previous year mainly on account of movement in the advance from customer. Further decrease in advance is compensated to some extent by increase in the deferred revenue due to increase in advance billings for few customers of the Company.

20 (b) Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	482.54	523.56
Total	482.54	523.56

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***21 Revenue from Operations**

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Contract with Customers		
Sale of services		
- Professional and consultancy services	17,024.49	17,619.78
Sale of products		
- Software products	242.23	39.97
	17,266.72	17,659.75
Other Operating Revenue		
- Export Incentive (Refer note (c) below)	-	396.24
	-	396.24
Revenue from Operations	17,266.72	18,055.99

a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geographical region type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Revenue from operations	Year ended March 31, 2021	Year ended March 31, 2020
India	12,820.45	13,557.20
Outside India	4,446.27	4,102.55
Total	17,266.72	17,659.75

b) Unsatisfied revenue contracts

	Year ended March 31, 2021	Year ended March 31, 2020
Aggregate amount of transaction price allocated to contract that are fully unsatisfied as at reporting date	1302.51	299.77

Note:

Management expects that entire transaction price allocated to the unsatisfied contracts as of 31 March 2021 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.

c) Other Operating Revenue

Revenue from Operations for the year ended March 31, 2020 includes export incentives amounting to INR 203.82 lakhs under Service Exports from India Scheme, 2015 (SEIS Scheme) for services exported upto March 31, 2020. In absence of certain clarifications regarding applicability and extent of such benefit for the current year, management has not recognised any such benefit for services exported during the year ended March 31, 2021. Management is confident of receiving benefits against the income recognised for the year ended March 31, 2020.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

22 Other income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income from financial assets carried at amortised cost		
Interest on bank deposits	41.58	13.41
Interest income on security deposits	22.76	21.62
Interest on income tax refunds	89.34	37.10
Dividend income (Refer Note 30)	222.90	273.60
Net Profit on disposal of property, plant and equipment	11.73	0.38
Net gains on foreign currency transactions and translations	41.45	-
Government grant	279.57	
Commission income on corporate guarantee (Refer Note 30)	-	12.03
Management fees from related parties (Refer Note 30)	83.59	256.80
Recruitment fees from related parties (Refer Note 30)	18.29	6.41
Net gain on termination of lease arrangements	7.66	-
Miscellaneous income	27.27	30.58
Total	846.14	651.93

Note:

The Company has filed and received an approval for research and development expenditure credit available in the United Kingdom for the FY 2018-19 and FY 2019-20 to the extent of INR 183.74 Lakhs. Based on its assessment and precedence, the Company has recognised for such incentive on accrual basis for the current year to the extent of INR 95.83 Lakhs as it is confident that such grant will be received. The Company is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

23 Purchase of Software Licenses

	Year ended March 31, 2021	Year ended March 31, 2020
Purchase of Software Licenses	174.29	44.46
Total	174.29	44.46

24 Employee benefits expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	11,341.07	12,182.32
Gratuity Expenses (Refer Note 19)	93.54	131.16
Contributions to provident and other funds (Refer Note 19)	552.39	701.02
Social security and other benefit plans for overseas employees	77.30	84.77
Employee share based payment expense (Refer Note 36)	110.11	119.12
Staff welfare expenses	15.96	22.52
Total	12,190.37	13,240.91

Note:

The Company continues to assess benefits announced by the Governments in the countries where it operates. During the year ended as on March 31, 2021, the Company has recognised benefits amounting to INR 46.26 lakhs (March 31, 2020: INR Nil) against the employee benefits expense.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***25 Finance costs**

	Year ended March 31, 2021	Year ended March 31, 2020
Interest on borrowings	87.67	144.00
Interest on Lease Liabilities	112.83	165.02
Other borrowing cost	7.44	20.36
Total	207.94	329.38

26 Depreciation and amortization expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	296.60	296.65
Amortisation of intangible assets	173.73	185.20
Depreciation of right-of-use Assets	458.15	537.11
Total	928.48	1,018.96

27 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Water power and fuel	143.03	179.27
Rent	29.32	19.97
Software Expenses	415.37	398.14
Director sitting fees (Refer Note 30)	26.00	19.00
Allowance for doubtful debts	19.45	21.84
Bad debts written off	4.85	17.10
Communication	53.35	69.50
Rates and taxes	25.87	18.39
Insurance	48.50	32.01
Repairs and maintenance		
- Others	97.05	175.71
Travelling and conveyance	207.37	582.13
Legal and professional charges	1,258.93	1,025.57
Advertisement and sales promotion	13.17	38.45
Payment to auditors (Refer note 27(a))	25.50	23.57
Office Expenses	28.54	83.60
Marketing Fees Expenses Related Parties (Refer note 30)	327.54	220.47
Net loss on foreign currency transactions and translations	-	59.94
Provision for Impairment on Investment in Subsidiary	-	160.93
CSR Expenditure (Refer note 27(b))	18.39	15.00
Miscellaneous Expenses	198.72	157.37
Total	2,940.95	3,317.96

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27 (a) Payment to auditors

	Year ended March 31, 2021	Year ended March 31, 2020
As auditor		
Statutory Audit	15.00	10.75
Limited reviews	6.00	6.00
In other capacities		
Fees for other services	3.90	4.75
Reimbursement of out of pocket expenses	0.60	2.07
Total	25.50	23.57

27 (b) Corporate Social Responsibility (CSR)

	Year ended March 31, 2021	Year ended March 31, 2020
Amount spent during the year on various projects	18.39	15.00
Amount required to be spent as per Section 135 of Companies Act, 2013	18.39	12.61
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	18.39	15.00
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

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

28 Earnings per share (EPS)

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	1,266.71	541.71
Weighted average number of Equity Shares	16,233,960	15,983,104
Basic Earnings per share	7.80	3.39
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	1,266.71	541.71
Weighted average number of Equity Shares (including potential shares) - Refer note (c) below	16,879,771	16,600,841
Diluted Earnings per share	7.50	3.26

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(c) Weighted Average number of shares used as denominator**

	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	16,233,960	15,983,104
Adjustments for calculating diluted earnings per share :		
Options	645,811	617,737
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	16,879,771	16,600,841

29 Contingencies and commitments**a) Contingent liabilities**

	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts		
Income-tax matters	861.35	921.27
Total	861.35	921.27

Provident fund

The honorable Supreme Court has issued a judgement in February, 2019 in relation to inclusion of certain allowances in the definition of basic wages as defined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company has completed its evaluation and it believes that there will not be any additional liability due to supreme court judgement. The Company will continue to monitor and evaluate its position based on future events and developments.

b) Capital commitments

- i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 25.63 lakhs (March 31, 2020 : ₹ Nil)

30 Related party transactions**a. Holding Company**

Sr. No.	Name of the entity	Place of business/ Country of Incorporation	Ownership Interest		Relationship
			March 31, 2021	March 31, 2020	
1	Onward Network Technologies Private Limited	India	51.34%	52.01%	Ultimate Holding Company

b. Subsidiaries

Sr. No.	Name of the entity	Place of business/ Country of Incorporation	Ownership Interest	
			March 31, 2021	March 31, 2020
1	Onward Technologies Inc.	USA	100.00%	100.00%
2	Onward Technologies GmbH	Germany	100.00%	100.00%
3	Onward eServices Limited*	India	100.00%	100.00%
4	Onward Properties Private Limited	India	100.00%	100.00%

* Pursuant to the merger of OeSL, the figures stated are merged with holding company (Refer to Note 37).

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

c. Fellow Subsidiaries:

- 1 Desai Finwealth Investments & Securities Private Limited
- 2 Onward Software Technologies Private Limited

d. Key Management Personnel:

- 1 Mr. Harish Mehta (Executive Chairman)
- 2 Mr. Jigar Mehta (Managing Director)
- 3 Mrs. Prachi Mehta (Director)
- 4 Mr. Pranay Vakil (Independent Director) - (Upto July 20, 2020)
- 5 Mr. Nandkumar Pradhan (Independent Director) - (Upto July 20, 2020)
- 6 Mr. Parish Meghani (Independent Director)
- 7 Mr. Rahul Rathi (Independent Director)
- 8 Ms. Dimple Chauhan (Company Secretary)
- 9 Mr. Devanand Ramandasani (Chief Financial Officer) (w.e.f. October 23, 2019)
- 10 Mr. Venkatasatyasriman Narayanacharyulu Mudu (Chief Financial Officer) - (upto October 23, 2019)
- 11 Mr. Jay Sonawala (Additional Director) - (w.e.f. May 15, 2020), (Independent Director) - (w.e.f. July 21, 2020)
- 12 Mr. Subrata Kumar Mitra (Additional Director) - (w.e.f. May 15, 2020), (Independent Director) - (w.e.f. July 21, 2020)

e. Other related Parties

- 1 Onward Foundation

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

30 Transactions with, related parties:

Nature of transaction	Holding Company		Subsidiaries		Fellow subsidiaries		Key management personnel		Other	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Rent paid	63.59	91.26	-	-	-	-	-	-	-	-
Reimbursement of expenses received/receivable	-	0.42	5.89	2.62	0.05	0.05	-	-	-	-
Reimbursement of expenses paid/ payable	3.49	5.30	71.71	23.34	0.05	0.05	-	-	-	1.50
Reimbursement of CSR Expenses	-	-	-	-	-	-	-	-	18.39	15.00
Offshore services income	-	-	2,843.55	2,773.96	-	-	-	-	-	-
Income from management fees	-	-	83.59	256.80	-	-	-	-	-	-
Income from recruitment fees	-	-	18.29	6.41	-	-	-	-	-	-
Corporate Guaratee Commission income	-	-	-	12.03	-	-	-	-	-	-
Dividend on shares	-	-	222.90	273.60	-	-	-	-	-	-
Marketing fees	-	-	327.54	220.47	-	-	-	-	-	-
Professional Fees Payable/Paid	-	-	-	3.38	-	-	-	-	-	-
ESOP expenses for employees of subsidiary	-	-	43.11	45.88	-	-	-	-	-	-
"Purchase of property, plant and equipment (Refer note 3)"	1,031.16	-	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	439.55	412.17	-	-
Long term employee benefits (Refer Note 1)	-	-	-	-	-	-	0.15	(3.30)	-	-
Post -employment benefits (Refer Note 2)	-	-	-	-	-	-	0.48	2.67	-	-
Employee share-based payments	-	-	-	-	-	-	7.94	6.19	-	-
Director sitting fees	-	-	-	-	-	-	26.00	19.00	-	-
Long term employee benefits (Refer Note 1)	-	-	-	-	-	-	-	(3.30)	-	-
Post -employment benefits (Refer Note 2)	-	-	-	-	-	-	-	2.67	-	-
Employee share-based payments	-	-	-	-	-	-	7.94	6.19	-	-
Director sitting fees	-	-	-	-	-	-	26.00	19.00	-	-

Note:

- Amount included Reversal of provision made in previous year
- Amount excludes payment of gratuity made during the year, provided in earlier years amounting to INR Nil (March 31, 2020: Rs 5.55 Lakhs)
- During the year, the Company had acquired office premises from its holding company, Onward Network Technologies Private Limited, as per the agreement dated September 29, 2020 for an agreed consideration amounting to INR 1,083.65 lakhs payable as per agreed tenure. The transaction was approved by the shareholders through postal ballot on September 27, 2020. During the year, the Company has settled the outstanding amount considering the present value of remaining payments. The Audit Committee and Board of Directors have approved the early payment. The amount disclosed above is net of interest expense on deferred payment and present value gain due to early payment. The interest expense is debited to profit and loss account, as a part of financing cost amounting to INR 11.73 Lakhs.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

II Outstanding Balances from sale/ purchase of goods and services	Holding Company		Subsidiaries		Fellow subsidiaries		Key management personnel	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Trade Receivables	-	-	333.03	346.99	-	-	-	-
Trade Payables	-	0.16	112.50	141.16	-	-	-	-
Corporate Guarantee commission receivable	-	-	-	1.73	-	-	-	-
Advance from customers	-	-	-	541.13	-	-	-	-
Receivable for employee stock options provided	-	-	9.73	26.07	-	-	-	-
Salary and Allowance payable	-	-	-	-	-	-	105.93	122.38
Security Deposits Paid	11.70	44.45	-	-	-	-	-	-

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)***31 Leases :****(i) Amounts Recognised in the balance sheet :**

	As at March 31, 2021	As at March 31, 2020
Right-of-use assets		
Buildings	829.25	1,459.13
Lease Liabilities		
Current	378.50	479.46
Non Current	546.20	1,040.04
Total	924.70	1,519.50

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 INR 29.94 lakhs (31 March 2020: IINR 14.45 lakhs).

(iii) Amounts Recognised in the Statement of Profit and Loss

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expenses (included in finance cost)	112.83	165.02
Expense relating to short-term leases (included in other expenses)	29.32	19.97
Amortisation of right-of-use Assets	458.15	537.11
Total	600.30	722.10

The total cash outflow for leases for the year ended March 31, 2021 was INR 528.24 Lakhs (March 31, 2020 : ₹ 586.57)

32 Fair value measurements**Financial instruments by category**

	March 31, 2021		March 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Loans	-	226.90	-	288.04
Trade receivables	-	2,833.79	-	3,387.56
Cash and cash equivalents	-	1,188.44	-	750.21
Other bank balances	-	98.28	-	422.87
Derivative financial assets	9.68	-	-	-
Contract assets	-	1,265.74	-	325.95
Other financial assets	-	60.99	-	27.80
Investments in mutual fund	10.00	-	-	-
Total financial assets	19.68	5,674.14	-	5,202.43

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

	March 31, 2021		March 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial liabilities				
Borrowings	-	69.29	-	686.27
Trade payables	-	778.59	-	959.21
Capital creditors	-	105.49	-	18.17
Lease Liabilities	-	924.70	-	1,519.50
Unpaid Dividend	-	12.49	-	10.27
Employee Benefit Payable	-	1,125.48	-	880.97
Total financial liabilities	-	3,016.04	-	4,074.39

Note:

Excludes investments in subsidiaries accounted as per cost model as prescribed under paragraph 10 of Ind AS 27 'Separate Financial Statements'.

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, 2021				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	9.68	-	9.68
Investments in mutual fund	-	10.00	-	10.00
At March 31, 2020				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	-	-	-
Investments in mutual fund	-	-	-	-

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.

Notes to the Standalone Financial Statements (Contd.)

(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 - the present value of future cash based on the forward exchange rates at the balance sheet date.
- Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

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.

33 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's senior management 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 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 contract assets) 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. 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 eg, 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. Refer note 38 for the assessment of impact of COVID - 19 on credit risk.

Trade Receivables and contract assets

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 INR Customer specific events/information is considered while assessing the adequacy of provision as on balance sheet date.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Reconciliation of loss allowance provision

Loss allowance on April 1, 2019	71.64
Write offs against loss allowance	(71.64)
Additional loss allowance provision made	21.84
Loss allowance on March 31, 2020	21.84
Additional loss allowance provision made	19.45
Loss allowance on March 31, 2021	41.29

Financial assets at fair value through profit or loss

The company is also exposed to credit risk in relation to investments in mutual fund 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 INR 10.00 lakhs (31 March 2020: INR Nil).

(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:

	As at 31 March 2021	As at 31 March 2021
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	1,000.00	695.41
- Expiring beyond one year (bank loans)	-	-
Total	1,000.00	695.41

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 INR.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***(ii) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity group based on their contractual maturities for :

March 31, 2021	< 1 year	> 1 year
Borrowings	-	60.40
Unpaid Dividend	12.49	-
Employee Benefit Payable	1,125.48	-
Trade Payables	778.59	-
Lease Liabilities	378.50	546.20
Payable for purchase of Property, Plant and Equipment	105.49	-
Current Maturities of Long-term Debt	8.89	-
Total	2,409.44	606.60
March 31, 2020	< 1 year	> 1 year
Borrowings	679.59	-
Unpaid Dividend	10.27	-
Employee Benefit Payable	880.97	-
Trade Payables	959.21	-
Lease Liabilities	479.46	1,040.04
Payable for purchase of Property, Plant and Equipment	18.17	-
Current Maturities of Long-term Debt	6.68	-
Total	3,034.35	1,040.04

The Company has made detailed assessment of its liquidity position for next one year considering the outbreak of COVID -19 situation and it is confident to meet it's financial obligations which will mature during next year.

(C) Market risk**1) Foreign currency risk**

The company operates internationally and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro , GBP and NOK. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the company's functional currency (INR). 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 INR, are as follows :-

	March 31, 2021				March 31, 2020			
	USD	Euro	GBP	NOK	USD	Euro	GBP	NOK
Financial assets								
Trade receivables (includes related parties)	68.10	277.67	447.80	7.51	26.33	352.29	274.60	-
Bank balances	-	-	87.87		-	-	96.80	-
Other Receivables from Related Party	9.18	0.55	-	-	26.79	1.01	-	-
Exposure to foreign currency risk (assets)	77.28	278.22	535.67	7.51	53.13	353.30	371.41	-
Derivative instruments								
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	455.09	351.92	395.01	-	-	-	-	-
Financial liabilities								
Trade payables	86.24	51.67	-	-	112.57	61.97	17.80	-
Exposure to foreign currency risk (liabilities)	86.24	51.67	-	-	112.57	61.97	17.80	-
Trade payables	86.24	51.67	-	-	112.57	61.97	17.80	-
Net exposure to foreign currency risk (liabilities)	86.24	51.67	-	-	112.57	61.97	17.80	-

* 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.

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

	Impact on Profit after tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD - Increase by 5% (31 March 2020 - 5%)	(0.45)	(2.97)
INR/USD - Decrease by 5% (31 March 2020 - 5%)	0.45	2.97
EURO sensitivity		
INR/Euro - Increase by 5% (31 March 2020 - 5%)	11.33	14.57
INR/Euro - Decrease by 5% (31 March 2020 - 5%)	(11.33)	(14.57)
GBP sensitivity		
INR/GBP - Increase by 5% (31 March 2020 - 5%)	26.78	17.68
INR/GBP - Decrease by 5% (31 March 2020 - 5%)	(26.78)	(17.68)
NOK sensitivity		
INR/GBP - Increase by 5% (31 March 2020 - 5%)	0.38	-
INR/GBP - Decrease by 5% (31 March 2020 - 5%)	(0.38)	-

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***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:

	Weighted Average Interest rate	March 31, 2021	March 31, 2020
Variable rate borrowings	8.25%	-	679.59
Fixed rate borrowings	8.21%	69.29	6.68
Total borrowings		69.29	686.27

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 sensitivity of profit or loss to changes in the interest rates is tabulated below:

	Impact on Profit after tax	
	March 31, 2021	March 31, 2020
Interest rate - Increase by 50 basis points (50bps) *	(1.70)	(4.77)
Interest rate - Decrease by 50 basis points (50bps) *	1.70	4.77

* Holding all other variables constant

34 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, 2021 and March 31, 2020.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The gearing ratios were as follows:

	31 March 2021	31 March 2021
Net Debt*	-	1,042.96
Total Equity	7,364.66	6,150.87
Net Debt to Equity Ratio	-4.50%	16.96%

*Since net debt is negative, it is considered as nil in the table above.

The net debt to equity ratio for the current year is reduced during the current year. Net debt position is decreased in contrast with increase in net assets. This decrease in net debt position can be attributable to the repayment of borrowings and Lease liability, resulting in net cash position as on reporting date.

(i) Loan Covenants

There are no loan covenants for borrowing outstanding as at balance sheet date.

35 Events after reporting period

- a) The final dividend recommended by Directors is subject to the approval of shareholders in the ensuing annual general meeting.

Dividends

	March 31, 2021	March 31, 2020
i) Equity shares		
Final Dividend for the year ended March 31, 2020 of ₹ 1.5 (March 31, 2019 : ₹ 1.5) per fully paid share	243.21	239.66
i) Dividends not recognised at the end of reporting period	490.16	243.21
The Directors have recommended the payment of a final dividend of ₹ 3.00 per fully paid equity share (March 31, 2020 ₹ 1.5 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 for all eligible employees in pursuance of a special resolution approved by the shareholders at the extraordinary general meeting held on August 31, 2009 and 25th July 2019 respectively. 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 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. 25% of the options will vest in the employees at the end of first year, 25% at the end of second year, 25% at the end of third year and balance 25% at the end of fourth year from the grant date.

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 can be exercised within the time prescribed as mentioned above, failing which they would stand cancelled.

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)*

Set out below is the summary of the options granted under the plan :

Particulars	March 31, 2021		March 31, 2020	
	No. of Options	Average exercise price per share option (INR)	No. of Options	Average exercise price per share option (INR)
Opening Balance	229,500	12.06	150,488	10.00
Granted during the year	70,000	20.00	186,500	13.27
Forfeited/ cancelled during the year	2,425	10.00	6,125	10.00
Lapsed during the year	18,525	12.67	48,413	10.00
Exercised during the year*	65,075	10.95	52,950	10.00
Outstanding as at the end of the year	213,475	14.17	229,500	12.06
Vested and exercisable (shares)	46,500	14.55	66,900	10.00
Unvested (shares)	807,400	14.15	851,100	12.32

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was INR 67.25 (March 31, 2020 - INR 62.75)

Share options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	Expiry Date	Expiry Price	Share Options	
			March 31, 2021	March 31, 2020
August 1, 2014	August 1, 2019	10	-	4,625
November 1, 2014	November 1, 2019	10	-	7,450
July 1, 2016	July 1, 2021	10	1,875	9,875
January 24, 2017	January 24, 2022	10	2,500	2,500
May 10, 2017	May 10, 2022	10	7,925	18,100
August 11, 2017	August 11, 2022	10	750	1,500
April 17, 2018	April 16, 2023	10	15,550	24,450
April 1, 2019	March 31, 2024	10	39,750	53,000
July 15, 2019	July 14, 2024	10	2,500	7,500
September 1, 2019	August 31, 2024	10	-	3,500
September 16, 2019	September 15, 2024	10	9,600	12,800
March 4, 2020	March 3, 2025	10	6,375	8,500
November 18, 2019	November 17, 2024	20	51,650	65,700
March 4, 2020	March 3, 2025	20	5,000	10,000
May 15, 2020	May 14, 2024	20	10,000	-
June 25, 2020	June 24, 2024	20	2,500	-
August 28, 2020	August 27, 2024	20	12,500	-
October 12, 2020	October 11, 2024	20	32,500	-
November 10, 2020	November 9, 2024	20	10,000	-
January 12, 2021	January 11, 2025	20	2,500	-
Weighted average remaining contractual life of options outstanding at the end of the period			2.20 years	3.92 years

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Fair value of the options granted

The fair value at the grant date is determined using the Black Scholes 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, 2021 included :

Particulars	Inputs as on March 31, 2021					
	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (Rs)	20	20	20	20	20	20
Grant Date	May 15, 2020	June 25, 2020	August 28, 2020	October 12, 2020	November 10, 2020	January 12, 2021
Expiry Date	May 15, 2025	June 25, 2025	August 28, 2025	October 12, 2025	November 10, 2025	January 12, 2026
Share Price as on Grant Date (Rs)	40.5	52.0	62.7	64.6	61.3	106.3
Fair value as on Grant Date (Rs)	23.4	32.9	42.8	44.5	41.1	81.5
Expected Volatility (%)	49.1%	49.6%	50.4%	51.1%	51.4%	52.5%
Expected Dividend yield (%)	1.8%	1.8%	1.8%	2.3%	2.3%	2.3%
Risk free interest rate (%)	5.2%	3.7%	2.4%	6.0%	4.9%	4.4%

The model inputs for options granted during the year ended March 31, 2020 included :

Particulars	Inputs as on March 31, 2020						
	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2009	ESOP 2019	ESOP 2019
Exercise Price (Rs)	10	10	10	10	20	10	20
Grant Date	April 1, 2019	July 15, 2019	September 1, 2019	September 16, 2019	November 18, 2019	March 4, 2020	March 4, 2020
Expiry Date	April 1, 2024	July 15, 2024	September 1, 2024	September 16, 2024	November 18, 2024	March 4, 2025	March 4, 2025
Share Price as on Grant Date (Rs)	70.4	65.9	60.5	64.2	69.5	56.9	56.9
Fair value as on Grant Date (Rs)	58.9	54.5	49.3	52.9	50.4	45.8	38.5
Expected Volatility (%)	43.7%	42.8%	42.0%	42.0%	47.0%	45.9%	45.9%
Expected Dividend yield (%)	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Risk free interest rate (%)	6.8%	6.4%	6.3%	6.5%	6.2%	5.7%	5.7%

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.

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employee Option Plan	110.11	119.12
Total	110.11	119.12

Notes to the Standalone Financial Statements (Contd.)*(All amounts in ₹ Lakhs, unless otherwise stated)***Expenses arising from share-based payment transactions relating to employees of subsidiaries**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employee Option Plan	43.11	45.88
Total	43.11	45.88

37 Business combination

Onward eServices Limited (referred as OeSL), a wholly owned subsidiary of the company was incorporated on June 19, 2003 under the provisions of the Companies Act, 1956. It is a leading Service Company, primarily engaged in Core Banking Solution and information technologies Services and Consultancy, trading of the Software and hardware.

During the year, OeSL is merged with the Company with an appointed date of January 1, 2020 under a Scheme of merger by absorption approved by the Hon'ble NCLT Mumbai vide order dated March 25, 2021. Hence, the impact of merger is given in the financial statements under the pooling of interest method in accordance with Appendix C of Ind AS 103 read with clarifications issued by Ind AS Technical Facilitation group.

Consequently, the Company has recognized the assets and liabilities of OeSL at their carrying values appearing in consolidated financial statements of the Company immediately before the merger. In accordance with the scheme, shares held by the company in OeSL were extinguished and no additional consideration was given..

The position of assets and liabilities is as follows:

Particulars	Amount as at March 31, 2021	Amount as at March 31, 2020	Amount as at April 01, 2019
Non Current Assets	542.43	1,296.12	1,250.33
Current Assets	2,582.65	1,676.74	2,168.52
Total Assets	3,125.08	2,972.86	3,418.85
Non Current Liabilities	1,129.68	1,087.08	996.81
Current Liabilities	810.63	1,050.35	1,311.08
Total Liabilities	1,940.31	2,137.43	2,307.89
Net Assets	1,184.77	835.43	1,110.96

Consequently, numbers of previous years were restated leading to increase in revenue by INR 5,850.64 lakhs and decrease in profit by ₹ 277.29 lakhs for the year ended March 31, 2020.

38 Impact of COVID-19

The Company has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic while preparing the financial statements. As a part of such assessment, the Company has considered the recoverability of outstanding trade receivables, contract assets, impact of lease modifications, accounting for benefits received from governments and future cash flow position upto the date of approval of these financial statements. The Company is confident of recoverability of assets as on March 31, 2021. However, the impact assessment of COVID-19 is an ongoing process and it's impact remains uncertain, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any significant impact on the Company's financial position.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

39 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, 2020 (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 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

41 Previous year/period figures have been regrouped / rearranged wherever considered necessary.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership No.: 108391

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

Harish Mehta Executive Chairman DIN: 00153549	Jigar Mehta Managing Director DIN: 06829197	Devanand Ramandasani Chief Financial Officer
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Date : May 14, 2021 | Place: Mumbai

Rahul Rathi
Audit Committee Chairman
DIN: 00966359

Dimple Chauhan
Company Secretary

Place : Pune
Date : May 14, 2021

Place : Mahabaleshwar
Date : May 14, 2021

Place : Pune
Date : May 14, 2021

Notice

NOTICE is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of **ONWARD TECHNOLOGIES LIMITED** will be held on Thursday, July 15, 2021 at 03:00 PM. through Video Conferencing/Other Audio Visual Means organized by the Company, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - A. Audited Financial Statements of the Company for the financial year ended March 31, 2021 together with the Reports of Board of Directors and Auditors thereon.
 - B. Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 together with the Report of Auditors thereon.
2. To declare final dividend on equity shares for the financial year ended March 31, 2021.
3. To appoint a Director in place of Mrs. Prachi Mehta (DIN: 06811085), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution** for re-appointment of Mr. Harish Mehta as a Whole-time Director designated as Executive Chairman of the Company:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, based on the recommendations of the Nomination and Remuneration Committee and Board of Directors of the Company, and the Nomination and Remuneration Policy of the Company, approval of the shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Harish Mehta (DIN: 00153549) 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.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable for a period of three (3) years w.e.f. May 14, 2021 to May 13, 2024, as per the terms and conditions of Mr. Harish Mehta for the aforesaid re-appointment and as set out in the statement annexed to the Notice, including the following:

- 1) Fixed Salary: ₹ 14,200,000/- per annum
- 2) Performance Incentive: Eligibility of 5% of Net Profit (computed in accordance with Section 198 of the Act) 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.
- 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 (Beneficiary is Company)
- 7) Company Car & Driver: Company car for official and personal use including driver and other operating expenses.
- 8) All other routine business expenses will be reimbursed by the Company on actuals directly.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Harish Mehta remuneration, perquisites, allowances, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, subject to necessary sanctions and approvals;

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 re-appointment 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 the Board of Directors or Chief Financial Officer or Company Secretary of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

5. To consider and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution** for re-appointment of Mr. Jigar Mehta as a Managing Director of the Company:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, based on the recommendations of the Nomination and Remuneration Committee and Board of Directors of the Company, and the Nomination and Remuneration Policy of the Company, approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Jigar Mehta (DIN: 06829197) 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.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable for a period of three (3) years w.e.f. May 14, 2021 to May 13, 2024, as per the terms and conditions of Mr. Jigar Mehta for the aforesaid re-appointment and as set out in the statement annexed to the Notice, including the following:

- 1) Fixed Salary: ₹ 14,000,000/- per annum
- 2) Performance Incentive: Eligibility of 5% of Net Profit (computed in accordance with Section 198 of the Act) of the Company. Disbursement will be done quarterly/ annually in line with Company policy.
- 3) Medical Reimbursement: up to ₹ 5 Lakhs per annum for self & family which includes spouse and 2 kids 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 for official and personal use including driver, and other operating expenses.
- 7) All other routine business expenses will be reimbursed by the Company on actuals directly.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Jigar Mehta remuneration, perquisites, allowances, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, subject to necessary sanctions and approvals;

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 re-appointment 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 the Board of Directors or Chief Financial Officer or Company Secretary of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

By order of the Board of Directors of
Onward Technologies Limited

Dimple Chauhan
Company Secretary
M. No. A51595

Date : May 14, 2021
Place: Pune

Registered Office:
2nd floor, Sterling Centre,
Dr. Annie Besant Road,
Worli, Mumbai – 400 018.
Email: investors@onwardgroup.com
website: www.onwardgroup.com
CIN: L28920MH1991PLC062542

NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of businesses to be transacted at the Annual General Meeting (hereinafter referred to as "AGM"), as set out under Item No(s). 4 & 5 above and the relevant details of the Directors as mentioned under Item No(s). 4 & 5 above as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
 2. Pursuant to the General Circular nos. 14/2020, 17/2020, 20/2020, 02/2021 issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
 3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
 4. Corporate members intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. authorising its representatives to attend the AGM, by e-mail to investors@onwardgroup.com or rnt.helpdesk@linkintime.co.in
- Dispatch of Annual Report and Registration of email-id for obtaining copy of Annual Report**
5. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.onwardgroup.com, 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 on the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>

6. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited (Link Intime) by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participants.
7. Members seeking any information relating to accounts are requested to write to the Company at investors@onwardgroup.com to enable the management to reply the same suitably.

Procedure for joining the 30th Annual General Meeting through VC/OAVM

8. NSDL will be providing facility for voting through remote e-Voting, for participation in the 30th AGM through VC/OAVM facility and e-Voting during the 30th AGM.
9. 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 under "Step 1: Access to NSDL e-Voting system". After successful login, you can see link of "VC/OAVM link" placed under "Join General 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.
10. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first come-first-served basis.
11. Member will be able attend the AGM through VC/OAVM through the NSDL e-Voting system provided by them at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

12. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come first-served basis.
13. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990.

Procedure to raise questions with respect to Annual Report at the ensuing 30th AGM:

15. Members are encouraged to express their views/ send their queries in advance mentioning their name demat account number/folio number, email id, mobile number at rnt.helpdesk@linkintime.co.in. Questions/ queries received by the Company till 5.00 p.m. on investors@onwardgroup.com shall only be considered and responded during the AGM.
16. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

17. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on July 12, 2021 at 09:00 A.M. and ends on July 14, 2021 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. Friday, June 11, 2021 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 Friday, June 11, 2021.

18. PROCEDURE FOR MEMBERS FOR REMOTE E-VOTING DURING AGM

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned below 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.
19. The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

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.	<p>A. NSDL IDeAS Facility</p> <p>If you are already registered, follow the steps:</p> <ol style="list-style-type: none"> 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <p>If you are not registered, follow the below steps:</p> <ol style="list-style-type: none"> 1. Option to register is available at https://eservices.nSDL.com 2. Select "Register Online for IDeAS" Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5 above. <p>B. e-Voting website of NSDL.</p> <ol style="list-style-type: none"> 1. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - 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.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. 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. 2. 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. 3. 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	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or e-Voting service provider-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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430.
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at (022) 2305 8738 or (022) 2305 8542/43

B) Login Method 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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. 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.
4. 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.
5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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***

6. 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 in your mailbox from evoting@nsdl.com. 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) In case you have not registered your e-mail address with the Company/ Depository, please follow instructions mentioned below in this notice.

7. 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 One Time Password (OTP) based login for casting the votes on the e-Voting system of NSDL.
 - e) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - f) Now, you will have to click on "Login" button.
 - g) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

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 General 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.

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
2. 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.
3. 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.

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.co.in with a copy marked to evoting@nsdl.co.in.

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 to Pallavi Mhatre at evoting@nsdl.co.in
4. Members who have cast their votes by remote e-Voting prior to the AGM may also attend/participate in the Meeting through VC/OAVM but they shall not be entitled to cast their vote again.
5. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Thursday, July 8, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at investor@onwardgroup.com. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800-1020-990 and 1800-224-430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, July 8, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system.
6. Ms. Prajakta V. Padhye, Partner of M/s. Nilesh A. Pradhan & Co., LLP, Practicing Company Secretaries (Membership No.: F7478 COP No.7891) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
7. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
8. The results shall be declared not less than 48 (forty-eight) hours from conclusion of the AGM. The results along with the report of the Scrutinizer shall be placed on the website of the Company www.onwardgroup.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

Information relating to Final Dividend

1. The Register of Members and Transfer Books of the Company shall remain closed from July 09, 2021 till July 15, 2021 (both days inclusive).
2. Final dividend for the financial year ended March 31, 2021, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or after Monday, July 19, 2021, to those members whose names appear on the Register of Members as on Thursday, July 8, 2021.
3. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
4. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
5. In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of postal services dispatch the dividend warrants to such shareholder by post.
6. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

- i. All Shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the Depository participant(s); or in case of shares held in physical form, with the Company, on or before the commencement of book closure from July 09, 2021 till July 15, 2021 (both days inclusive).

Please note that the following details, in case you had already registered with the Company, as available with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- a. Valid Permanent Account Number (PAN).
 - b. Residential status as per the Income Tax Act, 1961 i.e. Resident or Non-Resident for FY2020-21.
 - c. Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/ State Government), Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII): Foreign Company, FPI/ FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, etc.
 - d. Email Address.
 - e. Residential Address
- ii. For Non-resident shareholders, the TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Income Tax Act, 1961. Further, as per Section 90 of the Income Tax Act, 1961 the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:
- a. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;

- b. Self-attested copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident;
- c. Self-declaration in Form 10F; and
- d. Self-declaration in the attached format certifying:
 - Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;
 - Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2020-21.

- iii. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before July 10, 2021. Kindly note that the aforementioned documents are required to be emailed rnt.helpdesk@linkintime.co.in
- iv. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
- v. We shall arrange to email the soft copy of TDS certificate at your registered email ID in due course, post payment of the dividend.

7. Members' attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividends.
8. Members are requested to notify their change of address, if any, to the Company/Share Transfer Agent, Link Intime India Private Limited.

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 had, at the 25th Annual General Meeting ("AGM") of the Company held on July 18, 2016, appointed Mr. Harish Mehta as a Whole-time Director designated as Executive Chairman of the Company for a period of five years effective from May 16, 2016. As per the terms, tenure of his appointment expired on May 14, 2021. Accordingly, on the recommendation of Nomination & Remuneration Committee, the Board of Directors have, at their meeting held on May 14, 2021, re-appointed Mr. Harish Mehta as a Whole-time Director designated as an Executive Chairman for a further period of five years, with effect from May 14, 2021, subject to approval of the Members by way of a Special Resolution. As per Section 196 of the Companies Act, 2013, no company shall appoint or continue the employment of any person as whole-time director who has attained the age of 70 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment. Considering that Mr. Harish Mehta has already attained the age of 70 years, it is necessary to approve re-appointment of his directorship on the Board of Directors of the Company by way of a special resolution.

The Members of the Company had, at the 25th AGM of the Company held on July 18, 2016, appointed Mr. Jigar Mehta as a Managing Director of the Company for a period of five years effective from May 16, 2016. As per the terms, tenure of his appointment expired on May 14, 2021. Accordingly, on the recommendation of Nomination & Remuneration Committee, the Board of Directors have, at their meeting held on May 14, 2021, re-appointed Mr. Jigar Mehta as a Managing Director for a further period of five years, with effect from May 14, 2021, subject to approval of the Members by way of Special Resolution

4. Financial performance based on given indicators

(₹ In Lakhs)

Particulars	Standalone Financial Performance		Consolidated Financial Performance	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from Operations	17,266.72	18,055.99	24,036.66	27,154.51
Operating Profit (Before Interest, Depreciation and Tax)	2,807.25	2104.59	2,258.12	2,443.56
Profit/(Loss) Before Tax	1,670.83	756.25	981.27	964.33
Profit/(Loss) After Tax	1,266.71	541.71	733.79	623.77

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.

The details of the directors seeking appointment/re-appointment as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards-2 issued by the Institute of Company Secretaries of India and notified by Central Government are annexed hereto.

I. General information:

1. Nature of industry

The Company is providing services including engineering research & development, digital transformation and IT services to industries including transportation and mobility, industrial and heavy machinery, hi-tech and healthcare.

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

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**

Mr. Harish Mehta aged 73 years and holds a Bachelor's degree in Electrical Engineering from the College of Engineering, Pune, and a Master's in Computer Science from Brooklyn Polytechnic Institute, NY.

He is the founder of Onward Group, and has led, grown, and mentored it across two generations as Managing Director & Chairman. He was the Deputy Chairman and Managing Director of Onward Novell Software (1993-2005), a 50:50 JV between Onward Group and Novell Inc. (2nd largest personal software company globally). Previously, he was one of the chief architects of the Hinditron-Digital (DEC) JV in India in 1987. He is credited for being the driving force behind galvanizing Indian IT industry having co-founded NASSCOM. In recognition of his role in propagating the development of the IT industry for the past 25 years, he was honored by Prime Minister Mr. Narendra Modi.

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 approval of members, approved re-appointment of Mr. Harish Mehta, as an Executive Chairman & Whole Time Director of the Company for a further period of five (5) years with effect from May 14, 2021 to May 13, 2026.

Mr. Harish Mehta holds 216,528 equity shares of the Company.

B. Brief Profile of Mr. Jigar Mehta

Mr. Jigar Mehta aged 45 years and he graduated in Business Administration from Boston University, Massachusetts (USA) and is an alumnus of Don Bosco School and St. Xaviers College (Mumbai). He has 19+ years of experience in sales, business strategy, finance,

and HR functions. Currently as the 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 traditional domestic family business of 300 employees to a 1800+ strong team today with 50%+ of revenues coming from international markets in North America and Europe. He is involved in policy planning, vision and strategy and long term development activities of the Company.

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 re-appointment of Mr. Jigar Mehta, as a Managing Director of the Company for a further period of five (5) years with effect from May 14, 2021 to May 13, 2026.

Mr. Jigar Mehta holds 576,299 equity shares of the Company.

6. Past remuneration

(₹ in Lakhs)			
Sr. No.	Financial Years	Mr. Harish Mehta	Mr. Jigar Mehta
1.	FY2019-20	219.42	132.53
2.	FY2018-19	168.01	84
3.	FY2017-18	167.74	77.85

7. Recognition and Rewards

Mr. Harish Mehta was awarded 'CEO of the Year' in 1994 by NMIMS, Tata HRD Network and World HRD Congress. He was honoured with a Life Time Achievement Award for HR Excellence by Deccan Herald in 2004. He was also honoured with a Life Time Achievement Award by IMC Chamber of Commerce and Industry in 2018.

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 and Mrs. Prachi Mehta, directors 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:

In order to conserve the resources of the Company for the future business expansion in India and also outside India and the current COVID-19 pandemic has impacted the profitability of the Company so the Company does not have adequate profit during the FY2020-21.

Steps taken or proposed to be taken for improvement:

The Company has expanded its footprint in Bangalore and also plans to set-up offices in Netherlands, Amsterdam and Toronto, Canada to increase the global geographical footprint and garner new potential customers from these 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 2020-21:

The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2020-21 of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Harish Mehta, Mr. Jigar Mehta and Mrs. Prachi 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

Dimple Chauhan
Company Secretary
M. No. A51595

Date : May 14, 2021
Place : Pune

Registered Office:
2nd floor, Sterling Centre,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
Email: investors@onwardgroup.com
website: www.onwardgroup.com
CIN: L28920MH1991PLC062542

ADDITIONAL INFORMATION ON DIRECTORS BEING APPOINTED / RE-APPOINTED AS REQUIRED UNDER REGULATION 26(4) & REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:

Particulars	Mr. Harish Mehta	Mr. Jigar Mehta	Mrs. Prachi Mehta
Director Identification Number	00153549	06829197	06811085
Father's Name	Shantilal Mehta	Harish Mehta	Harish Mehta
Date of Birth/ Age	October 09, 1947	November 25, 1979	October 03, 1978
Date of appointment on board	July 18, 1991	May 16, 2016	March 27, 2015
Brief Resume including experience and qualification	As mentioned in the Explanatory Statement	As mentioned in the Explanatory Statement	She is a Master in Advertising and Marketing from the Leeds Business School in U.K. along with a Diploma in the functionality in Internet Technologies. She has a rich and varied experience of over 15 years as dedicated employee and a budding Entrepreneur.
Expertise in specific functional areas	Strategic Management	Business Administration	General Management
Directorships held in other listed entities	He is not a director in any other listed entity except Onward Technologies Limited.	He is not a director in any other listed entity except Onward Technologies Limited.	She is not a director in any other listed entity except Onward Technologies Limited.
Memberships/ Chairmanships of Committees in other Companies	None	None	None
Shareholding in Company as on May 14, 2021	216,528 equity shares	576,299 equity shares	148,792 equity shares
Number of Board meetings as ended during the year	Details of his attendance in the Board/Committee meetings are provided in the Corporate Governance Report forming part of Annual Report.	Details of his attendance in the Board/Committee meetings are provided in the Corporate Governance Report forming part of Annual Report.	Details of her attendance in the Board/Committee meetings are provided in the Corporate Governance Report forming part of Annual Report.
Shareholding in the Company of the spouse and immediate relatives of the Director	968,187 Equity Shares	608,416 Equity Shares	10,35,923 Equity Shares
Tenure and term of appointment	5 years (From May 14, 2021 to May 13, 2026)	5 years (From May 14, 2021 to May 13, 2026)	Liable to retire by rotation every year
Terms and conditions of appointment.	Refer item no. 4 to the Notice	Refer item no. 5 to the Notice	Non-Executive; Non-Independent Director liable to retire by rotation

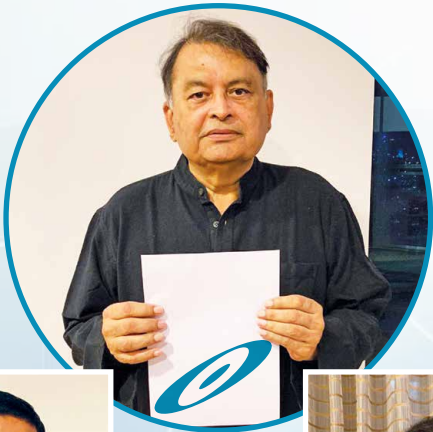
Particulars	Mr. Harish Mehta	Mr. Jigar Mehta	Mrs. Prachi Mehta
Remuneration on last drawn	Remuneration as disclosed in Directors' Report forming part of this Annual Report.	Remuneration as disclosed in Directors' Report forming part of this Annual Report.	Sitting fees as disclosed in Report on Corporate Governance forming part of this Annual Report.
Remuneration Proposed	Refer item no. 4 to the Notice	Refer item no. 5 to the Notice	NA
Relationship with other Directors or Key Managerial Personnel of the Company	Mr. Harish Mehta is a father of Mr. Jigar Mehta, Managing Director and Mrs. Prachi Mehta, Director of the Company.	Mr. Jigar Mehta is a son of Mr. Harish Mehta, Executive Chairman of the Company and brother of Mrs. Prachi Mehta, Director of the Company.	Mrs. Prachi Mehta is a daughter of Mr. Harish Mehta, Executive Chairman of the Company and sister of Mr. Jigar Mehta, Managing Director of the Company.

By order of the Board of Directors of
Onward Technologies Limited

Dimple Chauhan
Company Secretary
M. No. A51595

Date : May 14, 2021
Place : Pune

Registered Office:
2nd floor, Sterling Centre,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
Email: investors@onwardgroup.com
website: www.onwardgroup.com
CIN: L28920MH1991PLC062542





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