

Date: July 16, 2020

To,

<b>BSE Ltd.</b> Corporate Relations Department P J Towers, Dalal Street Mumbai 400 001	<b>National Stock Exchange of India Ltd.</b> 'Exchange Plaza', C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai 400 051
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**Ref:** Scrip Code - **BSE:** 517536 **NSE:** ONWARDTEC

**Subject:** Unaudited Financial Results (Standalone & Consolidated) for the first quarter ended 30<sup>th</sup> June, 2020.

June,  
Dear Sir,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company have approved and taken on record, inter alia, unaudited financial results (Standalone and Consolidated) of the Company for the quarter ended 30th June, 2020.

The Board Meeting commenced at 11:15 A.M. and the above matters were concluded at 01:30 PM.

A copy of the Results along with Limited Review Report of the auditors of the Company, as required under Regulation 33 of the Listing Regulations, is enclosed herewith.

Kindly acknowledge the receipt of the same.

**For Onward Technologies Limited**

Sd/-

Dimple Chauhan  
Company Secretary

Encl: As above

# Price Waterhouse Chartered Accountants LLP

To,  
The Board of Directors  
Onward Technologies Limited  
2nd Floor, Sterling Centre,  
Dr. Annie Besant Road, Opposite Atria Mall,  
Worli, Mumbai – 400018

1. We have reviewed the unaudited consolidated financial results of Onward Technologies Limited (the “Parent”), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the “Group”), for the quarter ended June 30, 2020 which are included in the accompanying ‘Statement of Consolidated Unaudited Financial Results for Quarter ended June 30, 2020’ (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the following entities:

<b>Sr. No.</b>	<b>Name of Entity</b>	<b>Relationship</b>
1	Onward Technologies Limited	Parent
2	Onward Technologies Inc.	Subsidiary
3	Onward Technologies GmbH	Subsidiary
4	Onward eServices Limited	Subsidiary
5	Onward Properties Private Limited	Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)


# Price Waterhouse Chartered Accountants LLP

Onward Technologies Limited  
Limited Review for the Quarter ended June 30, 2020  
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6. We draw your attention to Note 8 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Group. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.
7. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1,317.25 lakhs and, total net loss after tax of Rs. 46.99 lakhs and total comprehensive loss of Rs. 46.99 lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors in accordance with SRE 2410, Review of Interim Financial Information Performed by the Independent Auditor and their report dated July 14, 2020, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.
8. The consolidated unaudited financial results includes the interim financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflects total revenue of Rs. 209.30 lakh and total net loss after tax of Rs. 15.08 lakhs and total comprehensive loss of Rs. 17.44 lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

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

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Neeraj Sharma  
Partner  
Membership Number: 108391  
UDIN: 20108391AAAAEP1314  
Pune  
July 16, 2020

**Onward Technologies Limited**



**Corporate Identity Number: L28920MH1991PLC062542**

**Registered Office: Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli, Mumbai - 400 018, India.**

Tel: +91 22 2492 6570

E-mail: info@onwardgroup.com Website: www.onwardgroup.com

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020**

Sr. No.	Particulars	Quarter ended			(Rs. In lakhs)
		June 30, 2020	March 31, 2020	June 30, 2019	Year ended
		(Unaudited)	(Unaudited Refer Note 6)	(Unaudited)	(Audited)
1	Revenue from operations (Refer note 7)	5,602.98	6,559.01	6,746.83	27,154.51
2	Other income (net)	32.35	22.24	42.45	105.96
3	<b>Total Income (1+2)</b>	<b>5,635.33</b>	<b>6,581.25</b>	<b>6,789.28</b>	<b>27,260.47</b>
4	<b>Expenses</b>				
	a) Purchase of software licences	0.12	6.30	27.39	44.57
	b) Employee benefits expense	4,568.60	5,593.95	5,029.19	21,097.97
	c) Finance costs	70.39	79.50	93.70	346.42
	d) Depreciation and amortisation expense	286.95	270.88	289.16	1,132.81
	e) Other expenses	657.94	1,017.98	889.44	3,674.37
	<b>Total Expenses</b>	<b>5,584.00</b>	<b>6,968.61</b>	<b>6,328.88</b>	<b>26,296.14</b>
5	<b>Profit before tax (3-4)</b>	<b>51.33</b>	<b>(387.36)</b>	<b>460.40</b>	<b>964.33</b>
6	Tax expense				
	a) Current tax	58.46	29.30	219.31	480.00
	b) Deferred tax	(46.15)	(118.59)	(94.49)	(139.44)
	<b>Total tax expense/ (credits)</b>	<b>12.31</b>	<b>(89.29)</b>	<b>124.82</b>	<b>340.56</b>
7	<b>Net profit / (Loss) for the period (5 - 6)</b>	<b>39.02</b>	<b>(298.07)</b>	<b>335.58</b>	<b>623.77</b>
8	<b>Other comprehensive income, net of income tax</b>				
	a) i) items that will not be reclassified to profit or loss	0.43	59.64	(2.40)	42.63
	ii) income tax relating to items that will not be reclassified to profit or loss	(0.11)	(15.01)	0.70	(10.73)
	b) i) items that will be reclassified to profit or loss	(6.55)	76.70	(13.26)	154.20
	ii) income tax relating to items that will be reclassified to profit or loss	-	(3.12)	-	(3.12)
	<b>Total other comprehensive income, net of income tax</b>	<b>(6.23)</b>	<b>118.21</b>	<b>(14.96)</b>	<b>182.98</b>
9	<b>Total comprehensive income for the period (7+8)</b>	<b>32.79</b>	<b>(179.86)</b>	<b>320.62</b>	<b>806.75</b>
10	<b>Net Profit/ (loss) attributable to:</b>				
	a) Owners	39.02	(298.07)	335.58	623.77
	b) Non-controlling interests	-	-	-	-
11	<b>Total comprehensive income attributable to:</b>				
	a) Owners	32.79	(179.86)	320.62	806.75
	b) Non-controlling interests	-	-	-	-
12	Paid-up equity share capital : (Face value Rs. 10 each)	1,611.72	1,604.26	1,590.28	1,604.26
13	Earnings per share (of Rs. 10 each) (not annualised)				
	Basic: (in Rs.)	0.24	(1.86)	2.11	3.90
	Diluted: (in Rs.)	0.23	(1.78)	2.03	3.76

**Notes:**

- 1 The statement has been reviewed by Members of the Audit Committee and approved by the Board of Directors at its meeting held on July 16, 2020.
- 2 The consolidated financial results include the results of Onward Technologies Limited's subsidiaries in India, USA and Germany (together referred as "Group").
- 3 This statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 4 The Group has only one operating segment which is Engineering Design and IT services. Accordingly, separate segment information is not required to be disclosed.
- 5 During the quarter ended as on June 30, 2020, the Company has issued 74,600 equity shares following the exercise of stock options by certain employees under the ESOP scheme, 2009.
- 6 The figures for the quarter ended March 31, 2020 are the derived figures between the audited figures for the year ended March 31, 2020 and published reviewed figures of December 31, 2019.
- 7 Revenue from Operations for the quarter ended March 31, 2020 includes export incentives amounting to Rs. 203.82 lakhs under Service Exports from India Scheme, 2015 (SEIS Scheme) for services exported upto March 31, 2020. Such incentives were accounted at the time of application till December 31, 2019.

Further pending certain clarifications regarding applicability and extent of such benefits for the current year, management has not recognised any such benefits for services exported during the quarter ended June 30, 2020.

- 8 Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and is continuously evolving, as a result, has affected the operations and results of the Company.  
The Group has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic while preparing the financial information. 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 results. The Group is confident of recovery of outstanding assets as on June 30, 2020.  
However, the impact assessment of COVID-19 is an ongoing process, 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.
- 9 Previous year/period figures have been regrouped/rearranged wherever considered necessary.

**For and on Behalf of the Board of Directors  
Onward Technologies Limited**

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**Jigar Mehta  
Managing Director**

**Place : Mumbai**

**Date : July 16, 2020**

# Price Waterhouse Chartered Accountants LLP

To,  
The Board of Directors  
Onward Technologies Limited  
2<sup>nd</sup> Floor, Sterling Centre,  
Dr. Annie Besant Road, Opposite Atria Mall,  
Worli, Mumbai – 400018

1. We have reviewed the unaudited financial results of Onward Technologies Limited (the “Company”) for the quarter ended June 30, 2020, which are included in the accompanying ‘Statement of Standalone Unaudited Financial Results for Quarter ended June 30, 2020’ (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”).
2. This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 8 to the Statement, which describes the management’s assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

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

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Neeraj Sharma  
Partner  
Membership Number: 108391  
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Pune  
July 16, 2020

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## Onward Technologies Limited



Corporate Identity Number: L28920MH1991PLC062542

Registered Office: Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli, Mumbai - 400 018, India.

Tel: +91 22 2492 6570

E-mail: info@onwardgroup.com Website: www.onwardgroup.com

### STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

Sr. No.	Particulars	Quarter ended			(Rs. In lakhs)
		June 30, 2020	March 31, 2020	June 30, 2019	Year ended March 31, 2020
		(Unaudited)	(Unaudited Refer Note 5)	(Unaudited)	(Audited)
1	Revenue from operations (Refer note 6)	2,506.52	3,061.34	2,966.93	12,205.35
2	Other income	39.43	78.88	371.50	673.59
<b>3</b>	<b>Total Income (1+2)</b>	<b>2,545.95</b>	<b>3,140.22</b>	<b>3,338.43</b>	<b>12,878.94</b>
<b>4</b>	<b>Expenses</b>				
	a) Purchase of software licences	-	-	13.02	18.30
	b) Employee benefits expense	1,726.31	2,268.33	1,980.39	8,412.75
	c) Finance costs	55.95	68.65	84.51	317.65
	d) Depreciation and amortisation expense	234.79	220.76	232.05	908.69
	e) Other expenses	378.98	585.56	571.93	2,111.34
	<b>Total Expenses</b>	<b>2,396.03</b>	<b>3,143.30</b>	<b>2,881.90</b>	<b>11,768.73</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>149.92</b>	<b>(3.08)</b>	<b>456.53</b>	<b>1,110.21</b>
6	Tax expense				
	a) Current tax	57.14	30.04	167.20	365.42
	b) Deferred tax	(20.25)	(15.19)	(81.44)	(74.21)
	<b>Total tax expense</b>	<b>36.89</b>	<b>14.85</b>	<b>85.76</b>	<b>291.21</b>
<b>7</b>	<b>Net profit/ (Loss) for the period (5 - 6)</b>	<b>113.03</b>	<b>(17.93)</b>	<b>370.77</b>	<b>819.00</b>
<b>8</b>	<b>Other comprehensive income, net of income tax</b>				
	i) items that will not be reclassified to profit or loss	0.43	18.73	(2.40)	1.72
	ii) income tax relating to items that will not be reclassified to profit or loss	(0.11)	(4.71)	0.70	(0.43)
	<b>Total other comprehensive income, net of income tax</b>	<b>0.32</b>	<b>14.02</b>	<b>(1.70)</b>	<b>1.29</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>	<b>113.35</b>	<b>(3.91)</b>	<b>369.07</b>	<b>820.29</b>
10	Paid-up equity share capital : (Face value Rs. 10 each)	1,611.72	1,604.26	1,590.28	1,604.26
11	Earnings per share (of Rs. 10 each) (not annualised)				
	Basic: (in Rs.)	0.70	(0.11)	2.33	5.12
	Diluted: (in Rs.)	0.68	(0.11)	2.24	4.93

**Notes:**

- 1 The statement has been reviewed by Members of the Audit Committee and approved by the Board of Directors at its meeting held on July 16, 2020.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has only one operating segment which is Engineering Design and IT services. Accordingly, separate segment information is not required to be disclosed.
- 4 During the quarter ended as on June 30, 2020, the Company has issued 74,600 equity shares following the exercise of stock options by certain employees under the ESOP scheme, 2009.
- 5 The figures for the quarter ended March 31, 2020 are the derived figures between the audited figures for the year ended March 31, 2020 and published reviewed figures of December 31, 2019.
- 6 Revenue from Operations for the quarter ended March 31, 2020 includes export incentives amounting to Rs. 203.82 lakhs under Service Exports from India Scheme, 2015 (SEIS Scheme) for services exported upto March 31, 2020. Such incentives were accounted at the time of application till December 31, 2019.

Further pending certain clarifications regarding applicability and extent of such benefits for the current year, management has not recognised any such benefits for services exported during the quarter ended June 30, 2020.

- 7 The Company has applied for strike off u/s 248 of the Companies Act, 2013 for its wholly owned subsidiary, Onward Properties Private Limited and is awaiting approval from Registrar of Companies, Mumbai.

8 Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and is continuously evolving, as a result, has affected the operations and results of the Company.

The Company has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic while preparing the financial information. 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 results. The Company is confident of recovery of outstanding assets as on June 30, 2020.

However, the impact assessment of COVID-19 is an ongoing process, 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.

9 One of the subsidiaries of the Company, namely Onward Technologies GmBh, has incurred recurring losses and has negative net worth. Basis the management's assessment for impairment under IND AS 36, the Company had recognised an impairment loss of Rs 54 lakhs in quarter ended March 31, 2020 under Other expenses.

10 The Board of Directors in its meeting held on May 15, 2020, has approved a scheme of merger of Onward E Services Limited (a wholly owned subsidiary) with the Company. The scheme of merger has been filed with the National Company Law tribunal (NCLT) on June 30, 2020 and the impact of this merger will be given once this Scheme is approved by the NCLT.

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

**For and on Behalf of the Board of Directors  
Onward Technologies Limited**

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JIGAR HARISH MEHTA  
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**Jigar Mehta  
Managing Director**

**Place: Mumbai  
Date: July 16, 2020**