YOUR TRUSTED OUTSOURCING PARTNER

for Digital and ER&D Services

Annual Report 22 23

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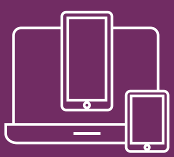


For more details,
please visit:
www.onwardgroup.com

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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Harish Mehta, *Founder & Executive Chairman*
Mr. Jigar Mehta, *Managing Director*
Mr. Parish Meghani, *Director*
Mr. Rahul Rathi, *Director*
Mr. Subrata Kumar Mitra, *Director*
Mr. Jay Sonawala, *Director*
Mr. Harsha Raghavan, *Director*
Ms. Niranjani Chandramouli, *Director*

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants

INTERNAL AUDITORS

Ahuja Valecha & Associates LLP

SECRETARIAL AUDITORS

Nilesh A. Pradhan and Co., LLP

REGISTERED OFFICE

Sterling Centre, 2nd Floor
Dr. A.B. Road, Worli,
Mumbai – 400 018
Tel: 022 - 24926570

CORPORATE IDENTITY NUMBER

L28920MH1991PLC062542

WEBSITE

www.onwardgroup.com

INVESTOR RELATIONS

investors@onwardgroup.com
Tel No.: +91 22 2492 6570

REGISTRAR AND TRANSFER AGENTS

Link Intime India Pvt Ltd.
C-101, 247 Park,
L. B. S. Marg,
Vikhroli West,
Mumbai – 400 083

BANKERS

ICICI Bank
HSBC
PNC Bank

The demand for Engineering Research and Development (ER&D) is rapidly growing, as businesses globally actively seek ways to modernize processes and assets, increase competencies in next-generation technologies, design future-oriented products and improve speed to market. These factors have become critical to help them unlock new opportunities for growth and customer engagement and be future-ready. As a result, the business ER&D spend is estimated to expand at CAGR of 5.5% during 2019-25 to surpass USD 1 trillion mark by 2025. Software, Automotive, Industrial & Energy and Healthcare are estimated to witness fastest growth with high propensity for digital engineering adoption.

At Onward Technologies, we have risen to the needs of our OEM customers in these times, relentlessly pursuing partnership opportunities to help propel their digital transformation efforts and achieve impactful outcomes. We continue to progress on this strategic objective, bringing us closer towards realization of our shared vision.

Over the last few years, we have sharpened our focus on three dedicated verticals Transportation & Mobility, Industrial Equipment & Heavy Machinery and Healthcare, where we see customers needing the most support. We have strategically transitioned from traditional IT services to a digital and ER&D dominant entity, with software at the core of all our efforts. We have gained competencies in artificial intelligence (AI), machine learning (ML), Internet of Things (IoT), data science and analytics, intelligent automation, digital manufacturing, smart factory and digital twin among others, recognizing their potential in revolutionizing industries and driving advancements.

Equipped with these enhanced competencies, our teams deepened engagements with customers, to solve the challenges of their industry and help them realize the full potential of digital.

Our consolidated presence, both domestically and internationally, enabled delivering unparalleled value to our customers and meeting their growing demand. Net addition of 157 people and deployment of high-octane teams from top-tier firms and ~300 people skilled in specialized areas to the projects proved instrumental. It helped ensure flexibility of project delivery — onsite, nearshore or offshore, alongside excellence in execution to help customers achieve desired business outcomes.

Moving forward, we see exciting growth opportunities, having recently completed investments in people, processes and infrastructure.

We are focused on our top 25 customers, who have higher outsourcing budgets, and the potential to make investments in long-term projects, where they can unlock value through our comprehensive services. We see growth in both India and international businesses, across all lines of service and verticals. However, supported by our recent investments, we are positioned to focus on international region, digital services, and MedTech & Healthcare segment from where maximum opportunities are expected to come.

We remain well-poised to meet our customer's expectations, dedicated to enhancing engagements and climbing up the value chain to be their trusted outsourcing partner.

YOUR TRUSTED OUTSOURCING PARTNER

ABOUT ONWARD TECHNOLOGIES

EXPANDING YOUR DIGITAL HORIZONS AS A TRUSTED ER&D OUTSOURCING PARTNER

We are a software outsourcing company specializing in providing digital and ER&D services. We have strong delivery capabilities across India and key global markets, domain expertise in focused verticals and capabilities in diverse technology areas. Powered by this, we support large global companies to meet their technology outsourcing requirement, helping them to navigate the complexities and remain at the forefront of technological disruptions.

OUR BUSINESS AT A GLANCE

4 service lines provided across...

- Digital Services
- Mechanical Engineering Services
- Embedded & Electronics Engineering Services
- Information Technology Services

3 dedicated verticals

- Transportation & Mobility
- Industrial Equipment & Heavy Machinery
- Healthcare & MedTech

ENGINEERED FOR LONG-TERM SUCCESS

GROWING EXECUTION EXCELLENCE

- Flexible delivery capabilities across onsite, offshore, and near-shore delivery
- Deep technical and execution capabilities
- Trained and skilled employees across India, USA and Europe, including subject matter experts and young leadership from tier-1 companies

2,798
Employees

14
Offices and operations across six countries

GLOBAL 2,000 CUSTOMERS

- Serving Global 2,000 companies in North America and Europe
- Revenue contribution from top-25 clients at 81%

7 OF GLOBAL TOP-10
Automotive companies

5 OF GLOBAL TOP-10
Industrial equipment manufacturer countries

END-TO-END AND DIVERSE CAPABILITIES

- Capabilities in digital transformation, electronics and embedded, mechanical engineering and enterprise IT
- Digital focus across all business lines
- Three focused verticals: Transportation & Mobility and Industrial Equipment and Heavy Machinery, and Healthcare & MedTech

Technology capabilities

- Embedded Systems
- Data Analytics & Data Science
- Artificial Intelligence
- Machine Learning
- Industry 4.0
- Internet of Things
- Intelligent Automation
- Digital Manufacturing
- Smart Factory
- Digital Twin

FISCAL PRUDENCE

- Net debt-free and strong balance sheet with ₹ 48.4 Crore cash & bank balance and ₹ 165.48 Crore net worth as on March 31, 2023

16.09%
3-year PAT CAGR

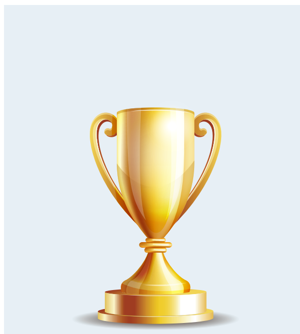
7 YEARS
Of uninterrupted dividend payments

RECOGNITIONS EXEMPLIFYING OUR EXCELLENCE

InkSpell Inn Tech Awards 2022 as Engineering Partner of the Year

Times Ascent Asia Pacific HRM Congress for Top Organizations with Innovations HR Practices

Quantic Technology Excellence Awards as Best ER&D Partner for Auto & Industrial OEMs



'Aspirant' in the Industry 4.0 Services Peak Matrix conducted by Everest Group for our potential to harness the digital market

SERVICE AND INDUSTRY OFFERINGS

POWERED BY FUTURE-READY PORTFOLIO OF SERVICES

At Onward Technologies, we have established expertise across diverse technology areas and industries aligned with evolving business needs and emerging trends. It empowers us to meet the existing and future requirements of our customers, making our service portfolio sustainable in long term.
We expect majority of growth opportunities coming from digital service line and the Healthcare & MedTech segments, where we have competencies and strategically prioritized our focus.

OUR DIVERSE SERVICE OFFERINGS

DIGITAL SERVICES

- Engineering automation
- Big data analytics
- Cloud & DevOps
- AI/ML
- Digital with AR/VR

MECHANICAL ENGINEERING SERVICES

- New product design & development
- Value engineering
- Virtual simulation
- Manufacturing engineering
- Technical publication

EMBEDDED & ELECTRONICS ENGINEERING SERVICES

- Platform services hardware, software
- Connectivity solutions
- Product sustenance & modernization
- Aftermarket support
- Verification & validation

INFORMATION TECHNOLOGY SERVICES

- SW development & maintenance
- Enterprise applications
- Data management & reporting
- Testing & QA services
- Enterprise managed services

OUR SERVICE DIFFERENTIATORS

- Industry understanding and product knowledge
- Global reach and flexible engagement models (on, near or offshore) with priority on client ROI
- Lower total cost of engagement
- Access to global talent pools and domain experts and ability to mobilize teams as required
- Expertise in cross-pollinating technologies across diverse industries
- Sustained and timely access to both front-line engineers and Onward Technologies leadership

OUR FOCUSED INDUSTRY VERTICALS

We bring together our technology competencies across the service lines to deliver robust solutions across three dedicated industry verticals. These include:

Transportation and Mobility
Automotive and Rail Transportation

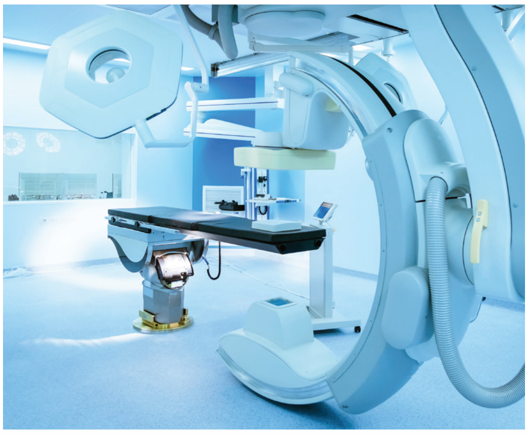
We have 14+ years of experience in providing engineering services supported by highly-skilled teams. We have expertise across traditional embedded software solutions (adaptive/classic AUTOSAR middleware stacks and bootloaders), ADAS, electric, connected vehicles and functional safety topics of ISO 26262. Our excellence lies in high-quality software, first-time right project delivery and cost engineering which ensures value delivery.

Industrial Equipment & Heavy Machinery
Heavy Equipment & Machinery and Mining

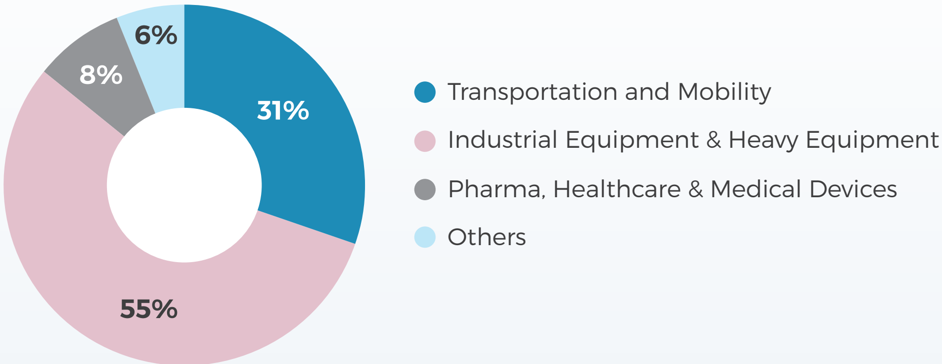
We develop solutions for equipment design and development requirements of manufacturing companies like oil & gas, energy, water, steel, plastic, etc. and off-highway companies like construction, agriculture, mining, road building, etc. We have end-to-end engineering capabilities, right from designing process flows to developing drawings and manuals.

Healthcare & MedTech
Medical Devices and Pharma

We deliver innovative solutions to pharma, life sciences, healthcare, and medical equipment companies. We have capabilities to engineer user-friendly and advanced technology-enabled medical devices that ensure better and faster positive outcomes. We also enable our clients to become more patient-centric through digital information solutions and supply chain innovations. This is a new and fast-growing business area that we are focused on and continue to make investments for strengthening our competencies.



FY 2022-23 SEGMENTAL REVENUE (%)



SOLUTIONS DELIVERY

DELIVERING UNPARALLELED EXCELLENCE TO CLIENTS

#1

We are supporting an ultra-luxury car manufacturer, part of a top-3 European OEM, in complete interior development for the next generation EV platform. We are also supporting select digital systems for them.

#2

Software-driven vehicle: We are developing software for an EU-based EV systems manufacturer, including design and development for a high-performance electric motor.

#3

We are supporting a large US healthcare client, specializing in diagnostics and medical imaging components, in developing a web application for use by lab members. It will first be deployed on tablets, and eventually extended to multiple configurable devices. Initially, the application will be on-premise and then extended to integrate with the cloud platform.

#4

We are supporting a large US pharmaceutical drug company, in doing a gap analysis and EU-MDR remediation project for a web application which is currently live in US and now getting rolled out to Europe.

#5

We are developing software, carrying out validation, and deployment for the Electronic Controller Unit (ECU) of a Backhoe Loader for a leading manufacturer in Industrial Equipment & Heavy Machinery (off-highway).

#6

We are assisting one of the largest manufacturers of construction equipment to modernize the user interface, enhance security features, upgrade application architecture, and data integration of an e-commerce portal.

BOARD OF DIRECTORS

LEADING OUR JOURNEY OF SUCCESS AND GOVERNANCE


1


2


3


4

1
HARISH MEHTA
Founder & Executive Chairman

2
JIGAR MEHTA
Managing Director

3
PARISH MEGHANI
Director

4
RAHUL RATHI
Director

5
SUBRATA KUMAR MITRA
Director

6
JAY SONAWALA
Director

7
HARSHA RAGHAVAN
Director

8
NIRANJANI CHANDRAMOULI
Director


5


6


7


8

CHAIRMAN'S MESSAGE

> "The power of technology has been transformative in many ways – helping improve the quality of life of individuals and empowering the success of companies."

Dear Shareholders,

The world is evolving at an extraordinary pace. As it is being reshaped, digital technology is driving remarkable transformation and helping remodel the world for better. Companies are using digital technologies to redefine customer journeys and unlock new levels of engagement and personalization. Harnessing digital capabilities, they are reengineering business processes and products as well as maximizing their revenue potential and driving sustainable growth. Beyond the corporate realms, it is playing a crucial role in enhancing efficiency and effectiveness of public services delivery. These are just a few instances.

The power of technology has been transformative in many ways – helping improve the quality of life of individuals and empowering the success of companies. The increased access to information and the profound ways in which society today consumes this knowledge, has truly been exceptional. The emergence of environment-friendly technologies has unlocked a whole new dimension. It is helping build sustainable products and services.

New-age technologies like Artificial Intelligence (AI), Machine Learning and IoT, etc. and concepts like smart factories, embedded systems and intelligent automation are therefore the right way forward. Generative AI, an advanced version of AI, has created a stir. With its ability to analyze large volumes of data, learn, and generate new insights, it has garnered global attention for its potential to revolutionize industries. Developing personalized medicines and financial plans, analyses of biological sequences and fraud detection are some of the many ways where it is being used. This technology has gained unstoppable momentum. It can be called a Steam engine or a Frankenstein moment. AI might not replace Humans, but it can augment their intelligence. Therefore, humans equipped with AI knowledge stand to replace those without it.

The coming years are going to be about how effectively the companies can integrate technologies into their business model. NASSCOM projects the business ER&D spending to surpass the USD 1 trillion mark by 2025 with ER&D sourcing at USD 160 billion. This essentially means that mere buying of technology will not suffice. Companies would have to engage technology partners to ensure different technologies can be brought together, harmonized and personalized to achieve specific business outcomes. India is poised to play a pivotal role globally, becoming the epicenter for high-tech manufacturing, supplying knowledge capital, and providing the fastest growing market for digital consumers.

ONWARD TECHNOLOGIES NO EXCEPTION

At Onward Technologies, we too have taken the big leap forward to address the evolving and future needs of our clients, implementing strategic transformational change over the last few years. We have risen through the value chain from being a traditional IT to a high-end ER&D and digital transformation service provider.

We have strengthened our competencies in three dedicated industry verticals, where we see our strategic clients requiring maximum support and making incremental investments. With our defined set of core competencies, we are positioned to engage at deeper levels with them to offer high-end digital solutions that yield exceptional outcomes, paving the way for accelerated growth. This is what being a preferred outsourcing partner means to us.

THE RESULTS SPEAK FOR THEMSELVES

The success of our transformation is manifest in our performance. We delivered a solid 43.5% growth in revenue in FY 2022-23 and a 900 basis points increase in digital revenues to 17%. Revenue from our three focused verticals stood at 93% of total revenues: 55% coming from Industrial Equipment & Heavy Machinery, 31% from Transportation & Mobility and 8% from Healthcare & MedTech. Our Top-25 customers contributed 81% of revenue. The international business unit continued with strong performance.

The year saw us win prestigious deals, including a large multi-year deal from a leading global automotive company, involving significant digital component around data analytics and data science. Our delivery also won us a few recognitions. We were recognized as 'Engineering partner of the year' by Intech Awards 2022 and 'Best ER&D service partner for Auto & industrial OEMs' at a technology event in Bengaluru.

SCALING UP FOR OUR CLIENTS

As much as we are jubilant of our achievements, we are mindful of the greater responsibility that we need to take for our clients and the greater efforts to fulfill them. Our clients are faced with significant disruptions. Embedded technologies, ADAS, IoT, hardware and software engineering, Industry 4.0, power electronics, MedTech, AI, digital transformation are some of the many areas where they seek our support.

At Onward Technologies, we have positioned ourselves at the forefront of advancements. Over the last 12-18 months, we have strengthened our team, inducting some of the best minds in the industry and training freshers in specialized areas through talent acceleration programs.

On the technology side, we continue to make substantial investments given the strong revenue potential. Our investments in dedicated embedded labs and Centre for Digital Excellence (CoE) in Hyderabad and Navi Mumbai will play a critical role in scaling our technology ambitions.

As we move forward, we are confident of making bigger breakthroughs and unlocking newer opportunities.

FINAL THOUGHTS

We remain steadfast in our commitments to drive growth for our key stakeholders – the customers, employees, and communities.

We will continually develop capabilities to remain a key outsourcing ER&D partner for our customers as they scale investments to gain an edge in the industry. To our people, we are committed to offering a career path. We are ensuring this through opportunities for upskilling in next-generation technologies and fostering resilience, critical thinking and creativity to broaden their horizons and facilitate their movement to international locations. The communities are the very purpose of our existence, as we strive to promote a better and more sustainable world by working on better technology solutions with our customers.

It's been a fulfilling journey until now. The future is brighter, and I am sure the leadership and the entire team at Onward Technologies will bring home greater laurels with utmost dedication while being true to our purpose.

Warm regards,

Harish Mehta

Founder & Executive Chairman

MANAGING DIRECTOR'S MESSAGE

> "Our team's primary focus continues to be to expand in North America and Europe. We're committed to increase the investments and build on our presence in both these regions."

Dear Shareholders,

In FY 2022-23, we grew from strength to strength, creating new capacities and making exceptional progress on advancing technology and people capabilities. We reinforced our position as a preferred ER&D outsourcing partner as our ~2,800 team members displayed exemplary determination to meet client commitments.

More importantly, we progressed on our strategic roadmap of channelizing resources and investments towards focused industry verticals, geographies, and strategic clients to ensure profitable and fast-paced growth. Our focus on these yielded exceptional results, as we delivered record performance and laid the groundwork to march towards USD 100 million revenue target by FY 2026.

FY 2022-23 AS IT WAS

The year 2022 was difficult for most of the global economies. Record inflation followed by rising interest rates impacted economic activities and delayed capex plans across industries. It also highlighted the urgency for corporates to invest in cost optimization and digital transformation to stay ahead of the curve.

This was evident in the exponential demand we witnessed across our focused verticals of industrial equipment & heavy machinery, transportation & mobility and healthcare & med-tech in both India and international businesses. This demand for digital offerings has been particularly inspiring, given our strategic decision to align our services portfolio towards Digital and ER&D.

STAYING AHEAD WITH FLEXIBILITY AND AGILITY

Under the guidance of our Board, our executive leadership has done a commendable job by expanding the global footprint and talent pipeline with speed and agility to capture the incremental opportunities.

The international business continued to consolidate its position. In FY 2022-23, we strengthened our presence by opening two more offices in Canada and Germany, taking our total presence to 14 offices.

Over the last couple of years, substantial investments have gone into this market to establish our capabilities and ability to deliver to clients. This included sending a team of high-performers, and setting-up leadership and sales team with experienced personnel hailing from tier I companies. Happy to report that the team continues to build on the credentials of our brand and are starting to make breakthroughs with increased customer engagements.

The net results could be seen in revenue growth captured across key geographies. Year-on-Year (YoY), FY 2022-23 revenue from North America grew at 70%, while Europe and India closed the year with 33% and 30% growth, respectively.

The India business also expanded capacities. We opened a new office in Bengaluru, and two Centers of Digital Excellence in Navi Mumbai and Hyderabad. Additionally, we expanded capacity at the existing capability center in Chennai. Up to 300 employees underwent rigorous skill-building exercise, aligned to client needs, through our talent acceleration program (TAP) and were successfully deployed to billable projects in areas of advanced technologies within digital, embedded, and mechanical engineering.

DELIVERING RECORD PERFORMANCE

The efforts undertaken through the year reflected in our financial performance as we closed FY 2022-23 with record revenues of ₹ 440.9 Crore, a 43.5% increase over the previous year. The performance came alongside several other milestones. Our business recorded consistent Quarter-on-Quarter growth, marked by new highs every quarter.

Improvement was also seen in the quality of revenue. Digital services registered strong double-digit growth and now contribute 17% of our revenue, a 9% points increase over the previous year. The share of revenue from time and material contracts increased from 74% in FY 2021-22 to 88% in FY 2022-23. We also enhanced our revenue share from top 25 customers to 81% as we proactively engaged with them to offer better value across Digital and ER&D. 15 strategic clients now return USD 1 million+ in revenue on an annualized basis. Building on our wallet share at the top 25 customers is key for long-term growth, and we will continue to strengthen engagements with them.

> “We continued the transformation of the business model and exited high volume (headcount)-low margin business in our India business unit. This was replaced by high growth accounts from clients in USA and Europe with clear focus on digital services.”

GEARED FOR THE NEXT

The coming years are going to be exciting for us. For the last many years, we have been striving to bring transformational change within the organization including creating great talent pool and expanding our delivery capabilities across geographies and newer technologies. We have sharpened our focus on industry verticals and in Digital Services which has unlocked tremendous opportunities. Today, we stand stronger and more capable than ever before, growing at an exciting pace.

Your Company is well equipped to sustain and scale the momentum, to ensure profitable growth over the long term. The opportunity lying ahead of us to make an enduring impact and solve for our clients, the industry, and the society using our digital expertise is greater than ever. We recognize the responsibility upon us to step up for this, and are progressing ahead with optimism and clear sense of purpose to make it possible.

CLOSING COMMENTS

I thank all our stakeholders for their continued trust. I express my gratitude to the customers for their willingness to work with us and the employees for their commitment to business goals. We are young and ambitious, and on a mission mode to grow faster and create value for all our stakeholders.

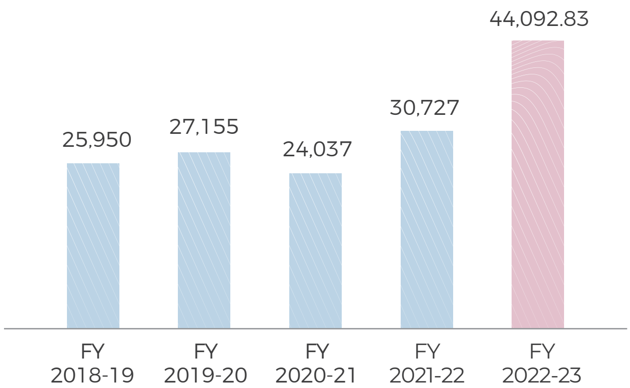
Warm regards,

Jigar Mehta
Managing Director

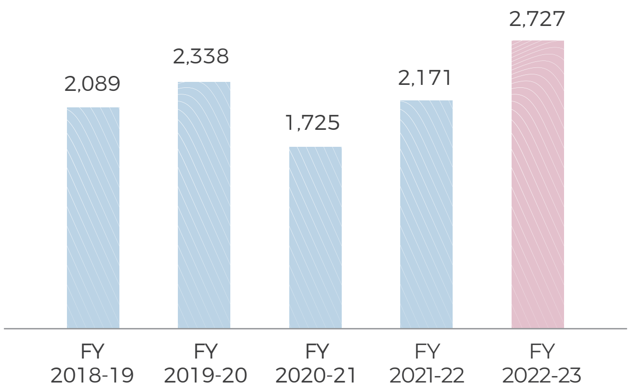
KEY PERFORMANCE INDICATORS

SUCCESS QUANTIFIED IN STEADY GROWTH

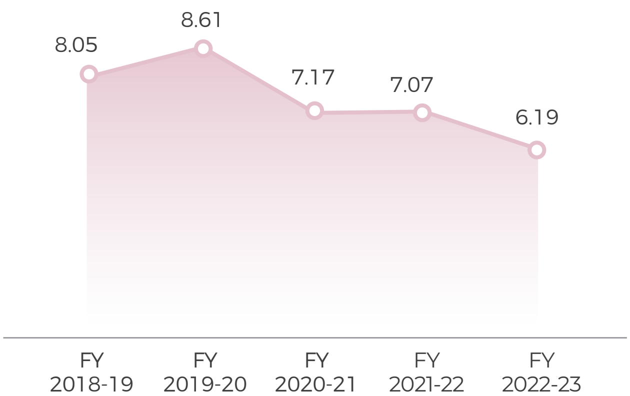
REVENUE FROM OPERATIONS (₹ In Lakhs)



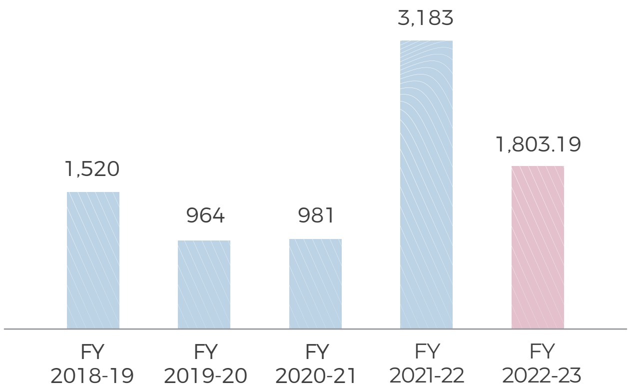
EBITDA (₹ In Lakhs)



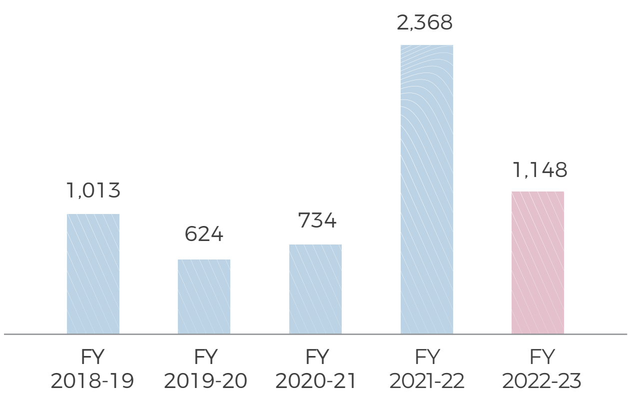
EBITDA MARGINS (%)



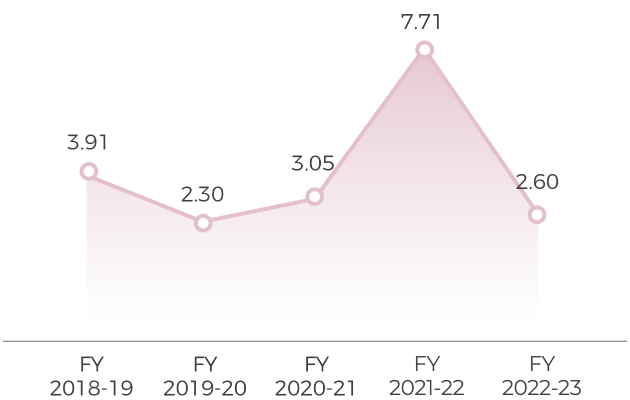
PBT (₹ In Lakhs)



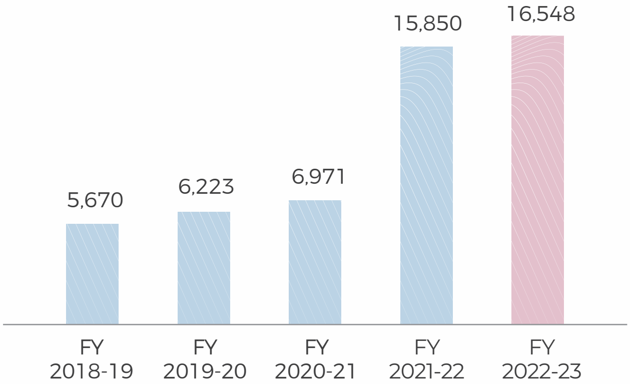
PAT (₹ In Lakhs)



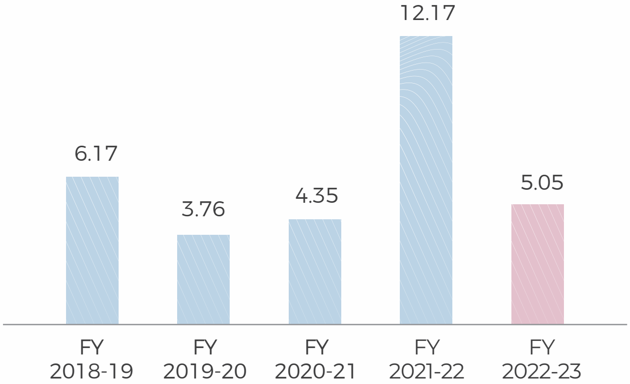
PAT MARGINS (%)



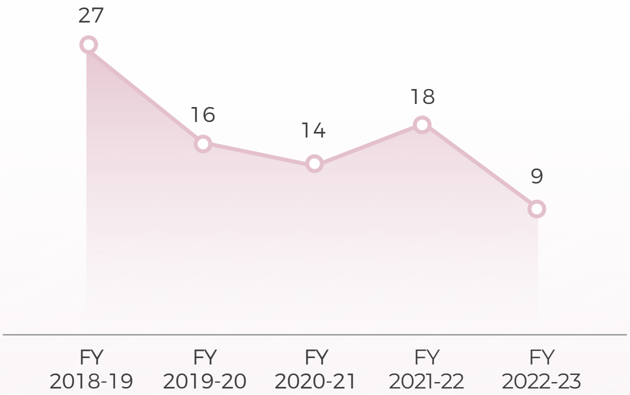
NET WORTH (₹ In Lakhs)



EARNINGS PER SHARE (₹)



ROCE (%)

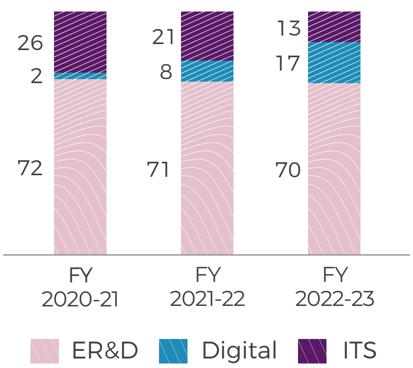


OPERATING MODEL

FUTURE-PROOFING EXCELLENCE WITH A SOLID BUSINESS MODEL

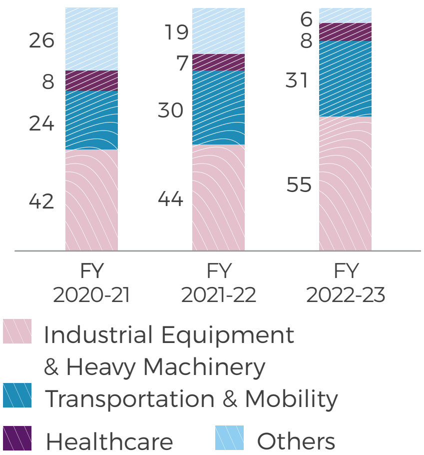
We strive for long-term, scalable and sustainable growth. Aligned to this, we have set our priorities for business development, solution and industry focus, and targeted customer and geographies. These form the foundation of our solid business model, and position us for sustained success and market share gain.

REVENUE BY BUSINESS (%)



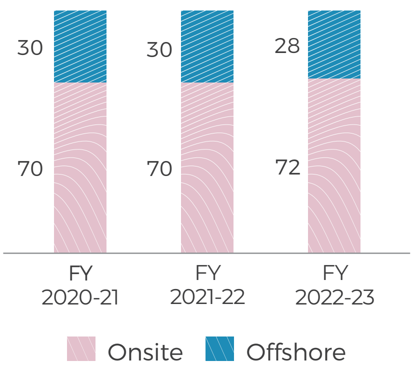
Digital is a priority for businesses and a high margin area. Aligned to our customers' needs, we are continually growing focus on this business line while steadily reducing the low-margin traditional IT Services. In FY 2022-23, the share of revenue from digital services increased by 900 basis points to 17%. We intend to increase this to 50% by FY 2024-25.

REVENUE BY INDUSTRY (%)



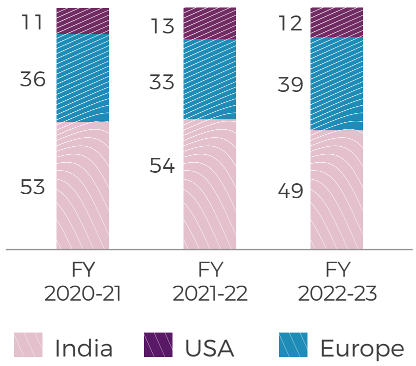
We are serving customers across diverse industries. In recent years, we have enhanced focus on three industries including Industrial Equipment & Heavy Machinery, Transportation & Mobility and Healthcare which are witnessing increased disruptions and have growth potential.

REVENUE BY ENGAGEMENT MODEL (%)



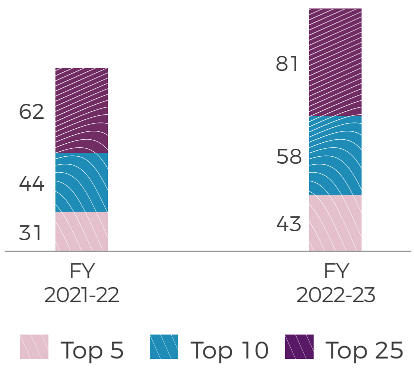
We continue to maintain a healthy mix of onsite and offsite delivery in line with the requirements of customers.

REVENUE BY REGION (%)



We have a diversified presence across three key regions and continue to invest in growing them. We have increased focus on the international markets where we see rising opportunities.

REVENUE BY CUSTOMER CONCENTRATION (%)



We have adopted a model of focusing on our top customers with whom we can sustainably grow relations and enter multi-year relations. We continue to build our capabilities aligned to their needs. In FY 2022-23, our revenue share from top 25 customers increased to 81% from 62% in FY 2021-22.

CORPORATE SOCIAL RESPONSIBILITY

ENABLING INCLUSIVE GROWTH AND PROSPEROUS SOCIETY

We recognize our responsibility towards the communities and undertake meaningful interventions towards the welfare of those in need. In FY 2022-23, we extended our support in the areas of education, women and children empowerment and sports.

ONWARD TECHNOLOGIES CSR CONTRIBUTION IN FY 2022-23

₹ 26.50 Lakhs

EMPOWERING CHILDREN WITH EDUCATION

We sponsored the education of six students at the SRCC Children's Hospital, Mumbai and the annual fees of 20 underprivileged children of Saraswati English Medium School, Wagholi, Pune, for the coming academic year.

ENCOURAGING SPORTS

We collaborated with the All India Chess Federation For The Blind (AICFB) to support their vision of promoting the game of chess amongst the blind in India.

We further sponsored the Inter-collegiate Sports Festival of Pune-based COEP Technological University.

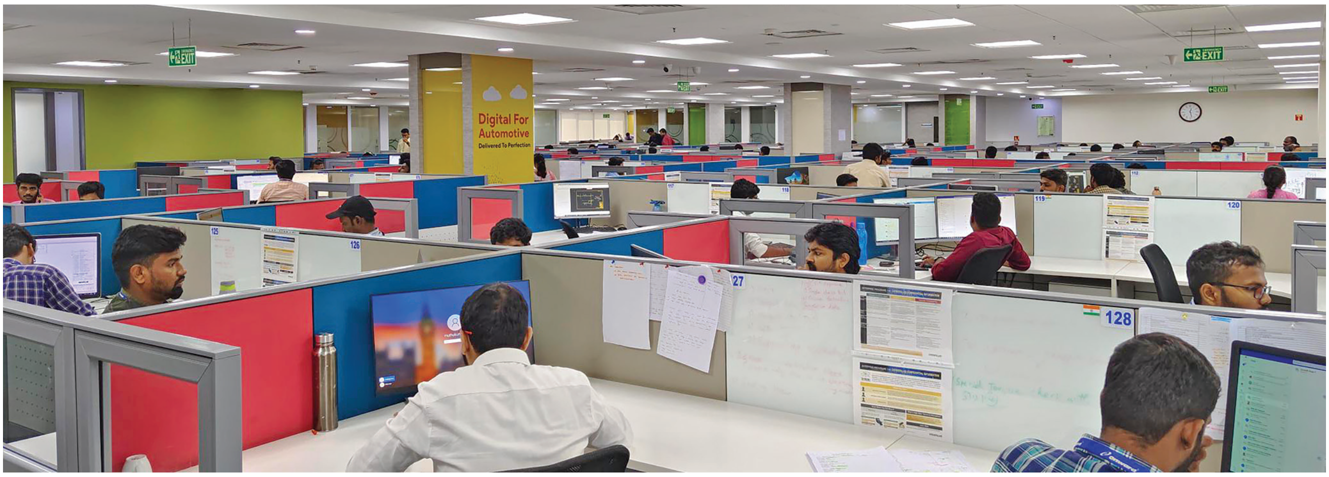
HUMAN RESOURCES

CULTIVATING A CULTURE OF BRILLIANCE, INNOVATION AND PROGRESS

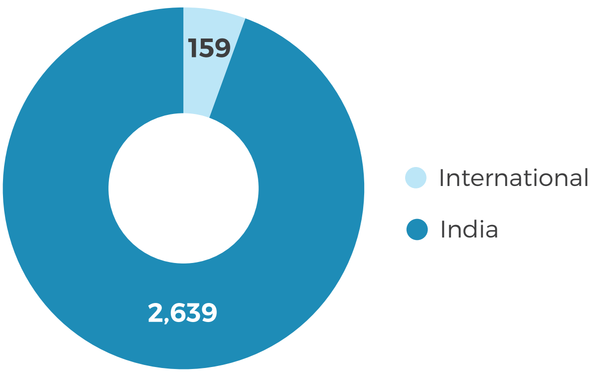
At Onward Technologies, we are taking a leap towards the next level, with people as the key enablers. We are empowering them with targeted training, to bridge existing gaps and develop new skills aligned to customer needs and global trends. We are fostering a vibrant, engaging and transformational work culture where they can learn, thrive and innovate. With a growing team of skilled and motivated people, we are poised to scale new levels of excellence for our customers.

Our success hinges on the quality of our people and their ability to constantly perform while being aligned to the organization's values, culture and Code of Conduct. We train our people and undertake various engagement programs to imbibe these principles in all actions of people.

We have adopted a performance-driven culture and have implemented practices to drive continuous improvements. This is ensured by setting goals based on organizational and business unit goals to ensure each employee has clarity on performance expectation. Regular reviews are conducted against key metrics, and action plans are provided accordingly. Top performers are rewarded with promotions and career growth path, while others are supported with improvement plans. This dynamic work culture empowers and encourages employees to achieve their full potential. We further undertake multiple learning and development program to help their career advancement and contribute to organization's success.



EMPLOYEES ACROSS KEY MARKETS



We follow a top-down approach of communication whereby the senior management undertakes to periodically communicate with the entire organization. This ensures clarity in purpose, vision, initiatives and updates on performance, helping build greater trust and transparency.

Directors' Report

Dear Members,

The Board of Directors are pleased to present the 32nd Annual Report of the Company along with Financial Statements (Consolidated and Standalone) for the financial year ended March 31, 2023.

1. FINANCIAL AND OPERATIONAL HIGHLIGHTS

Your Company's financial performance for the year ended March 31, 2023 as compared to the previous financial year ended March 31, 2022 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022
Revenue from Operations	31,516.54	23,439.50	44,092.83	30,726.87
Other Income	945.30	560.01	540.24	2,153.11
Finance costs	165.67	101.24	166.38	100.56
Depreciation	1,270.29	920.96	1,298.16	1,010.51
Operating profit	2,173.45	1,301.68	1,803.19	3,182.96
Exceptional items	-	-		-
Profit before Tax	2,173.45	1,301.68	1,803.19	3,182.96
- Current Tax	496.91	275.85	527.11	390.70
- Deferred Tax	47.24	93.35	133.35	423.86
Total tax expense/(credits)	544.15	369.20	660.46	814.56
Profit after Tax	1,629.28	932.48	1,142.73	2,368.40
Other Comprehensive Income	(72.87)	(48.85)	167.08	(64.28)
Total Comprehensive Income for the Period	1,556.43	883.63	1,309.81	2,304.12

Company's Performance Highlights:

During the financial year 2022-23, your Company's Revenue from Operations on standalone basis stood at ₹ 31,516.54 Lakhs as compared to previous year of ₹ 23,439.50 Lakhs, thereby registering growth of 34.46% on YoY basis. Standalone: The Operating Profit for the year was at ₹ 2,665 Lakhs as compared to ₹ 1,764 Lakhs previous year i.e. an increase of 51.08% YoY. The Net Profit for the year on standalone basis stood at ₹ 1,629.30 Lakhs as compared to ₹ 932.48 Lakhs in the previous year i.e. a growth of 74.73 %YoY.

Your Company's Revenue from Operations for the year ended as on March 31, 2023 on consolidated basis stood at ₹ 44,092.83 Lakhs as compared to ₹ 30,726.87 Lakhs previous year, registering a growth of 43.50% on YoY basis. The Company's Net Profit for the year ended March 31, 2023 on consolidated basis stood at ₹ 1,148.01 Lakhs as compared to the previous year of ₹ 2,368.40 Lakhs, decrease in the net profit due to inclusion of gain on account of government grants/subsidies received in onsite entities towards employee cost incurred during Covid19 pandemic in the last year's profit.

The Diluted Earnings per share (EPS) on standalone basis for the year stood at ₹ 7.34 per share, shows a growth of 49.48% as compared to ₹ 4.79 per share for the previous year.

2. DIVIDEND AND TRANSFER TO RESERVES

Your Company's policy on Dividend Distribution is available at https://www.onwardgroup.com/investors-company-policies.php

In accordance with the said policy and based on the Company's performance, your Directors at their meeting held on May 12, 2023, has recommended payment of ₹ 3/- (30%) per equity share of the face value of ₹ 10/- (Rupee Ten only) each as final dividend for the financial year ended March 31, 2023. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company. The total outflow towards payment of final dividend will be ₹ 6.64 Crs.

Your Directors' do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire profits for the financial year ended March 31, 2023 in the Profit and Loss Account.

3. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

In accordance with the applicable provisions of Companies Act, 2013 (hereinafter referred to as **"the Act"**) read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the "IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the de-mat account of the IEPF Authority. During the Financial Year 2021-22 the Company has not completed Seven (7) years. Hence, the unclaimed amount of Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the de-mat account of the IEPF Authority. During the Financial Year 2022-23, the Company has not completed Seven (7) years. Hence, the unclaimed amount of dividend are not transferred in the IEPF.

4. 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.

5. DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2023, the Company has one Indian subsidiary and four foreign subsidiaries:

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

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

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

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

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

6. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"Listing Regulations"** through this report) and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2022-23, together with the Auditors' Report form part of this Annual Report.

7. BOARD OF DIRECTORS

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

Change in the Directors

During the year, Ms. Prachi Mehta resigned from the position of Directorship of the Company with effect from September 29, 2022. The Board expresses its appreciation for Ms. Prachi Mehta for the valuable guidance and services rendered by her during her tenure as a Director of the Company.

Based on the TOP 1000 by Market capitalization report as on March 31, 2022, your Company falls under TOP 1000 category. Accordingly, your Company is required to have at least one-Woman Independent Director on the Board. Hence, Ms. Niranjani Chandramouli (DIN:07128770) was inducted as an Independent Woman Director of your Company with effect from September 29, 2022. Your Company has obtained approval of shareholders through Postal Ballot for the said appointment.

Based on the recommendations of Nomination and Remuneration Committee, Mr. Jai Diwanji (DIN:00910410) and Mr. Dhanpal Jhaveri (DIN: 02018124) were appointed as Additional Non-Executive Directors on the Board of the Company with effect from May 12, 2023. Your Directors recommends their appointment as Independent Directors to the shareholders to be made at the forthcoming Annual General Meeting.

Details, as required under the Act and Listing Regulations, in respect of Directors seeking appointment/re-appointment subject to approval of shareholders at the ensuing Annual General Meeting (AGM) are given in the Notice of AGM.

Declaration of Independence by Independent Directors

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

1. They meet the criterion of independence as prescribed under Section 149 of the Act and Regulation 25 of the Listing Regulations.

2. They have registered themselves with the Independent Director's Database maintained by the IICA.

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

8. KEY MANAGERIAL PERSONNELS

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

Chief Financial Officer: During the year under review, Mr. Devanand Ramandasani was resigned from the position of Chief Financial Officer of the Company w.e.f. December 23, 2022. On the recommendations of Nomination and Remuneration Committee and approval of Audit Committee, the Board has appointed Mr. Pawankumar Nathani as a Chief Financial Officer of the Company w.e.f. May 12, 2023.

Company Secretary and Compliance Officer: During the year, Ms. Dimple Chauhan, Company Secretary and Compliance Officer of the Company resigned from the services of the Company. The resignation was effective July 22, 2022. Consequent to Ms. Dimple's resignation, the Board appointed Ms. Shama Pawar as the Company Secretary, KMP and Compliance Officer of the Company. The appointment was effective July 23, 2022.

9. SHARE CAPITAL

Authorized Capital

As on March 31, 2023, the Authorized Share Capital is ₹ 44,62,00,000/- comprising of 4,46,20,000 equity shares of ₹ 10/- each 3,36,20,000/- Ordinary (Equity) Shares of ₹ 10 each and 10,00,000 Unclassified shares of ₹ 10 each and 1,00,00,000 Preference Shares of the face value of ₹ 10/- each.

Issued, subscribed and Paid-up share Capital

As on March 31, 2023, the issued, subscribed and paid-up capital of the Company is ₹ 22,30,52,700/- comprising of 2,23,05,270 Equity Shares of ₹ 10/- each.

Allotment of shares under ESOP Schemes

During the year under review, the Company has issued and allotted 95,400 and 189,000 fully paid-up equity shares of ₹ 10/- each were allotted to various employees under ESOP Scheme 2009 and ESOP Scheme 2019, respectively.

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

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

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

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

11. COMPANIES POLICIES UNDER SEBI LISTING REGULATIONS

A. Corporate Social Responsibility Policy

During the financial year ended March 31, 2023, the Company incurred CSR contribution of ₹ 26.50 Lakhs (Rupees Twenty-Six Lacs Fifty Thousand Only). The CSR initiatives of the Company were under the area of education and health. The CSR Policy of the Company is available on our website at https://www.onwardgroup.com/investors-company-policies.php

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

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

B. Risk Management Policy

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

C. Vigil Mechanism/Whistle Blower Policy

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

D. Dividend Distribution Policy

In terms of Regulation 43A of the Listing Regulations, the Board has formulated and adopted the Dividend Distribution Policy. The Policy is available on our website at https://www.onwardgroup.com/investors-company-policies.php

E. Nomination and Remuneration Policy

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

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

F. Prevention of Sexual Harassment of Women at Workplace Policy

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

12. 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.

13. EMPLOYEES

Employees' Stock Option Schemes

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

Particulars of Employees and related disclosures

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

14. BOARD AND ITS COMMITTEES

Meetings of the Board

5 (five) meetings of the Board of Directors were held during the financial year 2022-23. For further details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

Committees of Board

Currently, the Company has five Board level Committees: Audit Committee ('AC'), Nomination and Remuneration Committee ('NRC'), Stakeholders' Relationship Committee ('SRC'), Risk Management Committee ('RMC') and Banking Committee. Further, in accordance with Section 134(9) of the Act, the Corporate Social Responsibility Committee is not mandatory. All the recommendations made by the Committees of Board including the Audit Committee were accepted by the Board.

Performance Evaluation of the Board, its Committees and Directors

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

Familiarisation Programme for Independent Directors

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

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

15. AUDITORS AND INFORMATION ON AUDITORS' OBSERVATIONS

Statutory Auditors

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

The Auditor's Report on standalone and consolidated financial statements for the year ended March 31, 2023 forms part of the Annual Report and contains an unmodified opinion without any qualification, reservation or adverse remark. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

Secretarial Auditors

The Board of Directors of the Company has appointed M/s. Nilesh A. Pradhan & Co., LLP, (FCS No: 7478), Practicing Company Secretary, as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended March 31, 2023 under Act, read with Rules made thereunder and Regulation 24A of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **Annexure – V** to this report. The observation/remark made in the Secretarial Audit Report is self-explanatory and hence do not call for any further explanations or comments by the Board.

Cost Auditors and Cost Records

Pursuant to Section 148(1) of the Act Cost Audit is not required for the Company for the financial year ended March 31, 2023. The Company is not required to maintain cost records under the provisions of Section 148(1) of the Act.

Reporting of Frauds by Auditors

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

16. CONTRACTS/ARRANGEMENT WITH RELATED PARTIES

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

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions. The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Note 30 to the Standalone Financial Statements of the Company.

Your Company has formulated a Policy on Related Party Transactions which is available on our website at https://www.onwardgroup.com/investors-company-policies.php

17. 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 Act 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 companies are audited and certified by their respective Auditors for consolidation.

The statutory auditors of your Company have audited the financial statements including this

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

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

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

20. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website on https://www.onwardgroup.com/investors-annual-reports.php

21. 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.

22. 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 2022-23 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. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
5. The Company has not issued any sweat equity shares to its directors or employees;
6. There was no revision of financial statements and Boards report of the Company during the year under review.
7. There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
8. There was no instance of onetime settlement with any Bank or Financial Institution.

23. APPRECIATION

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

For and on behalf of the Board of Directors

Harish Mehta	**Jigar Mehta**
Executive Chairman	Managing Director
DIN: 00153549	DIN: 06829197

Date: May 12, 2023
Place: Mumbai

"Annexure - I" to the Directors Report

Form AOC-1

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

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

(₹ in Lakhs)

Sr. No.	Name of the subsidiary	Onward Technologies Inc. (USA)	Onward Technologies GmbH (Germany)	Onward Technologies Canada Inc. (Canada)	Onward Technologies B.V, (Netherlands)	OT Park Pvt Ltd. (India)
1	Date since when subsidiary was acquired	**Since 1996**	**Since 2003**	**Since 2021**	**Since 2021**	**Since 2022**
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Parent Company				
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD Rates for Profit & Loss ₹ 81.3609; Balance Sheet ₹ 82.2064	EURO Rates for Profit & Loss ₹ 87.3331; Balance Sheet ₹ 89.3995	CAD Rates for Profit & Loss ₹ 60.9044; Balance Sheet ₹ 60.6633	EURO Rates for Profit & Loss ₹ 87.3331; Balance Sheet ₹ 89.3995	INR
4	Share capital (including share application money) (₹)	951.70	219.98	302.14	86.33	28.08
5	Reserves and surplus	1,878.45	(254.22)	(57.03)	(36.08)	234.15
6	Total assets	5,314.60	816.17	725.65	144.26	645.26
7	Total Liabilities	2,484.45	850.41	480.53	94.00	383.03
8	Investments	-	-	-	-	-
9	Turnover	16,295.68	1,979.72	881.40	305.82	171.31
10	Profit before taxation	(631.83)	65.33	42.74	(24.63)	158.11
11	Provision for taxation	73.37	-	-	-	30.20
12	Profit after taxation	(705.20)	65.33	42.74	(24.63)	127.91
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100	100	100	100	100

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

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

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

For and on behalf of the Board of Directors

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Date: May 12, 2023
Place: Mumbai

"Annexure - II" to the Directors Report

Annual Report on Corporate Social Responsibility

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

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

   This year your Company has contributed to the tune of ₹ 26.50 Lakhs. Primary focus being education the Contribution was made to In line with our focus on health and education initiatives, Onward Technologies made its CSR Contribution for FY2022-23 to Shri Hriday Narain Dhawan Charitable Trust (HNDCT), a foundation which works towards the upliftment and development of the villages in Uttar Pradesh, the district of Unnao being the center of activities. Keeping a vision to usher in holistic improvement in the lives of the rural poor in Uttar Pradesh — education, health and general living conditions receiving the utmost attention.

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

   Saraswati English Medium School situated in Pune, provides access to basic education to students from economically backward class of society. It prides in its focus on holistic and innovative learning methods which have helped students to raise bar in the field of education. Onward Technologies contributed in the form of annual education fees of students who cannot afford education fees of the school.

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

2. **The Composition of the CSR Committee as on March 31, 2023:**

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

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

   Composition of the CSR committee: Not Applicable

   CSR Policy: https://www.onwardgroup.com/investors-company-policies.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.**

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

5.	a)	Average net profit of the Company as per Section 135(5)	:	₹ 1,323.74 Lakhs
	b)	2% of average net profit of the Company as per Section 135(5)	:	₹ 26.47 Lakhs
	c)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	:	Nil
	d)	Amount required to be set off for the financial year, if any	:	Nil
	e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	:	₹ 26.47 Lakhs

6.	a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) **(Note)**	:	₹ 26.50 Lakhs
	b)	Amount spent in Administrative Overheads	:	Nil
	c)	Amount spent on Impact Assessment, if applicable	:	Not Applicable
	d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	₹ 26.50 Lakhs
	e)	CSR amount spent or unspent for the financial year	:	₹ 26.50 Lakhs

(₹ 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**
₹ 26.50 Lakhs	Nil	_	_	Nil	_

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

(₹ in Lakhs)

Sr. No.	**Particulars**	**Amount**
(1)	**(2)**	**(3)**
i)	Two percent of average net profit of the Company as per section 135(5)	₹ 26.47
ii)	Total amount spent for the financial year	₹ 26.50
iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.03
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 0.03

5. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6	7	8	9
Sr. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under Section 135(6)**	**Balance Amount in Unspent CSR Account under Section 135(6)**	**Amount Spent in the Financial Year**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any**		**Amount remaining to be spent in succeeding Financial Years**	**Deficiency, if any**
					Amount	**Date of Transfer**		
1.	FY – 2022	Not Applicable						
2.	FY – 2021	Not Applicable						
3.	FY – 2020	Not Applicable						

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

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

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

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

Note: **Details of CSR amount spent during the financial year 2022-23**

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount Spent for the project in the Current FY (₹ in Lakhs)	Mode of Implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Project Eye Camp, Blood Donation, Medical assistance to Poor elderly Citizen	Health	No	Uttar Pradesh	Unnao	8.71	Yes	Shri Hriaday Narain Dhawan Charitable Trust	CSR00016232
2.	Distribution of note books, school bags, and other study materials for student of 33 schools in 17 block of Unnao District through Project Madhav, Project Yashodha Vatika which are launched to complement and support the Govt. of India's Sarva Sikhsha Abhiyan (SSA)	Education	No	Uttar Pradesh	Unnao	6.29	Yes	Shri Hriaday Narain Dhawan Charitable Trust	CSR00016232
3.	- CASE Education Therapy sessions of six Children's (underprivileged Children's) and - Providing laptops for using in the SRCC department for Child development	Special Education	Yes	Maharashtra	Mumbai	6.31 1.99	Yes	The Society for the Rehabilitation of Crippled Children	CSR00003225
4.	Payment of unpaid School fees of Students belong to economically backward class at Saraswati English Medium School	Education	Yes	Maharashtra	Pune	3.20	Yes	Athang Manch	CSR00024832

For and on behalf of the Board of Directors

Date: May 12, 2023
Place: Mumbai

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

"Annexure - III" to the Directors Report

Disclosure of details pertaining to the shares allotted under Onward ESOP 2009 and Onward ESOP 2019

Description	ESOP 2009		ESOP 2019	
	2022-23	2021-22	2022-23	2021-22
Date of Meeting	August 31, 2009		July 25, 2019	
Total number of shares covered by ESOP Scheme approved by the shareholders	35,00,000	35,00,000	35,00,000	35,00,000
Vesting requirements	1 option equals to 4 shares to vested in 4 years		1 option equals to 4 shares to vested in 4 years	
Options granted	Nil	Nil	25,500	70,000
Maximum term of options granted	5 years	5 years	5 years	5 years
Source of shares	Primary	Primary	Primary	Primary
Options vested (in shares)	96,400	191,500	169,500	67,700
Options exercised	95,400	37,150	189,000	34,675
The total number of shares arising as a result of exercise of option	95,400	1,48,600	189,000	1,38,700
Options forfeited	Nil	Nil	Nil	Nil
Options lapsed	16,000	5,625	80,300	21,250
Extinguishment or modification of options	Nil	Nil	Nil	Nil
The exercise price	₹ 10/- per share		₹ 20/- per share	
Pricing formula	Face Value		FV ₹ 10/- & Premium ₹ 10/-	
Variation of terms by exercise of options	None	None	None	None
Money realised by exercise of options	954,000	14,86,000	37,80,000	27,74,000
Total number of options outstanding at the end of the year	69,300	44,675	391,100	1,36,225
Employee - wise details of options granted to:				
Key managerial personnel and Senior Managerial Personnel	Details available on the website of the Company			
Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	None			
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued captial (excluding outstanding warrants and conversions) of the Company at the time of grant.	None			
Issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	₹ 22,30,52,700 consists of 2,23,05,270 equity shares	₹ 22,02,08,700 (22,02,08,70) equity shares	₹ 22,30,52,700 consists of 2,23,05,270 equity shares	₹ 22,02,08,700 (22,02,08,70) equity shares
Method used to accounting of options	Fair Value			
Diluted EPS calculated in accordance with International Accounting Standards (IAS) 33	7.16	4.79	7.16	4.79

For and on behalf of the Board of Directors

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Date: May 12, 2023
Place: Mumbai

"Annexure - IV" to the Directors Report

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

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

	(₹ in Lakhs)
Median remuneration (A)	6.90
Remuneration of Mr. Harish Mehta (Executive Chairman) (B)	1.42
Remuneration of Mr. Jigar Mehta (Managing Director) (C)	1.40
Ratio of A to B	1:21
Ratio of A to C	1:21

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)	0.15%
Mr. Jigar Mehta (Managing Director)	66.67%
Mr. Devanand Ramandasani	10.00%
Ms. Dimple Chauhan	20.00%
Ms. Shama Pawar	15.00%

The percentage increase in the median remuneration of employees in the financial year: 68.00%

The number of permanent employees on the rolls of the Company as on March 31, 2023: 2,798

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year:	5.00%
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	4.5% vs 9.5%
Point out if there are any exceptional circumstances for increase in the managerial remuneration;	NA
Affirmation that the remuneration is as per the remuneration policy of the Company:	Yes

For and on behalf of the Board of Directors

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Date: May 12, 2023
Place: Mumbai

"Annexure - V" to the Directors Report

MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by "the Company" and submitted by the Company for verification through electronic mode and also the information provided by "the Company", its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended March 31,2023 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended March 31, 2023 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;

ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and External Commercial Borrowings;

v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any further share capital during the financial year under review)

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the during the financial year under review)

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable as the Company has not delisted /propose to delist any of its securities during the financial year under review.); and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back /propose to buy back any of its securities during the financial year under review).

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has paid Late Submission fees (LSF) on March 3, 2023 levied by Reserve Bank of India vide its email dated March 1, 2023 for the delay in submission of FC GPR in respect of ESOP allotment made on December 1, 2023 to one NRI employee due to late receipt of NOC and FIRC from the bank.

We further report that

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

(i) Public / Rights / Preferential issue of shares / debentures / sweat equity.

(ii) Redemption / buy-back of securities.

(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.

(iv) Foreign Technical collaborations.

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

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

Prajakta V. Padhye
Partner
FCS No: 7478 | CP No: 7891
PR No: 1908/2022
UDIN: F007478E000293357

Place: Mumbai
Date: May 12, 2023

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

ANNEXURE – A

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

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and internal Control System of the company.

4. Where ever required, more specifically with respect to the all other applicable laws, except as stated in Secretarial Audit Report we have obtained and relied upon the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Prajakta V. Padhye
Partner
FCS No: 7478 | CP No: 7891
PR No: 1908/2022
UDIN: F007478E000293357

Place: Mumbai
Date: May 12, 2023

"Annexure - VI" to the Directors Report

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

A. Conservation of Energy:

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

B. Technology Absorption, Adoption and Innovation:

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

C. Foreign exchange earnings and outgo:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Foreign exchange earnings	8,806.59	6,297.75
Foreign exchange outgo	822.38	1,143.86

For and on behalf of the Board of Directors

Harish Mehta
Executive Chairman
DIN: 00153549

Jigar Mehta
Managing Director
DIN: 06829197

Date: May 12, 2023
Place: Mumbai

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details

Sr. no.	Determinants	Details
1.	Corporate Identity Number (CIN) of the Company	L28920MH1991PLC062542
2.	Name of the Company	Onward Technologies Limited
3.	Year of incorporation	18-07-1991
4.	Registered office address	Sterling Centre, 2nd Floor, Dr. A.B. Road, Worli, Mumbai - 400 018, Maharashtra, India.
5.	Corporate address	Sterling Centre, 2nd Floor, Dr. A.B. Road, Worli, Mumbai - 400 018, Maharashtra, India.
6.	E-mail	compliance@onwardgroup.com
7.	Telephone	022-24926570
8.	Website	www.onwardgroup.com
9.	The financial year for which reporting is being done	1st April 2022 to 31st March 2023
10.	Name of the stock exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital	₹ 22,30,52,700
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Sandeep Bhattacharya Sr. Vice President, Learning and Organizational Development 9168849464
13.	Reporting boundary	Disclosures made in this report are on a standalone basis.

II. Products/services

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

Onward Technologies provides Information Technology and Computer Service activities and other services across industries, including Transportation & Mobility, Industrial and Heavy Machinery, Healthcare and Hi-Tech. The Company's services are broadly categorized into providing Computer Programming, Consultancy and related activities and other information technology related services.

Description of the main activity	Description of business activity	% of turnover
Computer programming activities, consultancy and other information technology related services	Computer programming and related activities, providing software support, consultancy services and other information technology related services	100%

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

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

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	8	8
International		7	7

17. Markets served:

a. Number of locations:

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

Note: Onward Technologies has business activities in 4 National locations: Maharashtra (Pune & Mumbai), Karnataka (Bengaluru), Tamil Nadu (Chennai) and Telangana, (Hyderabad).

Onward Technologies has business activities in 5 International locations: Canada, Germany, Netherlands, United Kingdom, and The United States of America.

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

Export Revenue constitutes more than 16% for FY23.

c. A brief on types of customers

The Company's customers are from industries like Transportation & Mobility, Industrial and Heavy Machinery, Healthcare, Hi-Tech and others across the globe. This includes OEM's and service providers, Global 2000 companies.

IV. Employees

18. Details as of the end of the financial year:

a. Employees and workers (including differently-abled):

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	2,795	2,246	80.36%	549	19.64%
2.	Other than permanent (E)	3	3	100%	0	0%
3.	Total employees (D + E)	2,798	2,249	80.38%	549	19.62%
Workers						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total workers (F + G)					

b. Differently-abled employees and workers

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	0	0	0	0	0
Differently abled workers						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total workers (F + G)					

19. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel refer note	2	1	50%

Note: Onward Technologies KMPs include Chief Financial Officer (CFO) and Company Secretary (CS).

20. Turnover rate for permanent employees and workers

	FY 2022-2023 (Turnover rate in current FY)			FY 2021-2022 (Turnover rate in current FY)			FY 2020-2021 (Turnover rate in current FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	44.25%	35.96%	42.62%	23.91%	20.09%	23.26%	31.51%	40.86%	32.52%
Permanent Workers	Not Applicable								

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

21. (a) As of 2023

Sr. No.	Name	Holdings/ subsidiary/ associate/ joint venture	% of shares held	Does the entity indicated at Name column, participate in the business responsibility initiatives of the listed entity? (Yes/No)
1	Onward Technologies Inc. (OTI)	Subsidiary	100%	Yes
2	Onward Technologies GmbH (OTG)	Subsidiary	100%	Yes
3	Onward Technologies Canada Inc., (OTCI)	Subsidiary	100%	Yes
4	Onward Technologies BV (OTBV)	Subsidiary	100%	Yes
5	OT Park Private Limited (OT Park)	Subsidiary	100%	Yes

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes
(ii) Turnover (in ₹) as per FY2022-23 : ₹ 31,516.54 Lakhs
(iii) Net worth (in ₹) as per FY2022-23 : ₹ 16,129.49 Lakhs

VII. Transparency and disclosures compliances

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

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If yes, then provide web-link for the grievance redress policy	FY 2023		FY 2022	
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities	Yes, Whistleblower Policy	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes, investor grievances can be sent through email to the following designated email id: investors@onwardgroup.com	NIL	NIL	NIL	NIL
Shareholders	Yes, The Company has implemented a Whistleblower Policy to enable stakeholders who witness any form of unethical behavior, including violation of laws, to approach the Ombudsman. The reporting process allows for anonymous submissions if the whistleblower chooses not to reveal their identity. The policy is available on the website: https://www.onwardgroup.com/investors-company-policies.php	NIL	NIL	NIL	NIL
Employees and workers		NIL	NIL	NIL	NIL
Customers		NIL	NIL	NIL	NIL
Value chain partners		NIL	NIL	NIL	NIL
Others		NIL	NIL	NIL	NIL

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Workplace Diversity	Opportunity	The Company acknowledges the ethical significance of embracing diversity and inclusion, which not only brings in a diverse range of knowledge and skills but also contributes to the attainment of better and more balanced business outcomes. Workplace diversity can lead to greater innovation and creativity, better decision-making and a stronger company culture. Additionally, having a diverse workforce can help to improve its reputation, attract, develop, and retain top talent.	Not a risk	**Positive** The Company has hired a diverse workforce in the past years from different nationalities, ethnicities, religions, genders, socio-economic backgrounds, sexual orientation, and cultural beliefs. However, this factor is difficult to quantify financially.
2.	Human Capital	Risk and Opportunity	**Opportunity** The Company has consistently invested in the development and growth of its personnel to align with its strategic business imperatives. Also, the Company acknowledges that its human resources are a source of strength and a significant competitive advantage for the company. **Risk** The Indian IT sector has been experiencing high rates of attrition over the past few years, which has raised concerns among industry professionals. The risk of losing top talent is a major concern which leads to decreased employee morale and increased costs due to rehiring. Therefore, retaining valuable personnel is critical as high turnover rates can have negative implications on both the organization's operations and its workforce.	**Risk Mitigation Approach** The Company places great emphasis on carefully selecting and hiring the most suitable talent and investing in their growth and development, while also supporting their career advancement and performance. To promote both employee engagement and agility, the Company has implemented various initiatives like TAP (for hiring fresh talent). There are also initiatives to encourage effective communication, promote diversity and inclusion, and a grievance redressal mechanism to address any employee concerns. Additionally, the Company has regularly assessed both employee engagement and alignment levels in order to take any necessary corrective actions.	**Positive** Retention of key talent increases productivity. **Negative** Increasing attrition leads to increase in cost of re-hiring, loss of productivity and wage inflation.
3.	Data Security & Customer Privacy	Risk	The Company places significant reliance on its technology infrastructure and also increases the Company's exposure to risks relating to cyber and information security.	**Risk Mitigation Approach** The Company has a strong Cyber Risk Management framework wherein cyber risk and mitigation are monitored by the Information Technology & Security Committee and Risk Management Committee of the Company.	**Negative** Reputational Risks Data privacy issues may lead to litigation risks/ financial risks
4.	Digitization	Opportunity	The Company has made investments in technology and established a strong digital infrastructure within the organization, with the aim of minimizing the use of paper-based transactions and communications.	Not a risk	**Positive** Cost efficiency Better customer reach through digital operations Competitive edge

Note: The Company will conduct a thorough Stakeholder Engagement and Materiality Assessment (SEMA) in FY2024 to identify the material ESG-related issues.

Section B: Management and Process Disclosures

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

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

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

Governance, leadership, and oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

At Onward Technologies, we firmly believe that good corporate governance is one of the essential requirements for long-term sustainable growth. We have a strong governance framework that ensures the highest standards of integrity, transparency, accountability, and ethics in all business matters. To ensure that all our stakeholders feel valued, respected, and supported, we have implemented various policies such as equal opportunity, risk management, prevention of sexual harassment (POSH), whistle-blower, and human rights. In the past year, we have taken various green initiatives such as switching to energy-efficient lighting and conducting tree plantation drives. As part of our efforts to reduce the use of single-use plastic, we provide metal water bottles, paper straws, and ceramic coffee cups to all our employees. We also prioritize the betterment of local communities, particularly in education and healthcare, through our CSR Policy. We acknowledge that climate change, growing energy demand, and employee retention are some of the key challenges facing us. To address these challenges, we have established a "Risk Management Committee" that will create a framework for identifying internal and external risks, including ESG risks which will guide our long-term business strategy. Lastly, we believe that ESG considerations are critical to the success of our business, and we are committed to enhancing our performance in this area.

8 Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies

Mr. Jigar Mehta, Managing Director (DIN:06829197)

9. Does the entity have a specified committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details.

Yes.

Mr. Jigar Mehta, Managing Director (DIN: 06829197) is responsible for the decision-making on sustainability-related issues.

P1	Code of Conduct, Anti-Corruption and Anti Bribery policy. Whistle Blower Policy & Board Diversity Policy.
P2	As the nature of business of the Company is Information Technology, the consumption of resources is limited. Sustainable sourcing is not a material topic for us, hence not applicable.
P3	Equal opportunity policy, Human Rights Policy, Whistleblower Policy, POSH policy, and policy on safety and security. Grievance redressal policy is available on the intranet.
P4	The formulation of a stakeholder engagement policy will be considered in FY 2024.
P5	Human Rights Policy.
P6	The environmental aspect is considered in Onward Technologies Limited's Code of Conduct. Safety and Security Policy
P7	Code of Conduct
P8	Corporate Social Responsibility Policy.
P9	Risk Management Policy, Cyber Security policy is available on the intranet (https://www.onwardgroup.com/information-security-requirements-suppliers.php).

10. Details of review of NGRBCs by the Company

Subject for review	Indicate whether the review was undertaken by the Director/committee of the board/ any other committee Frequency (Annually/half-yearly/ quarterly any other – please specify)
Performance against the above policies and follow-up action	HR Department along with Senior Leaders review the Company's Business Responsibility and Sustainability Policies annually. They assess the effectiveness of the policies, procedures and internal controls and implement necessary changes based on their evaluation.
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company has a well-defined process in place which ensures the compliance status from each department. The summary of all compliances and statutory compliance certificate on applicable laws is reported to Board evert quarter.

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency?

(Yes/No). If yes, provide the name of the agency.
No, The Company has not conducted an independent assessment by external agencies. However, all Company policies are reviewed by Management to ensure the smooth functioning of the Company and thereafter approved by the Board wherever required by law. The summary of policies decisions is informed to the Board, if required.

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

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

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

** Note: The formulation of a stakeholder engagement policy will be considered in FY-2024.

Section C: Principle-wise Performance Disclosure

The information sought is categorized as 'Essential' and 'Leadership'. While the Essential indicators are expected to be disclosed by the Company that is mandated to file this report, the Leadership indicators may be voluntarily disclosed by the Company, as per SEBI circular.

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

Essential Indicators

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

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% of persons in the respective category covered by the awareness programs
Board of directors	4	Company Policies Risk Management Policy and mitigation Plan BRSR Reporting and compliances	100%
Key managerial personnel	32	Employee Engagement Organizational Culture and Values Onward Technologies's Code of Conduct BRSR Reporting Statutory compliances and amendment in the acts, rules, and regulations of statutory authorities	37%
Employees other than BoD and KMPs	29	Employee Engagement Organizational Culture and Values Organizational Performance Customer Centricity Customer Communication Presentation Skills Team Building Fire Safety Mock Drills Safety Training Programs	29%

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

   Onward Technologies has no instance of fines/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in the financial year except as disclosed in the CG report.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision are preferred in cases where monetary or non-monetary action has been appealed.** Not applicable

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

   Yes, the Company has formulated an Anti-Corruption and Anti-Bribery Policy to maintain a culture of integrity and ethical behavior within the organization by outlining expectations of employees, vendors, and other stakeholders regarding the acceptance or offering of improper benefits, gifts or payments, and the reporting of any suspected or actual violations.

   The policy is available at https://www.onwardgroup.com/investors-company-policies.php

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

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs		
Employee		
Workers		

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

   There were no complaints filed against directors and KMPs related to conflict of interest in the current financial year FY2022-23 as well as previous financial year FY2021-22.

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

   Not applicable.

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

Essential Indicators

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

   NIL

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

   No, the Company does not consider sustainable sourcing as a material issue.

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

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

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards?**

   Not applicable

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2246	2246	100%	2246	100%	NA		2246	100%	We have a tie-up with an agency for daycare facilities but as of now, no one has utilized the facility.	
Female	549	549	100%	549	100%	549	100%	NA			
Total	2795	2795	100%	2795	100%	549	19.6%	2246	80.3%		
Other than permanent employees											
Male	3	3	100%	3	100%	NA		3	100%	We have a tie-up with an agency for daycare facilities but as of now, no one has utilized the facility.	
Female	0	0	0%	0	0	0	0%	NA			
Total	3	3	100%	3	100%	0	0%	3	100%		

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

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

2. Details of retirement benefits

Benefits	FY 2023			FY 2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Not applicable	Yes	100%	Not applicable	Yes
Gratuity	100%	Not applicable	Yes	100%	Not applicable	Yes
ESI	100%*	Not applicable	Yes	100%*	Not applicable	Yes
Others	100%	Not applicable	Yes	100%	Not applicable	Yes

*Note: All Applicable Employees as per ESIC wage definition.

3. Accessibility of workplaces

Yes. Onward Technologies offices are accessible to employees with disabilities with wheelchair-friendly ramps.

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

Yes, the Company provides an Equal Opportunity policy which is published on the Company's website https://www.onwardgroup.com/investors-company-policies.php.

The policy ensures fair hiring practices, prevents harassment or discrimination at work, and provides equal opportunities to all individuals irrespective of race, ethnicity, gender, age, disability, religion, or sexual orientation.

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

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

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

Yes

Permanent Worker	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees & Other than Permanent Employees	Yes, the Company has offered platform to its employees for sharing their grievances and concerns including emails to Grievance Committee, Connect with HRMP and Email to POSH members for Sexual Harassment grievances. Also, the Company has Whistleblower Policy ensures that all employees can report any observed malpractices, either concerning themselves or other employees.

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

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

8. Details of training given to employees and workers:

Category	FY 2023					FY 2022				
	Total (A)	On health and Safety measures		On skill upgradation		Total (D)	On health and Safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	2249	2132	94.80%	2084	92.66%	1937	1937	100%	1130	58.3%
Female	549	549	100%	549	100%	460	460	100%	276	60%
Total	2798*	2681	95.82%	2633	94.10%	2397	2397*	100%	1406	58.6%
Workers										
Male	Not applicable									
Female										
Total										

*Inclusive of both permanent and other than permanent employees.

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

Category	FY 2023			FY 2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2249	2056	91.4%	1937	993	51.2%
Female	549	522	95.1%	460	207	45%
Total	2798*	2578	92.14%	2397*	1200	50.06%
Workers						
Male	Not applicable					
Female						
Total						

*Inclusive of both permanent and other than permanent employees.

10. Health and Safety Management System:

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

Yes, Onward Technologies has recognized the importance of health and safety management and has established a Health & Safety Policy for its all permanent employees and other than permanent employees. They are covered under health insurance, accidental insurance and parental leaves.

Onward Technologies has several processes in place to identify work-related hazards and assess risks on a routine and non-routine basis, including:

i. Fire Safety Guidelines that cover various rules, such as those related to fire-fighting equipment, emergency exits, fire drills, and other safety measures for maintaining office facilities.

ii. Incident Reporting by employees: We have established a dedicated platform that caters to the physical, mental, emotional, and financial wellness needs of all its employees.

iii. We have a wellness calendar in place to promote employee and family health.

iv. We regularly conduct health checkups and mental health awareness sessions to address issues arising from a sedentary lifestyle and stress.

v. We have a comprehensive maternity care program for all women employees.

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

Onward Technologies has standard operating procedures in place to identify work-related/ergonomic hazards. For example, the provision of properly adjusted workstations and chairs, awareness of improper posture and providing employees with break periods that help to reduce short-term strain.

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

Not applicable.

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

11. Details of safety-related incidents.

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

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

The Company identifies any individual, group, or institution that contributes value to its business chain or is affected by its actions as a key stakeholder includes Employees, Suppliers, Vendors and Partners, Customers, Shareholders and others relating to business. As mentioned at Point No. 10 above.

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

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

14. Assessments for the year

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

*Internal Assessment

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

NIL

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Onwards Technologies places a high value on establishing and maintaining positive relationships with its stakeholders for long-term value creation. Both internal and external stakeholders having a significant impact on the Company's operating performance are considered as key stakeholders, with a focus on high high-valuer the Company. Onward Technologies stakeholders include employees, customers, investors/ shareholders and communities.

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

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

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2023			FY 2022		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	2795	1189	42.54%	1937	376	19.4%
Other than permanent	3	3	100%	460	15	3.26%
Total employees	2798	1192	42.60%	2397	391	16.31%
Workers						
Permanent	Not Applicable					
Other than permanent						
Total employees						

2. **Details of minimum wages paid to employees and workers**

Category	FY 2023				
	Total (A)	Equal to minimum wage		More than minimum wage	
Employees		No. (B)	%(B/A)	No. (C)	% (C/A)
Permanent	2795	0	0	2795	100%
Male	2246	0	0	2246	100%
Female	549	0	0	549	100%
Other than permanent	3	0	0	3	100%
Male	3	0	0	3	100%
Female	0	0	0	0	0%
Worker					
Permanent	Not Applicable				
Male					
Female					

Category	FY 2022				
	Total (A)	Equal to minimum wage		More than minimum wage	
Employees		No. (B)	%(B/A)	No. (C)	% (C/A)
Permanent	2393	0	0	2393	100%
Male	1934	0	0	1934	100%
Female	459	0	0	459	100%
Other than permanent	4	0	0	4	100%
Male	3	0	0	3	100%
Female	1	0	0	1	100%
Worker					
Permanent	Not Applicable				
Male					
Female					
Other than permanent					
Male					
Female					

3. Details of remuneration/salary/wages

	Male		Female	
	Numbers	Median remuneration/ salary/ wages of respective category (₹ In Lakhs)	Numbers	Median remuneration / salary/ wages of respective category
Board of Directors (BoD)	7	11.83 Lakhs	1	₹ 5.20 Lakhs
Key managerial personnel	1	5.25 Lakhs	1	₹ 1.92 Lakhs
Employees other than BoD and KMP	2248	0.65 Lakhs	548	0.53 Lakhs
Workers	Not Applicable			

*Employees other than BoD and KMPs refers to permanent employees.

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

Yes.

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

Onward Technologies has zero tolerance towards all forms of child labour, slavery, forced labour and harassment (physical, sexual, psychological or verbal abuse). Onward Technologies has a board approved grievance redressal policy which ensures prompt and effective resolution of grievances. The grievance redressal committee is responsible for investigating, evaluating and deciding on the resolution.

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

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

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

Onward Technologies has implemented several mechanisms to address grievances of all employees which includes POSH Policy through dedicated email ID posh@onwardgroup.com for sexual harassment complaints and Whistleblower Policy for escalating any grievances/complaints through whistleblower@onwardgroup.com. Any threats or retaliation against employees who report any violations or assist in investigation is strictly prohibited. All the relevant policies are available on the Company's website.

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

Yes.

9. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not applicable
Forced/involuntary labor	Not applicable
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – Please specify	Not applicable

*Internal Assessment

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Nil

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in MJ) and energy intensity**

Parameter	FY 2023	FY 2022
Total electricity consumption (A)	72,61,379.03	35,80,804.7
Total fuel consumption (B)	1,62,434.81	95,198.92
Energy consumption through other sources (C)	NA	NA
Total energy consumption (A+B+C)	74,23,813.84	36,76,003.66
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0023	0.0015
Energy intensity (Total energy consumption/FTE) in MWh/FTE	-	-

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

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

   Not applicable

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

Parameter	FY 2023	FY 2022
Water withdrawal by source in kiloliters		
i. Surface water	-	-
ii. Groundwater	-	-
iii. Third party water	*202.52	*40.36
iv. Seawater / desalinated water	-	-
v. Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	202.52	40.36
Total volume of water consumption (in kiloliters)	202.52	40.36
Water intensity per rupee of turnover (Water consumed / turnover)	0.000000064	0.000000017
Water intensity (optional) – the relevant metric may be selected by the entity		

*Third party water includes drinking water which is procured from the vendors in the form of refillable containers.

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

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

   Not applicable.

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

Parameter	Unit	FY 2023	FY 2022
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)	Not applicable		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – ozone-depleting substances (HCFC - 22 or R-22)			

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

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

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	11.33	6.64
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1633.81	805
Total Scope 1 and Scope 2 emissions per rupee of turnover	MT/Rs	0.00000052	0.00000034
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity		-	-

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

7. **Does the entity have any project related to reducing greenhouse gas emissions? If Yes, then provide details.**

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

(i) To reduce carbon footprint, the Company has implemented various measures in its Pune office such as Star certified appliances and LED lighting.

(ii) Also reduced paper usage as a part of their digital transformation efforts, and have taken steps to eliminate single-use plastics in their offices by providing insulated bottles for their employees.

8. **Provide details related to waste management by the entity, in the following format:** Total waste generated in metric tons

Parameter	FY 2023	FY 2022
Plastic waste (A)	0.108	0.018
E-waste (B)	0.335	0.370
Bio-medical waste (C)	Not applicable	Not applicable
Construction and demolition waste (D)	Not applicable	Not applicable
Battery waste (E)	0.40	-
Radioactive waste (F)	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. (G)	Not applicable	Not applicable
Other Non-hazardous waste generated (H). (Carton Box, White Paper, Book Cover Paper, Iron, Steel)	0.63	2.81
Total (A+B + C + D + E + F + G+ H)	**1.473**	**3.198**

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

Category of waste		
(i) Recycled	Not Applicable	Not Applicable
(ii) Re-used		
(iii) Other recovery operations		
Total		

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

Category of waste		
(i) Incineration	Not Applicable	Not Applicable
(ii) Landfilling		
(iii) Other disposal operations		
Total		

*E-waste is disposed of through authorized recyclers. Discarded Batteries are disposed of through authorized recyclers as a buy back scheme.

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

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

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

   i. It has Implemented an E-waste collection program across its branches throughout India and works with certified E-waste handlers to properly dispose of all the E-Waste.

   ii. The Company uses local vendors for the disposal of non-hazardous waste such as paper.

   iii. The Company has also reduced paper usage as a part of their digital transformation efforts, and have taken steps to eliminate single- use plastics in their offices by providing insulated bottles for their employees to use.

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

    Not applicable.

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

    Not applicable.

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

    Yes.

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

Essential Indicators

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

   Two

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

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

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

   Not applicable

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

   Not applicable

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

   Not applicable

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

   Onward Technologies has a Whistle Blower policy to redress grievances of the community.

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

	FY 2023	FY 2022
Directly sourced from MSMEs/small producers	81.48%	12.28%
Sourced directly from within the district and neighboring districts	18.51%	87.71%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Onward Technologies is a Quality Management System (ISO 9001 :2015) certified organization. It has a robust mechanism and framework in place to track and respond to customer complaints by performing its root cause analysis.

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

   Not applicable

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

Category	FY 2023 (Current Financial Year)		Remarks	FY 2022 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	6	0	-	2	0	-
Restrictive trade practices	0	0	-	0	0	-
Unfair trade practices	0	0	-	0	0	-
Other	-	-	-	-	-	-

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

   None

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

   Yes, Privacy policy in place and it is available on the website https://www.onwardgroup.com/information-security-requirements-customers.php

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

   None

Management Discussion & Analysis

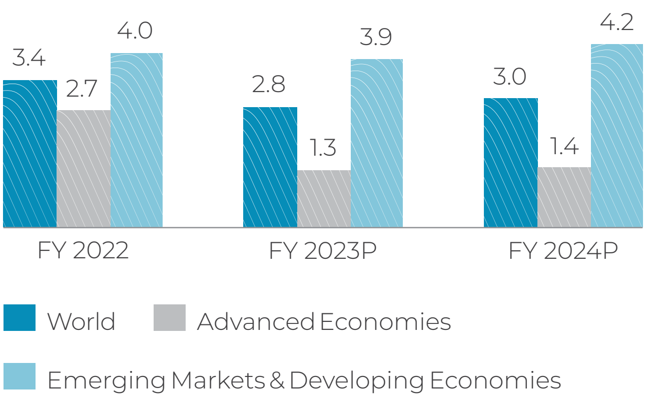
Macro Economy Review

Global Economy

The global economy appears to be recovering steadily from the geopolitical conflicts; however, some issues still persist. As a result of pent-up demand, ongoing supply disruptions, and rising commodity prices, inflation reached multidecade highs in several economies in 2022, prompting central banks to aggressively tighten monetary policy to return inflation to their target levels. The impact of the most recent liquidity issues following a series of global bank crises appears to have been contained; however, these uncertainties continue to undermine the confidence of consumers and businesses to spend, thereby impeding economic growth.

As per the International Monetary Fund's (IMF) April 2023 outlook, the global economy is expected to drop from 3.4% in 2022 to 2.8% in 2023 before accelerating to 3.0% in 2024. After experiencing growth of 2.7% in 2022, it is anticipated that the advanced economies will witness growth of 1.3% in 2023 and 1.4% in 2024. The emerging markets saw degrowth until September 2022 due to macroeconomic worries such as energy-price-driven inflation and increasing interest rates, as well as conflict-caused political instability. Emerging markets and developing economies are expected to grow by 3.9% in 2023 and 4.2% in 2024, following a 4.0% growth rate in 2022.

World Economic Growth (%)



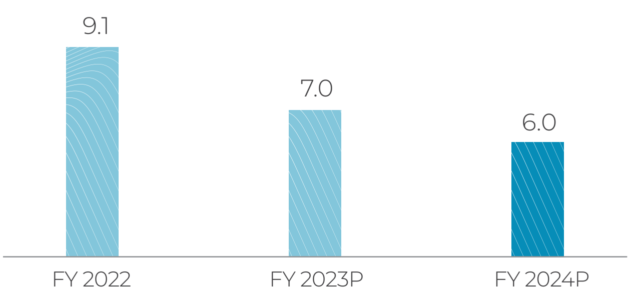
Source: IMF April 2023 report

On a global scale, uncertainty and shifts in geopolitical influence have resulted in the reorganization of supply chains, as well as changes in trade flows and relationships. With historically low unemployment rates, the labor markets of developed economies, most notably the United States, remained robust through the end of 2022.

Indian Economy

India is actively pursuing its goal of becoming a global digital economy, bolstering its competitive advantage by focusing on and investing in key intervention areas. The Indian economy continues to demonstrate significant resilience against external disturbances. Rising borrowing costs and sluggish income growth will impact private consumption growth, while the withdrawal of pandemic-related fiscal support measures is expected to delay government consumption growth. According to the second advanced estimate of the NSO (National Statistical Office), the Indian economy is estimated to have grown by 7.0% in FY 2022-23, as compared to a 9.1% growth rate recorded in FY 2021-22. The Union Budget for FY 2023-24 identifies the Indian economy as a technology-driven, knowledge-based economy and concentrates on three critical transformational trends that will help India gain a competitive edge: digital transformation, energy transformation, and supply chain resilience. The budget outlines India's strategy to become a global growth engine and to employ digital as the driving force behind India's development.

Indian Economic Outlook (%)



Source: NSO's Second Advanced Estimates dated February 28, 2023 and RBI SPF report as on April 6, 2023

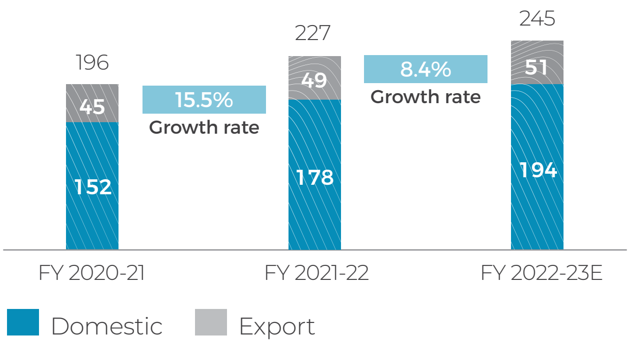
Industry Overview

Indian Information Technology (IT) Sector

India has demonstrated resilience over the past year and continues to be the world's fastest-growing major economy. Similarly, the country's technology industry continues to experience revenue growth despite global headwinds and is projected to grow by double digits in constant currency terms by FY 2022-23. According to NASSCOM, the Indian tech industry's revenue increased by US$ 19 billion to US$ 245 billion in FY 2022-23, registering an annual growth rate of 8.4%.

Indian service export revenue has been projected to touch US$ 194 billion in FY 2022-23, a 9.4% increase over FY 2021-22. The domestic technology sector has been expected to reach US$ 51 billion, growing at an annual rate of 4.9%. All segments, including IT services, BPM (Business Process Management), software products, ER&D (Engineering Research and Development), and the domestic market, have experienced robust growth during the year.

India's Technology Market (in US$ billion)



Source: NASSCOM

India's vast digital infrastructure also played a significant role in the country's tech adoption. With continuous investments in new technologies by the government and private sector, India's domestic sector has emerged as the country's primary driver. In terms of rupees, domestic revenue has increased by 13% during FY 2022-23, with a notable increase in digital spending among Indian businesses.

Source: NASSCOM

The industry continues to be the net employer with a workforce of over 5.4 million, adding 290,000 jobs in FY 2022-23. With a digitally trained workforce of 36%, the industry ranks first in terms of AI (Artificial Intelligence) skills penetration, second in terms of ML (Machine Language) BDA (BIOS Data Area) talent pool, and third in terms of the number of cloud professionals. In the current unpredictable environment, industry continues to prioritize growth-oriented investments.

Every sector of the industry is experiencing robust growth.

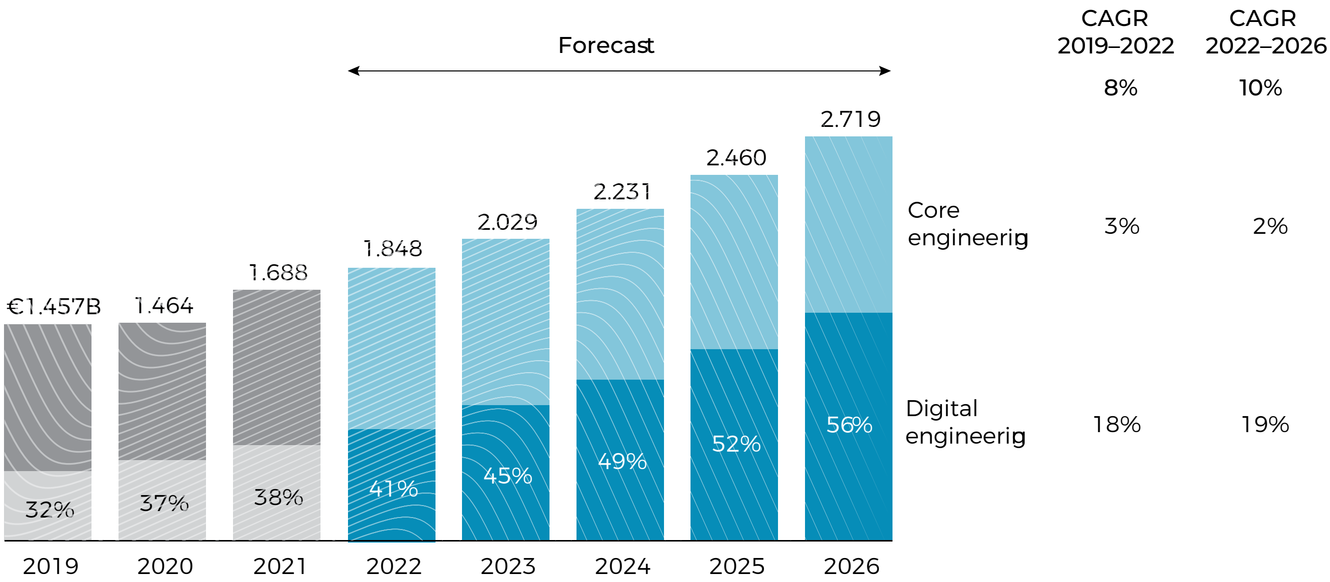
- IT: Application Modernization, Cloud Migration, Platformization, and Cybersecurity are anticipated to propel the IT industry's 8.3% growth rate in FY 2022-23.
- BPM: In FY 2022-23, the BPM (Business Process Management) industry grew by 8.7% due to digital customer experience, data-driven transformation, and the BPM industry's position as a key strategic partner to various IT customers.
- ER&D: Strong fundamentals and rising demand for Indian ER&D services are expected to propel this industry to grow by 11.1% in FY 2022-23. Principal growth drivers included long-term strategic agreements, widespread digitalization, and cloudification of engineering activities.
- Software Products (SW Products): Software product growth is anticipated to reach 7.8% in FY 2022-23. SW Products are significantly changing the landscape by developing scalable, world-class products in India, demonstrating India's entrepreneurial acumen and a rapidly developing, diverse, and inventive Deep Tech startup ecosystem. India has emerged as a hub for Deep Tech startups, with a total of more than 3,000 in FY 2022-23, of which more than 485 inventive Deep Tech startups are developing innovative solutions.
- E-commerce: Newer business models, rising demand from tier 2 and 3 cities, and extensive use of technology in retail through platformization to improve consumer engagement and experience are expected to fuel 40% growth in the Indian e-commerce industry.

Digital Engineering

An accelerated rate of investment in digital engineering and related capabilities owing to increased expenditure on digitalization by industry is essential to the optimistic investment outlook. Businesses' global investments in engineering and research and development in the ER&D sector are expected to rise sharply over the next five years, expanding at a double-digit compound annual growth rate (CAGR) of 10% through 2026, according to the latest research from Bain & Company.

Digital investments are projected to grow at a CAGR of 19% between 2022 and 2026, nearly doubling the investment growth rate for ER&D spending. ER&D spending is projected to increase to € 2.72 billion in 2026, up from € 1.69 billion in 2021.

Engineering and R&D spending, 2019–2026 (€ billions)

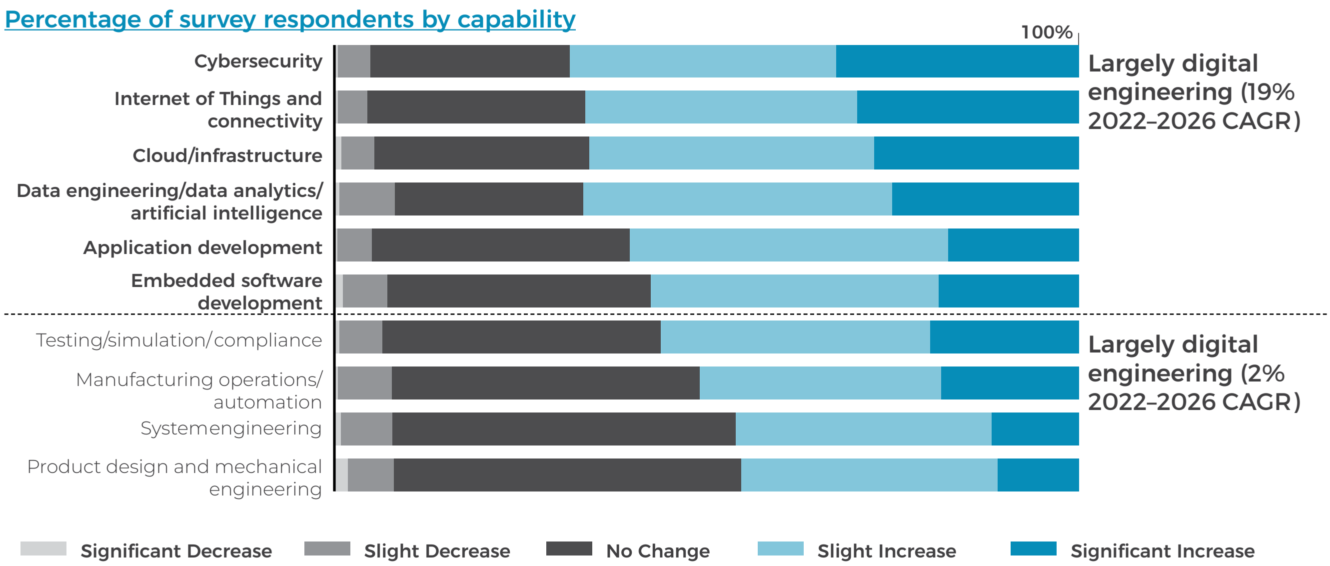


Source: Bain & Company 2023 report

Shortening time to market; making new technologies more affordable; embedding digital capabilities into hardware-centric engineering teams; exploring new frontiers of value creation; and reengineering for environmental, social, and corporate governance (ESG) strategies are five major challenges for ER&D-focused companies that are fueling the innovation race in the ER&D space. Outsourcing is driven by the abundance of digital talent in global markets and the ease with which software can be developed and delivered remotely. Concurrently, businesses are outsourcing legacy disciplines that are frequently less strategically pertinent for original equipment manufacturers (OEMs). Numerous service providers have substantially optimized legacy operations, including mechanical engineering, testing, simulation, and compliance.

Each industry utilizes ER&D service providers differently. Advanced manufacturing and services, automotive and mobility, medical devices, energy and natural resources, and aerospace and defence industries are most likely to increase outsourcing and ER&D spending in the next three years.

Expected change in share of outsourced engineering and R&D activities over the next 3 years



Source: Bain & Company 2023 report

India contributes 26% of the world's ER&D spending, and by the end of this decade, that percentage could reach 34% due to government initiatives such as the production-linked incentive (PLI) scheme, the launch of 5G, and the country's increasing pool of engineers. In recent years, India has emerged as a global powerhouse for Deep Tech innovation capabilities and research and development, and it is firmly committed to fostering future growth and innovation for global enterprises. Global Capability Centres (GCCs) have had a significant impact on India's emergence as a leader in engineering research and development. Presently, 40% of the world's GCCs are present in the country, which represents a tremendous opportunity for growth. About 1,790 GCC centers are operational in the country as of CY 2022 of which approximately 150 were opened in CY 2022. The IT/BPM sector accounted for the largest proportion of the approximately 65 new GCC centers in India, followed by the engineering and manufacturing sectors with 36 new additions during the year.

Break-up of 150 GCC centers by Industry added in CY2022

Industries	No. of GCCs
IT/ BPM	65
Engineering & Manufacturing	26
Healthcare & Pharma	15
BFSI	19
Professional Services	16
Telecom & Media	4
Others	5

Government organizations continue to modernize traditional IT systems and invest in initiatives to improve public access to digital services as constituents increasingly demand online consumer interactions comparable to those in the private sector. According to Gartner, Inc., worldwide government IT spending is projected to reach US$ 588.9 billion in CY 2023, a 6.8% increase from CY 2022.

Technology Trends in Global Governance for CY 2023

MODERNIZATION	INSIGHTS	TRANSFORMATION
Adaptive Security	Hyperautomation	Total Experience
Cloud-Based Legacy Modernization	AI for Design Intelligence	Digital Identity Ecosystems
Sovereign Cloud	Data Sharing as a Program	Case Management as a Service
	Composable Government Applications	

Source: Gartner Inc.

Digital Transformation

The future will be increasingly driven by human and AI interactions, which will facilitate enterprise spending on technologies. Digital technologies are crucial for R&D operations, and R&D is essential for the advancement of India's digital vision. Continuous research and development of new IT products and services, as well as the introduction of innovative solutions, are required to sustain India's digital transformation. Next-generation technologies such as data analytics, cloud platforms and solutions, AI/ML, the metaverse, cybersecurity, and automation must be included in the development of tools for all industries, including manufacturing, healthcare, and agriculture. The necessary investments for increased R&D expenditure can be made through provisions such as tax breaks for businesses and the establishment of networks of innovation centers that house industries, R&D laboratories, academic institutions, start-up incubators, and production facilities.

As digital transformation becomes the norm across all industries, the IT industry will require a large number of highly skilled tech professionals, including developers, network engineers, programmers, data scientists, 3D, AR (Augmented Reality)/VR (Virtual Reality), and other professionals. In the face of unprecedented economic, social, and environmental disruptions, a workforce endowed with the appropriate skills can address emergent challenges and help businesses thrive by increasing their value quotient. The Digital India framework has served as a guiding principle for the digital transformation of various industries, including manufacturing, logistics, healthcare, BFSI, retail, education, and even agriculture.

Industry Outlook

The Annual CXO Outlook Survey by NASSCOM for 2023 reveals that while digital transformation remains a core strategic priority for enterprises in 2023, cost reduction and optimization requirements are also in demand due to the macro environment. Cybersecurity, the cloud, artificial intelligence, and analytics continue to be the primary focus, albeit with more integrated use cases and greater value realization. Hyper-automation and virtual experiences are new themes that drive business growth and optimization. Enterprise end-users are demanding greater domain specialization and purpose-driven partnerships from their technology partners. As a result, CY 2023 is anticipated to be a year of rationalization (improved utilization and reduced attrition) for technology providers, as they consolidate and strengthen existing expertise while pursuing new business opportunities. The growth areas of technology segments will continue to emphasize digital CX, digitization, cloudification, building SaaS-enabled products, cybersecurity, and platformization – digital components that are increasingly incorporated into all transactions, partnerships, and mergers and acquisitions. "Focus on Quality Talent" is an underlying theme that will become more prominent: enhancing capabilities in niche and pure tech areas like cloud, AI/ML/NLP through reskilling/upskilling, and improving and increasing emphasis on employee engagement, culture, health, and wellness. As a result of forward-looking policies, strong governance, talent, and digital trust to ensure accessibility, privacy, security, and dependability, India's tech industry is on track to accelerate growth to US$ 500 billion by 2030 from its current level of US$ 245 billion as estimated for FY 2023-24.

Over the course of time, technological dynamics would revolve around the following themes in CY 2023

- Demand shifts, geopolitical dynamics, and technological regulation
- The significant transition from service providers to digital transformation partners
- Trust, resiliency, inclusive talent, and sustainability – redefining competition standards
- Digital mastery and innovation are the primary differentiating factors.

Company Overview

Company Background

Onward Technologies (hereafter referred to as 'the Company' or 'Onward Technologies) is one of the industry leaders in Engineering R&D, Digital Transformation, and IT Consulting. The Company excels in digital transformation, embedded systems, engineering technology, data analytics, artificial intelligence (AI), and machine learning (ML). The Company operates through four diversified business lines: Digital Engineering, Embedded Electronics, Mechanical Engineering and Enterprise IT. During the year, the Company continued to experience substantial growth in its three focused verticals - Industrial Equipment & Heavy Machinery which contributed 55% to the total revenue; Transportation & Mobility, which contributed 30%, and Healthcare, which contributed 8% to the total revenue. Onward Technologies serves customers in the United States, the United Kingdom, Germany, Netherlands, Canada and India. The Company's Registered Office is in Worli, Mumbai. Through its sales offices in Chicago, Detroit, Toronto, London, Frankfurt, and Amsterdam, as well as its state-of-the-art development and design centers in Mumbai, Pune, Chennai, Bengaluru, and Hyderabad, the Company serves prominent organizations worldwide.

The Company's employees are highly qualified and dedicated to providing expert consulting and value-added services to clients in a variety of industries, including multinational corporations. The Company provides services to 7 of the global top 10 automotive OEM's, 5 of the global top 10 industrial equipment manufacturers. As of March 31, 2023, the Company had a diverse global workforce of over 2,798 employees.

Key Business Strategies and Developments

- **Expanding the customer base**

  Over the years, the Company has built strong ties with its renowned clientele, resulting in repeat orders. A significant portion of the Company's revenue comes from Global 2000 clients. The Company has prioritized long-term contracts and recurring revenue, thereby generating healthy revenue streams.

- **Creating higher-margin Line of Business (LOB) segments**

  The Company's management team has extensive expertise in a wide variety of business fields. The majority of the Company's revenues come from two industry verticals: transportation & mobility, which includes automotive & rail transportation, and industrial equipment & heavy machinery. The Company's digital line of business, which is the Company's primary and largest investment area, continues to see very strong traction and contributed 17% in FY 2022-23 to the Company's revenues. The Company intends to implement its digital capabilities across all its client verticals and continues to grow by strategically focusing on complex as well as more profitable ER&D and Digital Transformation businesses.

- **Placing an emphasis on people and policies**

  The Company continues to educate its workforce and recruit the most qualified digital specialists. The Company has stayed committed to its HR policies and benefits to align growth prospects with industry norms and foster career development. During the year, 157 net new employees were employed, taking the total headcount to 2798.

- **Achieve exceptional growth across the value chain**

  The Company's margin expansion is driven by its agile operations and increasing its share of the business with global OEMs. Over the past seven years, the Company has consistently paid dividends and is committed to increasing shareholder returns. Because of its transformation journey over the past few years, the Company has been able to generate steady cash flows and remain debt-free.

Financial Overview

Financial and operational performance

Standalone: On a standalone basis, the Company's revenues from operations in FY 2022-23 were ₹ 31,517 Lakhs, increase from ₹ 23,440 Lakhs in FY 2021-22. Growth in revenue has been driven mainly due to increased outsourcing by all the Company's top clients. During the year, the Company recorded a profit of ₹ 2,173 Lakhs in profits before taxes (PBT). In FY 2022-23, the net profit (PAT) was ₹ 1,629 Lakhs, compared to ₹ 932 Lakhs in FY2021-22.

Consolidated: On a consolidated basis, revenue from operations increased to ₹ 44,093 Lakhs from ₹ 30,727 Lakhs recorded during the previous year. In FY 2022-23, profit before taxes (PBT) was ₹ 1,803 Lakhs. In FY 2022-23, the net profit (PAT) was ₹ 1,148 Lakhs, compared to ₹ 2,368 Lakhs in FY 2021-22.

The revenue split from ER&D was 72%, 20% from digital, and 8% from IT services. Offshore revenues accounted for 26% of total revenue, while onsite revenues accounted for 74%.

The subsidiaries continued to support the Company's operations while maintaining operational discipline in line with its customer-first approach. In FY 2022-23, revenue from subsidiaries was ₹ 19,462.62 Lakhs.

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY2022-23	FY 2021-22	FY2022-23	FY 2021-22
Revenue from Operations	31,517	23,440	44,093	30,727
Total Expenses	28,852	21,676	41,365	28,586
EBITDA	**2,665**	**1,764**	**2,728**	**2,141**
EBITDA Margin (%)	8.46%	7.53%	6.19	6.97%
Other Income	945	560	540	2,153
Depreciation	1,270	921	1,298	1,011
Finance Costs	166	101	166	101
Profit Before Taxes (PBT)	**2,173**	**1,302**	**1,803**	**3,183**
Tax	544	369	655	815
Profit After Taxes (PAT)	**1,629**	**932**	**1,148**	**2,368**
PAT Margin (%)	5.17%	3.98%	2.60%	7.71%
PAT (After NCI)	**1,556**	**884**	**1,310**	**2,304**
Diluted EPS (₹)	**7.16**	**4.79**	**5.05**	**12.17**

Key changes in significant Financial Ratios

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

Standalone Basis

Key Ratios	FY2022-23	FY 2021-22	Variance %	Reason for such change
Debtors Turnover	3.71	3.84	(3.40%)	No significant variance
Inventory Turnover	NA	NA	--	--
Interest Coverage Ratio	2.12	1.20	76.69%	Increase on account of decrease in lease liability and increase in EBIDTA of current year.
Current Ratio	2.67	2.36	13.14%	No significant variance
Debt/Equity Ratio	0.31%	0.41%	(22.35%)	No significant variance
Return on Equity	10.53%	8.41%	25.24%	Increase on account of increase in net profit after tax and increase in other equity of current year.
Operating Profit Margin (%)	8.45%	7.53%	12.33	No significant variance
Net Profit Ratio	5.17%	3.98%	29.95%	Increase on account of increase in net profit after tax and increase in revenue from operations of current year.
Return on Capital Employed	14.76%	9.60%	53.74%	Increase on account of increase in EBIT and increase in equity of current year.

Consolidation Basis

Key Ratios	FY2022-23	FY 2021-22	Variance %	Reason for such change
Debtors Turnover	4.02	3.92	2.64%	No significant variance
Inventory Turnover	NA	NA	--	--
Interest Coverage Ratio	1.48	1.09	36.50%	Increase on account of decrease in lease liability and increase in EBIDTA of current year.
Current Ratio	3.01	3.07	(2.13%)	No significant variance
Debt/Equity Ratio	0.29%	0.37%	(20.65%)	No significant variance
Return on Equity	6.81%	19.93%	(65.82%)	Decrease on account of decrease in net profit after tax and increase in other equity of current year.
Operating Profit Margin (%)	6.19%	6.97%	(11.22%)	No significant variance
Net Profit Ratio	2.60%	7.71%	(66.22%)	Decrease on account of Decrease in net profit after tax and increase in revenue from operation of current year.
Return on Capital Employed	10.53%	18.12%	(41.88%)	Decrease on account of decrease in EBIT and increase in equity of current year.

Business Outlook

The Company is highly focused on capturing major opportunities and assisting its prospective clients in building a digital future. Through employee upskilling and reskilling, subcontracting, and strategic partnerships, Onward Technology continues to cultivate its expertise in a variety of emerging technologies. For the foreseeable future, the Company's clear growth strategy is to invest in people, improve skills, and dive deeply into the difficult high-tech digital change with its current "Global 2000" clients. The Company plans to focus on Industry 4.0, AI/ML, ADAS (Advanced driver-assistance systems), cloud, and DevOps engineering. The Company's future development prospects are further supported by a management team with over three decades of IT services industry experience.

Moving forward, the Company continues to see very positive momentum in terms of demand from existing customers and new customers signed within the last 12-18 months. Onward Technologies continues to invest in expanding its digital and embedded capabilities.

Internal Controls

The Company's global presence in many countries and significant associate strength necessitate a strong internal control architecture. The Company has internal control systems that are commensurate with its scale and nature of operations. These are intended to provide reasonable assurance regarding the recording and provision of reliable financial and operational information, compliance with applicable laws, protection of assets from unauthorized use or loss, execution of transactions with proper authorization, and adherence to corporate policies.

The Company has a clearly defined plan for delegating authority to approve revenue and expenditures.

The Company has appointed M/s. Ahuja Valecha & Co., LLP, Chartered Accountants, as its internal auditors for FY 2022-23. The internal audit was conducted by M/s. Ahuja Valecha & Co., LLP, based on a plan that is reviewed annually in consultation with the statutory auditors, M/s. BSR & Co. LLP, Chartered Accountants, and the Audit Committee.

Risk Management

The Company has adopted a risk management policy with the intention of integrating risk management into its principal strategic and operational activities. Risk management encompasses all processes and operations and is everyone's responsibility within an organization. The Company lays the groundwork for an enterprise-wide risk management strategy, including planning, implementation, monitoring, review, and continuous improvement. The Company has prioritized the following significant risks and formulated efficient mitigation strategies.

- **Competition Risks:** Indian IT companies, MNC IT organizations, and entrepreneurs with a significant presence in low-cost locations, strong client relationships, in-house and captive services companies, etc. compete intensely in the global engineering services industry. Competitors have increased their focus on key demand areas, such as cloud computing, cybersecurity, and workforce transformation.

  Mitigation: The Company has been providing enhanced solutions based on new technologies. To strengthen its service portfolio, the Company is also investigating new verticals and geographies while maintaining a constant focus on partnership and investment acquisition.

- **Regulatory Risks:** The Company operates in many countries and sectors, thereby increasing the risk of non-compliance with regulatory standards vital to its operations.

  Mitigation: To mitigate this risk, the Company has established specialized units to assess and monitor regional and industry-specific regulatory requirements. The global regulatory compliance framework of the Company is intended to identify, evaluate, mitigate, and monitor regulatory risks affecting the Company. The framework safeguards the Company's reputation, its employees, and its customers. Regulatory assessments are conducted, and exhaustive protocols are maintained to ensure compliance. If necessary, mitigation plans are implemented to address any discovered non-compliances.

- **Talent Management Risks:** As the Company continues to expand, talent management and satisfying the ever-increasing demand for new talent are major ongoing concerns.

  Mitigation: The Company's objective is to create a workplace that promotes transparency and collaboration. The Company has implemented a comprehensive training strategy to address the development requirements of personnel at all organizational levels. This provides solutions for professional, technical, functional, and leadership development. The HR team strives ceaselessly to reach out to every employee to support their development and provide internal opportunities for career advancement. This enables them to accomplish their objectives through the development of comprehensive career and talent development plans.

- **Geopolitical Risks:** Instability and uneven development in the global economy have hindered the growth of the IT industry in the past, and they may do so again in the future. Future global economic or political unpredictability could lead to IT spending cuts, postponements, or consolidations, contract terminations, project postponements, or client purchasing delays. Increased geopolitical tensions among important economies may impact the Company's ability to expand internationally.

  Mitigation: The Company has established a geopolitical framework to perpetually investigate geopolitical issues. The initiative evaluates and enhances the Company's global narrative for clients and employees on a regular basis. To lessen its reliance on a single nation for revenue growth and service delivery, the Company has been expanding its operations in other nations. To prevent business disruptions caused by various restrictions on employee mobility, the Company also maintains its strategy of employing local talent through numerous internal programmes. The Company invests strategically in a flexible workforce strategy consisting of on-site, on-shore, near-shore, and offshore employees to address these issues and empower the best personnel to address client business needs.

- **Tax-related Risk:** Any changes in tax regulations in India and other countries where the Company has a substantial presence could have a negative impact on the effective tax rate of the Company.

  Mitigation: The Company's strategy for mitigating its tax risk is to employ professional tax advisors who keep abreast of the most recent tax developments in various countries and implement appropriate tax planning strategies in response to changes in tax laws.

- **Foreign Exchange Risk:** Approximately 50% of the Company's revenue comes from clients located outside of India; therefore, the Company's revenue is realized in foreign currencies. Consequently, the Company is susceptible to fluctuations in foreign exchange rates.

  Mitigation: By utilizing foreign exchange forward contracts and options, the Company mitigates the risk of fluctuations in foreign exchange rates associated with receivables and projected transactions in certain foreign currencies. The Board's policy and procedures establish the period of hedges, the proportion of risk to be covered, and the counterparty risk to be assumed.

- **Business Continuity Risks:** In a complex and rapidly changing global risk landscape, the Company's reputation as a prominent technology business is determined by its threat resilience and capacity to effectively respond to disruptive events. If the Company cannot guarantee the continuity of its operations across clients, delivery sites, and facilitating functions, it faces a danger to its business continuity.

  Mitigation: Over the years, Onward Technologies has strived to make resilience an important part of its business continuity plan, by incorporating exceptional design into its work, workforce, workspace, business processes, technology, supply chain, and leadership. In the past, the Company has weathered multiple uncertainties, steered clear of difficulties, and positioned and prepared itself for the same in the future.

Human Resources

Human resources are essential to Onward Technologies' long-term growth as a service Company with a highly technical business model. The Company promotes a positive and welcoming environment and advocates for a balanced, fair, and equitable human resource management system. In FY 2022-23 the Company made significant strides in its policies and procedures. The Company intends to prioritize employee safety, which was evident at the onset and progression of the pandemic. Throughout the year, the Company introduced several digitization initiatives to empower employees.

The Human Resource Management System was implemented to automate fundamental HR functions and provide access from anywhere. In addition, the Company has outsourced Indian payroll process to a global leader in payroll practices. As of March 31, 2023, Onward Technologies had 2,798 employees. As of March 31, 2023, women comprised 20% of the Company's workforce.

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'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Onward Technologies', we believe that good corporate governance is crucial in enhancing and retaining stakeholder's confidence. Our corporate governance practices are reflection of our culture, policies, relationship with stakeholders and the commitment towards the values, coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters. The Board of Directors and the Management at Onward Technologies are committed to the enhancement of shareholder value. Over the last 32 years, we at Onward Technologies, have developed a strong set of values where integrity is vital. "YOUR IMAGINATION. DELIVERED TO PERFECTION" that's what we stand for, that's what we promise our customers, and that's how we will continue writing success stories for our customers, and for us. We are committed to high standards of Corporate Governance and have in place appropriate structures and reporting mechanism.

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

2. BOARD OF DIRECTORS

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

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

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

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

Composition and category of Directors

Our Board represents an appropriate mix of Executive Directors ('EDs'), Non-Executive, Non-Independent Directors ('NEDs') and Independent Directors ('ID'), which is compliant with the Companies Act, 2013 (**"the Act"**) and Listing Regulations. As on March 31, 2023, your Company's Board has a strength of 8 (eight) Directors. The Chairman of the Board is the Executive Director. The Board comprises of (5) five Independent Directors (including (1) one-woman Independent Director), constituting majority of the Board strength which meets the requirements of the Act and Listing Regulations.

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

Name and Designation of Director	DIN	Category	No. of positions held			No. of Board Meetings Attended during FY2022-23	Presence at Last AGM
			Board^	Chairman ^^	Committee Member		
Mr. Harish Mehta, Executive Chairperson	00153549	Promoter, Non-Independent	1	-	-	5	Yes
Mr. Jigar Mehta, MD	06829197	Promoter & Non-Independent	1	-	-	5	Yes
Mr. Rahul Rathi, Director	00966359	Non-Executive & Independent	1	-	-	4	Yes
Mr. Parish Meghani, Director	02106768	Non-Executive & Independent	1	-	-	4	Yes
Mr. S. K. Mitra, Director	00029961	Non-Executive & Independent	9	1	2	5	Yes
Mr. Jay Sonawala, Director	01401445	Non-Executive & Independent	1	-	-	4	Yes
Mr. Harsha Raghavan, Director	01761512	Non-Executive & Non-Independent	4	-	2	1	Yes
* Ms. Prachi Mehta, Director	06811085	Non-Executive & Non– Independent	1	-	-	2	Yes
** Ms. Niranjani Chandramouli	07128770	Non-Executive & Independent	1	-	-	2	NA

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

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

* Ms. Prachi Mehta resigned from the position of directorship w.e.f. September 29, 2022.

** Ms. Niranjani Chandramouli was appointed as an Independent Director w.e.f. September 29, 2022.

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

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

Board Procedure

The Board and Committee meetings are pre-scheduled based on the availability of the Director(s) and Committee Members. An annual calendar of the meetings is circulated to them in advance to facilitate planning of their schedules and ensure participation in the meetings. However, in case of urgent matters, subject to regulatory conditions, the Board's approval is taken by passing resolutions by circulation. The Board meets at least once in a quarter to review and approve the quarterly financial results/statements and other agenda items. The Committees of the Board usually meet before the Board Meetings on the same day. The recommendations of the Committees are placed before the Board for necessary approval/ noting. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.

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

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

Board Meetings

During the financial year under review, five (05) Board Meetings were held on the following dates:

Sr. No.	Dates of Board Meetings	Total Number of directors associated as on the date of meeting	Attendance	
			Number of Directors attended	% of Attendance
1	May 13, 2022	8	7	87.50%
2	July 18, 2022	8	5	62.50%
3	September 29, 2022	8	7	87.50%
4	October 21, 2022	8	5	62.50%
5	January 20, 2023	8	7	87.50%

Independent Directors

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

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

Separate Meeting of Independent Directors

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

During the financial year 2022-23, a separate meeting of the Independent Directors convened on March 3, 2023. The Independent Directors, *inter-alia*, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman and Managing Director of the Company and assessed the integrity, fairness, timeliness of flow of information and disclosure and transparency between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Program of Independent Directors

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

Code of Conduct

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

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

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

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

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

Sr. No.	Names of the Directors	Industry Knowledge	Leadership skills	Corporate Governance & Compliance	Finance & Risk Management	Strategic expertise	Mergers & Acquisitions	General Management & Administration
1.	Mr. Harish Mehta	✓	✓	✓	✓	✓	✓	-
2.	Mr. Jigar Mehta	✓	✓	-	✓	✓	✓	✓
3.	Mr. Rahul Rathi	✓	✓	✓	✓	✓	✓	✓
4.	Mr. Subrata Kumar Mitra	✓	✓	✓	✓	✓	✓	-
5.	Mr. Parish Meghani	✓	✓	✓	✓	✓	✓	-
6.	Ms. Prachi Mehta	-	✓	-	-	-	-	✓
7.	Mr. Jay Sonawala	✓	✓	✓	✓	✓	✓	-
8.	Mr. Harsha Raghavan	✓	✓	✓	✓	✓	✓	-
9.	Ms. Niranjani Chandramouli	✓	✓	✓	✓	-	✓	✓

3. COMMITTEES OF THE BOARD

During the year, The Company continued to have the mandatory committees. The Board has constituted various non-mandatory committees to focus on specific areas and to make informed decisions within their authority like Banking Committee. As the Company is categorized under Top 1000 Listed Companies, it has constituted a Risk Management Committee. Each committee is directed by its charter which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the Committees are placed before the Board for its approval. The Company's guidelines relating to Board Meetings are also applicable to committee meetings as far as is practicable. Each committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/ function heads are invited to present various details called for by the committee at its meetings. Draft minutes of the committee meetings are circulated to the Members of those committees for their comments and thereafter, confirmed in their next meeting. The Board of Directors also take note of the minutes of the committee meetings held in the previous calendar quarter, at its meetings.

Committees of the Board are as under:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders Relationship Committee

D. Risk Management Committee

E. Banking Committee

A. AUDIT COMMITTEE

Brief description as under:

The Company has constituted an independent Audit Committee (**"AC"**) which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is responsible for effective supervision of the Company's financial reporting process by providing direction to the audit function, monitoring the scope and quality of internal and statutory audits and ensuring accurate and timely disclosures, with the highest levels of transparency, fairness, integrity and quality of financial reporting. The Audit Committee considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of Listing Regulations and Section 177 of the Act.

Brief description of roles and objectives are as under:

a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditors and the fixation of audit fee and also approval of payment for any other services rendered;

c) Reviewing with the management the annual financial statements before submission to the Board for approval, focusing primarily on:
   - ✓ Any changes in accounting policies and practices.
   - ✓ Major accounting entries based on exercise of judgment by management.
   - ✓ Qualification in draft audit report.
   - ✓ Significant adjustments made in the financial statements arising out of audit.
   - ✓ The going concern assumption.
   - ✓ Compliance with accounting standards.
   - ✓ Compliance with listing and other legal requirements concerning financial statements.
   - ✓ Any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

d) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

e) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

f) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

g) Discussion with internal auditors on any significant findings and follow up thereon;

h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

i) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;

j) Reviewing the Company's financial and risk management policies;

k) Scrutiny of inter-corporate loans and investments;

l) Valuation of undertakings or assets of the Company, if necessary;

m) Reviewing of financial statements and investments made by subsidiary companies;

n) Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;

o) To review the functioning of the whistle blower mechanism;

p) Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;

q) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

r) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Composition and attendance of the members of Audit Committee

The Audit Committee presently comprises of 5 members, out of which 4 members are Non-Executive Independent Directors and one is a Non-Executive Non-Independent Director. The Chairman of the Committee is an Independent Director. All the members of the Audit Committee have accounting and financial management expertise.

All members are well versed with finance, accounts, corporate laws, and general business practices The Chief Financial Officer, the Partner/Representative of the Statutory Auditors and the Internal Auditors are some of the invitees to the Audit Committee. The Company Secretary of the Company acts as the Secretary of the Audit Committee. Minutes of the Committee meetings are circulated to the Members and placed before Board meetings for noting. Mr. Rahul Rathi, Chairman of the Audit Committee had attended the 31st Annual General Meeting held on July 18, 2022.

During the financial year ended March 31, 2023, the Audit Committee meetings met four (04) times on **May 13, 2022; July 18, 2022; October 21, 2022 and January 20, 2023** and the gap between the two meetings did not exceed one hundred and twenty days. Necessary quorum was present at the meetings.

The composition of the Committee and attendance details of the members for the financial year ended March 31, 2023 are given below:

Names of the Members	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. Rahul Rathi	ID	Chairman	4	3	75%
Mr. Parish Meghani	ID	Member	4	3	75%
Mr. Jay Sonawala	ID	Member	4	4	100%
Mr. S. K. Mitra	ID	Member	4	4	100%
Mr. Harsha Raghavan	Non-ID	Member	4	1	25%

ID – Independent Director

B. NOMINATION AND REMUNERATION COMMITTEE

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

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

a. 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;

b. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

c. Devising a policy on diversity of Board of Directors;

d. 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.

e. 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.

f. Administration of Employee Stock Option Scheme(s);

g. Such other matters as the Board may from time to time request the committee to examine and recommend/approve.

Performance evaluation criteria

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

i. Attendance and contribution at Board and Committee meetings;

ii. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align Company's value and standards;

iii. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance;

iv. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions;

v. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency;

vi. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity;

vii. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;

viii. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc;

ix. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc;

x. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;

xi. His/her contribution to enhance overall brand image of the Company.

In a separate meeting of Independent Directors held on March 3, 2023, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated.

Remuneration Policy

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

Composition and attendance of the members of Nomination and Remuneration Committee

The Nomination and Remuneration Committee presently comprises of 3 Non-Executive Independent Directors and 1 Non-Executive and Non-Independent Director. The Company Secretary acts as Secretary to the Committee.

During the financial year ended March 31, 2023, the Committee met four (4) times on **May 13, 2022; July 18, 2022; September 27, 2022; and January 20, 2023**. Necessary quorum was present at the meetings.

The composition of the NRC and attendance details of the members for the year ended March 31, 2023 are given below:

Names of the Member	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. Parish Meghani	ID	Chairman	4	4	100%
Mr. S. K. Mitra	ID	Member	4	4	100%
Mr. Jay Sonawala	ID	Member	4	3	75%
Mr. Harsha Raghavan	Non-ID	Member	4	1	25%

ID – Independent Director

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

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

Composition of the SRC Committee and attendance details:

With effect from April 1, 2022 to September 28, 2022, the SRC of the Company comprised of three (03) Members namely Mr. S. K. Mitra, Chairman; Mr. Harish Mehta, Member and Ms. Prachi Mehta, Member.

Due to resignation of Ms. Prachi Mehta, following are Members of the SRC as on March 31, 2023 namely Mr. S. K. Mitra, Chairman; Mr. Harish Mehta, Member and Ms. Niranjani Chandramouli, Member.

During the financial year ended March 31, 2023, the SRC met 1 (one) time on **January 20, 2023**. Necessary quorum was present at the meeting. The Composition and attendance record of the members of the SRC for the financial year 2022-23 is as follows:

Name of the Members	Category	Designation	No. of Meetings which director was entitled to Attend	No. of Meetings	
				Attended	% of Attendance
Mr. S. K. Mitra	ID	Chairman	1	1	100%
Mr. Harish Mehta	Non-ID	Member	1	1	100%
Ms. Niranjani Chandramouli	ID	Member	1	1	100%

ID – Independent Director

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

During the financial year under review, all the requests, queries received during the financial year ended March 31, 2023, were duly redressed and no queries are pending at the year end. There were no complaints received by the Company. All requests for dematerialization of shares were carried out within the stipulated time period and no share certificate was pending for dematerialization.

D. BANKING COMMITTEE:

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, change contact details, register under facilities of the bank, obtaining financial assistance from the banks, etc.

Composition of the Banking Committee and attendance details:

The Banking Committee comprised of three members. During the year under review there was no banking committee meetings were 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

E. RISK MANAGEMENT COMMITTEE:

Brief description of terms of reference:

As on March 31, 2022, the Company is falling under TOP 1000 company as per market capitalization report issued by the National Stock Exchange of India Limited. Accordingly, the Company has constituted a Risk Management Committee ('**RMC**'), which assist the Board of Directors in timely identification, assessment and mitigation of risks (i.e. financial, operational, strategic, regulatory, statutory, industry, political and others) faced by the Company. The Committee has overall responsibility for monitoring and approving the enterprise risk management framework and is capable of effectively addressing and monitoring these risks. The Committee also approves and oversees a Company-wide risk management framework, capable of effectively addressing these risks.

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

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

(1) To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks. (c)Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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

Composition of the Risk Management Committee and attendance details:

The Risk Management comprised of three members. During the year under review, RMC met 2 (two) times that is on **January 20, 2023 and March 3, 2023**. Necessary quorum was present at the meetings.

The composition of the RMC is as under:

Name of the Director	Designation	Category	No. of Meetings attended during FY 2022-23
Mr. Jay Sonawala	Chairman	Independent Director	2
Mr. Parish Meghani	Member	Independent Director	2
Mr. Harsha Raghavan	Member	Non-Independent Director	-

4. DIRECTORS REMUNERATION

i. Remuneration to Executive Directors (EDs):

The elements of remuneration to the Executive Directors include fixed and variable salary, performance bonus, contribution to provident fund, gratuity, perquisites and allowances, reimbursement of expenses etc., as applicable to employees of the Company. The Executive Directors are employees of the Company and are subject to service conditions as per the Company policy.

The details of remuneration paid to the EDs during the year 2022-23 are given as under:

(₹ in Lakhs)

Name	Salary	Allowances, Perquisites and other benefits	Incentives	Total
Mr. Harish Mehta	141.98	28.16	29.50	199.64
Mr. Jigar Mehta	129.47	0.40	18.50	148.37

ii. Remuneration to Non-Executive Directors

The Non-Executive Independent Directors are also entitled for sitting fees for attending meetings of the Board of Directors. As per investor's policy, they are not taking sitting fees for attending any meetings of the Board and Committee. Accordingly, the Company has not paid sitting fees to Mr. Harsha Raghavan.

The details of sitting fees paid to the other Non-Executive Directors during the financial year 2022-23 are given as under:

(₹ in Lakhs)

Names of the Directors	Sitting Fees paid during FY2022-23		Total
	Board Meeting	Committee Meetings	
Mr. Rahul Rathi	3.00	1.50	4.50
Mr. Parish Meghani	3.00	1.50	4.50
Mr. S. K. Mitra	3.75	2.25	6.00
Mr. Jay Sonawala	3.00	2.20	5.20
Mrs. Prachi Mehta	1.50	-	1.50
Mr. Harsha Raghavan	-	-	-
Ms. Niranjani Chandramouli	1.50	0.05	1.55

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

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

5. PROHIBITION OF INSIDER TRADING

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

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

6. OTHER DISCLOSURES

A. Related Party Transactions

During the financial year 2022-23, no materially significant transactions or arrangements were entered into between the Company and its Promoters, Management, Directors or their relatives, subsidiaries, etc. that may have potential conflict with the interests of the Company at large. The related party transactions entered into with the related parties as defined under Act and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and the same have been approved by the Audit Committee. The disclosure of transactions with related parties is disclosed in the Notes to accounts of the Standalone Financial Statements. The Company has formulated a policy on dealing with Related Party Transactions, which specifies the manner of entering into Related Party Transactions. This policy has also been uploaded on the Company's website at: https://www.onwardgroup.com/investors-company-policies.php

B. Whistleblower/Vigil Mechanism

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

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

C. Policy for determining Material Subsidiary

Regulation 24 of the Listing 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. This policy has also been uploaded on the Company's website at: https://www.onwardgroup.com/investors-company-policies.php

D. Risk Management

The Company has formulated Risk Management in its procedures itself. The Company has further strengthened its Risk Management system and has laid down procedures to inform Board Members about risk assessment and minimization procedures. These procedures are being periodically reviewed and analysed to ensure that Executive Management controls risk through means of a properly defined framework and takes corrective action for managing/ mitigating the same. This policy has also been uploaded on the Company's website at: https://www.onwardgroup.com/investors-company-policies.php

E. Compliances

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

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

(i) **The Board:** Mr. Harish Mehta is the Executive Chairman of the Company. Being an Executive Director of the Company, requirements of having separate office for a non-executive chairman at the expense of the Company shall not be applicable.

(ii) **Shareholder Rights:** Half yearly and other quarterly financial statements including summary of the significant events in the last six/three months are published in newspapers, uploaded on the Company's website: https://www.onwardgroup.com/investors-financial-results.php

(iii) **Modified opinion on the Audit Reports:** The Company strives towards having an unmodified audit opinion on the financial statements for the financial year 2022-23.

(iv) **Reporting of Internal Auditor:** M/s. Ahuja Valecha & Associates LLP, Chartered Accountant, Internal Auditors of the Company for the financial year 2022-23 reports directly to the Audit Committee of the Company.

(v) The Company has appointed separate person to the post of the Chairman and the Managing Director. Mr. Harish Mehta is an Executive Chairman and Non-Independent Director of the Company. He is related to Managing Director of the Company as per the definition of the term of "relative" defined under the Act.

F. In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and Employees including Senior Management Personnel of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

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

H. Utilization of funds raised through Preferential Allotment

During FY2022-23, no funds were raised through issue of Non-Convertible Debentures or any other Preferential Issue. The CFO confirms the utilization of funds raised through preferential allotment. The funds are used for working capital, renovation of the infrastructure of the Company etc.

I. Credit Ratings and any Revisions Thereto For Debt Instruments

Onward Technologies Limited obtained its rating from ICRA ltd. As on February 02, 2022, the long term reaffirmed to Onward Technologies Limited and was [ICRA] BBB (stable)A3+ Upgraded from [ICRA]BBB-(Positive) being stable and assigned short term non-fund based rating [ICRA](A3). The documents related to credit rating is available on https://www.onwardgroup.com/investors-announcements.php

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

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe and secure work environment. The Company has also constituted Internal Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The Company has not received any complaint of sexual harassment during the financial year 2022-23.

K. Annual Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a

Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has appointed M/s. Nilesh A. Pradhan & Co., LLP, Practicing Company Secretary as Secretarial Auditor of the Company for providing Secretarial Audit Report for the FY 2022-23. The Company has obtained the said Report from Secretarial Auditor of the Company.

L. Fees payable to Statutory Auditor's

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part is ₹ 34.89 Lacs (including LR, Certification fee, audit fee etc.)

M. CEO/CFO Certification:

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2022-23 signed by Mr. Jigar Mehta, Managing Director and Mr. Pawankumar Nathani, Chief Financial Officer, was placed before the Board of Directors of the Company at their meeting held on May 12, 2023 and is annexed to this Report as **Annexure – C**.

N. Certificate on disqualification of Directors

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on May 12, 2023. In this connection, the Company has obtained a certificate from M/s. Nilesh A. Pradhan & Co., LLP, Pr. Company Secretary on May 12, 2023 is attached as **Annexure – D**.

O. During the financial year 2022-23, the Board has accepted all the recommendations of its Committee.

P. The Company also complies with the provisions of the Secretarial Standards on Board Meetings and General Meetings as issued by The Institute of Company Secretaries of India.

7. GENERAL BODY MEETINGS

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

Year	General Meeting	Date of Meeting	Time	Location
2021-22	31st Annual General Meeting	Monday, July 18, 2022	3.00 p.m.	Online via video conferencing/other audio-visual means ("VC/OAVM")
2020-21	30th Annual General Meeting	Thursday July 15, 2021	3.00 p.m.	
2019-20	29th Annual General Meeting	Thursday, July 16, 2020	3.00 p.m.	

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

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

Year	Date of Meeting	Subject matter of special resolutions
2019-20	29th AGM Thursday, July 16, 2020	a) Appointment of Mr. Subrata Kumar Mitra as an Independent Director of the Company for a period 3 years w.e.f. July 21, 2020. b) Appointment of Mr. Jay Sonawala as an Independent Director of the Company for a period of 3 years w.e.f. July 21, 2020. c) 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. d) 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.
2021-22	EOGM June 24, 2021	a) 11,00,000 equity shares of face value of ₹ 10/- each fully paid-up at a price of not lower than ₹ 130/- (inclusive of face value of ₹ 10/- each) per share for cash (hereinafter referred to as "New Equity Shares") and (ii) 43,00,000 warrants convertible into equity shares of the Company at a price per warrant/equity share of ₹ 130/- (inclusive of face value of ₹ 10/- each) per share to exercise the option to convert such warrant and get allotted 1 (one) equity share of the Company of face value of ₹ 10/- each fully paid-up against each warrant within 18 (Eighteen) months from the date of allotment of warrants to Infinity Direct Holdings. Accordingly, Infinity Direct Holdings exercised its option to convert into entire 43,00,000 share warrants into equivalent number of equity shares of the Company.

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

iii. Postal Ballot

During the financial year under review, the Company has passed a Special Resolution through Postal Ballot for the appointment of Independent Director. The Company has appointed Ms. Prajakta V Padhye, Partner of M/s. Nilesh A. Pradhan & Co., LLP, Company Secretaries, as the scrutinizer for scrutinizing the remote electronic voting process ("remote e-voting") in a fair and transparent manner, for the purpose of ascertaining the requisite majority for the passing of special resolution for the appointment of Ms. Niranjani Chandramouli (DIN:07128770) as an Independent Director of the Company pursuant to the Notice. The Company has provided remote e-voting to the shareholders in respect of the said special resolution. Based on the number of votes i.e. 99.99 % cast in favour of the resolution and the said Special Resolution for appointment of Ms. Niranjani Chandramouli as an Independent Director of the Company is passed by the requisite majority. None of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

8. MEANS OF COMMUNICATION

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

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

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

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

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

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

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

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

9. GENERAL SHAREHOLDER INFORMATION

9.1 32nd Annual General Meeting

Day, Date and Time	Monday, July 17, 2023 at 3.00 PM
Venue	via VC/OAVM
Financial Year	April 1, 2022 to March 31, 2023
Final Dividend	Final dividend of ₹ 3/- per equity share i.e. @ 30% for the financial year 2022-23.
Record Date (e-voting)	July 10, 2023
Date of Book Closure	July 11, 2023 to July 17, 2023
Listed on Stock Exchanges	National Stock Exchange of India Limited ('NSE') Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 BSE Limited ('BSE') PJ Towers, Dalal Street, Mumbai- 400 001
Stock Code/Symbol	BSE – 517536 NSE – ONWARDTEC
International Securities Identification Number ("ISIN")	INE229A01017
CIN	L28920MH1991PLC062542
Payment of Annual listing fees to Stock Exchanges	Yes, within stipulated time

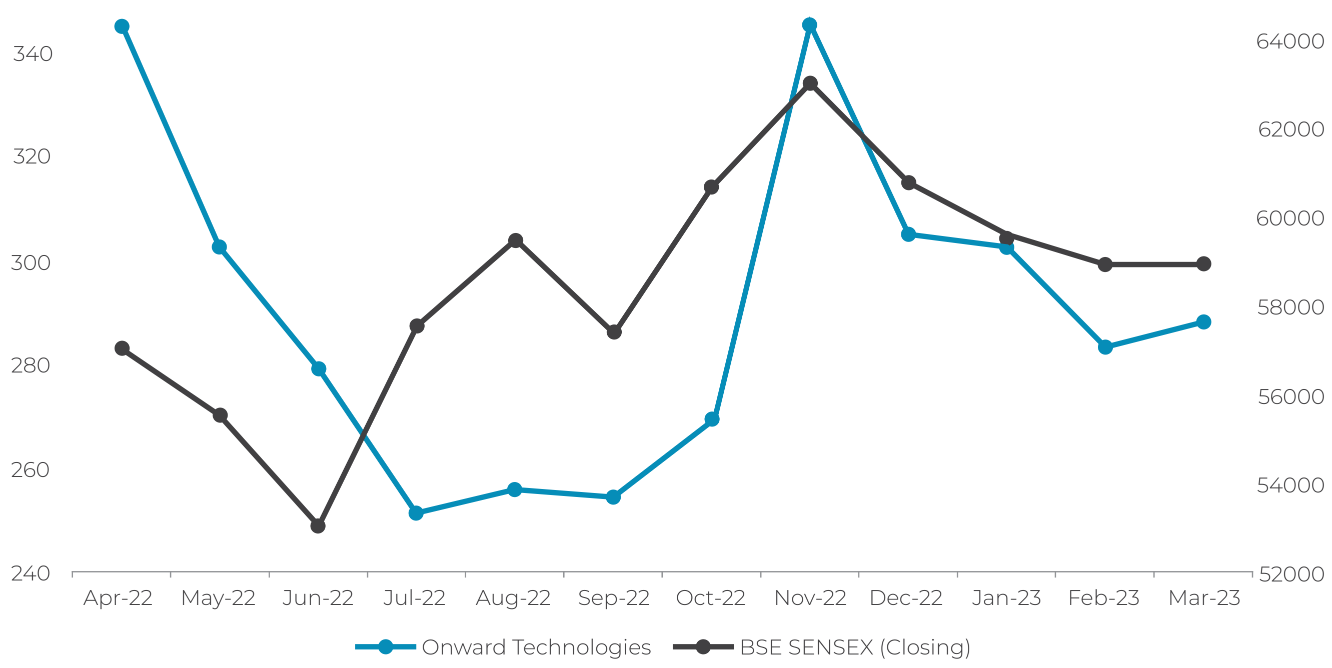
9.2 Market Price Data:

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

Month	BSE (₹)		NSE (₹)	
	High Price	Low Price	High Price	Low Price
April – 2022	428.15	340.75	428.15	340.75
May – 2022	348.00	265.10	348.00	265.10
June – 2022	327.00	252.70	327.00	252.70
July – 2022	326.00	250.00	326.00	250.00
August – 2022	278.00	242.90	278.00	242.90
September – 2022	262.90	223.00	262.90	223.00
October – 2022	285.00	248.05	285.00	248.05
November – 2022	357.45	259.50	357.45	259.50
December – 2022	351.80	280.00	351.80	280.00
January – 2023	349.50	291.10	349.50	291.10
February – 2023	313.30	270.10	313.30	270.10
March – 2023	326.95	267.60	326.95	267.60

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

Performance Comparison with BSE SENSEX (Closing)



Performance Comparison with NSE NIFTY

9.3 Unpaid/Unclaimed Dividend:

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

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

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

Year of Declaration	Date of Declaration	Interim/Final	Unclaimed Amount as on March 31, 2023	Date of Transfer to IEPF
2015-16	July 18, 2016	Final	₹ 2,12,070	NA
2016-17	July 21, 2017	Final	₹ 2,30,907	NA
2017-18	July 20, 2018	Final	₹ 2,46,271	NA
2018-19	July 25, 2019	Final	₹ 3,33,327	NA
2019-20	July 16, 2020	Final	₹ 150	NA
2020-21	July 15, 2021	Final	₹ 6,59,295	NA
2021-22	July 18, 2022	Final	₹ 6,45,163	NA

9.4 Registrar and Share Transfer Agent:

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

9.6 Share Transfer System:

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

9.7 Distribution of Shareholding as on March 31, 2023:

Sr. No.	Shareholding No. of Shares		No. of Shares	% To Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	1010233	4.5291	9619	88.0216
2	501	1000	437000	1.9592	552	5.0512
3	1001	2000	463533	2.0781	311	2.8459
4	2001	3000	326757	1.4649	127	1.1622
5	3001	4000	208476	0.9346	58	0.5307
6	4001	5000	310667	1.3928	66	0.604
7	5001	10000	655758	2.9399	88	0.8053
8	10001	999999999	18892846	84.7013	107	0.9791
TOTAL			**223,05,270**		**10,928**	**100**

9.7 Dematerialization of shares and liquidity:

As on March 31, 2023, 2,21,40,891 Equity Shares out of 2,23,05,270 Equity Shares of the Company, constituting 99.26% of the Company's paid-up capital is held in the dematerialized form. The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the Central Depository Services (India) Limited [CDSL] and National Securities Depository Limited [NSDL]. The International Security Identification Number [ISIN] is an identification number of traded shares. This number is to be quoted in each transaction relating to the dematerialized shares of the Company. The ISIN of the Company is mentioned above.

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

The Company has not issued any GDRs/ADRs.

9.9 Commodity Price Risk:

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

9.10 Plant Locations:

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

9.11 Address for Correspondence

For any queries, shareholders are requested to either write to

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

ANNEXURE – A

CORPORATE GOVERNANCE REPORT

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

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

* Ms. Prachi Mehta resigned from the position of directorship w.e.f. September 29, 2022.

** Ms. Niranjani Chandramouli was appointed as an Independent Director w.e.f. September 29, 2022.

ANNEXURE – B

DECLARATION BY MANAGING DIRECTOR

To,
The Members,
Onward Technologies Limited

This is to certify that pursuant to the Regulation 17(5) and Clause D of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Jigar Mehta, Managing Director of Onward Technologies Limited ("the Company"), hereby declare that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, laid down and adopted by the Company, during the year ended March 31, 2023.

For Onward Technologies Limited

Jigar Mehta
Managing Director
DIN: 06829197

Place: Mumbai
Date: May 12, 2023

ANNEXURE – C

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

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

1. We have reviewed the financial statements and the cash flow statement for the year 2022-23 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.

Jigar Mehta
Managing Director
DIN: 06829197

Pawankumar Nathani
Chief Financial Officer

Place: Mumbai
Date: May 12, 2023

ANNEXURE – D

Certificate on Non-Disqualification of Directors

To,
The Members of
Onward Technologies Limited

We have examined the relevant disclosures provided by the Directors (as mentioned in below table) to the ONWARD TECHNOLOGIES LIMITED (CIN:L28920MH1991PLC062542) having its Registered Office at Sterling Centre, 2nd Floor, Dr. A.B. Road, Worli, Mumbai -400018 ("hereinafter referred to as the Company") for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) and the relevant disclosures provided by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below as on March 31,2023 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 or any such other statutory authority.

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

*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 | CP No:7891
PR No.: 1908/2022
UDIN: F007478E000293302

Place : Mumbai
Date : May 12, 2023

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Financial Statements

CONSOLIDATED

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Independent Auditor's Report

To the Members of Onward Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Onward Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (b) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

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

<table>
<tr><th colspan="2">Key audit matter - Revenue Recognition</th></tr>
<tr><td colspan="2">See Note 1(e) and 21 to consolidated financial statements</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group enters into contracts with the customers which are primarily time and material or fixed price contracts.

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

Accounting for revenue arising out of such contracts with customers involves judgement in respect of:

• Determination of transaction price;

• Recognition of revenue based on fulfilment of performance obligation over a period of time or at a point in time.

Revenue recognition has been identified as a key audit matter because the Group and its external stakeholders focus on revenue as a key financial metric. This could create an incentive for revenue to be overstated or recognised before the services are rendered.</td><td>Our audit procedures include:
• Obtained an understanding of the processes and controls implemented by the Group;
• Evaluated the design, implementation and operating effectiveness of key Internal financial controls with reference to financial statements for the measurement, recognition and accounting of revenue;
• On sample of contracts selected based on statistical sampling, we tested the recognition of revenue in accordance with the relevant standards by performing the procedures below:
i. Read master service agreements and other relevant documents forming part of contracts with the customer.
ii. Tested contract terms to determine the transaction price including any variable consideration for computing revenue and to test the basis of estimation of variable consideration.
iii. Assessed the Group's classification of customer contracts into time and material and fixed price contracts.
iv. Verified the underlying evidence for recognition of revenue.
(i) For revenue recorded in time and material contracts, tested approved time-sheets including customer acceptances, invoicing and trends of collection and disputes.
(ii) For revenue recorded in fixed price contracts, tested evidence to verify the service delivery including customer acceptances, invoicing and trends of collection and disputes.
• Assessed the appropriateness of the revenue recognition accounting policies and its compliance with Ind AS 115.
• Evaluated the adequacy of disclosures in the Consolidated Financial Statements.</td></tr>
</table>

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

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

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (b) of the section titled "Other Matters" in this audit report.

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

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

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

Other Matters

a. The consolidated financial statements of the Group for the year ended 31 March 2022 were audited by the predecessor auditor who had expressed an unmodified opinion on 13 May 2022.

b. We did not audit the financial statements of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 645.26 Lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 171.31 Lakhs and net cash flows (before consolidation adjustments) amounting to ₹ 1.37 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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

c. The financial statements of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 1,686.09 Lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 3,166.94 Lakhs and net cash flows (before consolidation adjustments) amounting to ₹ 377.14 Lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by an other auditor. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 this matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directorsof the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 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 financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:

   a. There were no pending litigations as at 31 March 2023 which would impact the consolidated financial position of the Group.

   b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 17 and 41 to the consolidated financial statements in respect of such items as it relates to the Group.

   c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2023.

   d (i) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of it's knowledge and belief, as disclosed in the Note 44(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of it's knowledge and belief, as disclosed in the Note 44(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

As stated in Note 35 to the consolidated financial statements, the respective Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHT3388

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Onward Technologies Limited for the year ended 31 March 2023

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

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHT3388

Place: Mumbai
Date: 12 May 2023

Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Onward Technologies Limited for the year ended 31 March 2023

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of Onward Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHT3388

Place: Mumbai
Date: 12 May 2023

Consolidated Balance Sheet

As at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,568.84	3,657.45
Right-of-use assets	31	1,460.22	1,751.60
Intangible assets	4	332.55	264.06
Financial assets			
(a) Other financial assets	5	313.52	279.75
Deferred tax assets	12(a)	191.00	281.82
Income tax assets (net)	12(b)	1,632.70	1,788.56
Other non-current assets	10	134.45	108.93
Total non-current assets		**7,633.28**	**8,132.17**
II. Current assets			
Financial assets			
(a) Trade receivables	6		
- Billed		9,122.69	6,656.37
- Unbilled		1,849.26	-
(b) Cash and cash equivalents	7	4,726.50	4,951.52
(c) Bank balances other than cash and cash equivalents above	8	23.27	1,092.96
(d) Contract assets - unbilled receivable	9(a)	-	1,191.28
(e) Other financial assets	9(b)	148.72	39.89
Income tax assets (net)	12(b)	-	15.86
Other current assets	11	721.51	864.10
Total current assets		**16,591.95**	**14,811.98**
Total assets		**24,225.23**	**22,944.15**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13(a)	2,230.53	2,202.09
Other equity	13(b)	15,156.30	14,118.97
Total equity		**17,386.83**	**16,321.06**
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	14	40.28	50.39
(b) Lease Liabilities	31	730.57	1,093.36
Provisions	18	219.27	340.77
Deferred tax liabilities	12(a)	330.85	318.11
Total non-current liabilities		**1,320.97**	**1,802.63**

Consolidated Balance Sheet (Contd.)

As at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
II. Current liabilities			
Financial liabilities			
(a) Borrowings	15	10.47	9.65
(b) Lease Liabilities	31	891.31	716.41
(c) Trade payables	16	1,137.88	1,153.14
(d) Other financial liabilities	17	2,511.84	2,031.56
Provisions	19	192.47	151.97
Income Tax Liabilities	12(b)	7.20	23.02
Other current liabilities	20	766.26	734.71
Total current liabilities		**5,517.43**	**4,820.46**
Total liabilities		**6,838.40**	**6,623.09**
Total equity and liabilities		**24,225.23**	**22,944.15**

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

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197

Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359

Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer

Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary

Place : Mumbai
Date : May 12, 2023

Consolidated Statement of profit and loss

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year March 31, 2023	For the year March 31, 2022
Revenue from operations	21	44,092.83	30,726.87
Other income	22	540.24	2,153.11
Total Income		**44,633.07**	**32,879.98**
Expenses			
Purchase of Software Licenses	23	-	1.07
Employee benefits expense	24	35,309.05	23,881.52
Finance costs	25	166.38	100.56
Depreciation and amortisation expense	26	1,298.16	1,010.51
Other expenses	27	6,056.29	4,703.36
Total expenses		**42,829.88**	**29,697.02**
Profit before tax		**1,803.19**	**3,182.96**
Tax expense			
Current tax	12(b)	527.11	390.70
Deferred tax	12(a)	128.07	423.86
Total tax expense		**655.18**	**814.56**
Profit for the year		**1,148.01**	**2,368.40**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	19	(97.38)	(65.28)
Income tax relating to these items	12(b)	24.51	16.43
Items that will be subsequently reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations	13(b)	234.67	(15.43)
Income tax relating to these items		-	-
Total other comprehensive income for the year, net of tax		**161.80**	**(64.28)**
Total comprehensive income for the year		**1,309.81**	**2,304.12**
Earnings per share			
Basic	28	5.17	12.62
Diluted	28	5.05	12.17

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

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
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Pawankumar Nathani
Chief Financial Officer

Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary

Place : Mumbai
Date : May 12, 2023

Consolidated statement of changes in equity

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A Equity share capital

Particulars	Notes	Amount
As at April 1, 2021		**1,633.88**
Change in equity share capital	13(a)	568.21
As at March 31, 2022		**2,202.09**
Change in equity share capital	13(a)	28.44
As at March 31, 2023		**2,230.53**

B Other Equity

Particulars	Notes	Securities premium	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve	Share Application Money pending allotment	Money received against Share Warrants	Total
As at April 1, 2021		**1,904.34**	**3,432.38**	**263.37**	**211.76**	**2.40**	**-**	**5,814.25**
Profit for the year		-	2,368.40	-	-	-	-	2,368.40
Other Comprehensive Income		-	(48.85)	-	(15.43)	-	-	(64.28)
Total comprehensive income for the year		**-**	**2,319.55**	**-**	**(15.43)**	**-**	**-**	**2,304.12**
Transactions with owners in their capacity as owners								
Contributions and distributions								
Money received against Share Warrants	13(b)	-	-	-	-	-	7,020.00	7,020.00
Shares allotted against the Share Warrants	13(b)	-	-	-	-	-	(7,020.00)	(7,020.00)
Issue of equity shares pursuant to Share Warrants	13(b)	6,480.00	-	-	-	-	-	6,480.00
Issue of equity shares under Employee Stock Option Plan	13(b)	192.14	-	(164.42)	-	-	-	27.72
Employee stock option expenses	13(b)	-	-	170.38	-	-	-	170.38
Deferred tax on share issue expenses	13(b)	-	52.50	-	-	-	-	52.50
Share issue expenses	13(b)	(208.60)	-	-	-	-	-	(208.60)
Shares allotted against the share application money received	13(b)	-	-	-	-	(39.22)	-	(39.22)
Shares application money received for allotment of shares	13(b)	-	-	-	-	42.60	-	42.60
Dividends paid	13(b)	-	(524.78)	-	-	-	-	(524.78)
As at March 31, 2022		**8,367.88**	**5,279.65**	**269.33**	**196.33**	**5.78**	**-**	**14,118.97**

Consolidated statement of changes in equity (Contd.)

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

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

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

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197

Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359

Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer

Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary

Place : Mumbai
Date : May 12, 2023

Consolidated Statement of cash flows

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
A)	**Cash flows from operating activities**		
	Profit before income tax	1,803.19	3,182.96
	Adjustments for		-
	Depreciation and amortisation expense	1,298.16	1,010.51
	(Profit) / loss on disposal of property, plant and equipment	(10.62)	20.05
	Property, plant and equipment written off	6.43	-
	Interest income	(195.28)	(31.73)
	Unwinding of discount on security deposit	(21.32)	(15.27)
	Employee share based payment expenses	376.80	198.10
	Finance costs	166.38	100.56
	Income from waiver of loan under Paycheck Protection Program Scheme	-	(1,503.91)
	Profit on sale of mutual funds	(26.81)	(46.48)
	Unrealised foreign exchange (gain)/loss	(18.47)	4.50
	Loss allowance	17.19	-
	Bad debts written off	10.48	4.04
	Operating profit before working capital changes	**3,406.13**	**2,923.33**
	Working capital adjustments		
	(Increase)/Decrease in trade receivables and unbilled receivables	(2,999.62)	(2,440.99)
	(Increase)/Decrease in other financial assets	(90.06)	39.97
	(Increase)/Decrease in other assets	98.41	(333.10)
	Increase/(Decrease) in trade payables	39.15	435.05
	Increase/(Decrease) in other liabilities	33.40	(238.56)
	Increase/(Decrease) in other financial liabilities	630.18	458.36
	Increase/(Decrease) in employee benefit obligations	(176.97)	(189.50)
	Cash generated from/(used in) operations	**940.62**	**654.56**
	Income taxes paid/(refund)	(366.02)	(1,047.46)
	Net cash (outflow)/inflow from operating activities	**574.60**	**(392.90)**
B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(524.27)	(2,209.33)
	Purchase of intangible assets	(195.82)	(26.17)
	Proceeds from sale of property, plant and equipment	41.64	13.25
	Proceeds from fixed deposits	3,000.00	50.00
	Fixed deposits placed	(1,960.70)	(1,075.52)
	Proceeds from mutual funds	26.81	56.48
	Interest received	213.21	31.73
	Net cash (outflow)/inflow from investing activities	**600.87**	**(3,159.56)**
C)	**Cash flows from financing activities**		
	Interest paid*	(8.70)	(114.45)
	Repayment of lease liabilities*	(788.93)	(577.33)
	Shares application money received for allotment of shares	43.73	31.59
	Proceeds from issue of equity shares/warrants pursuant to preferential allotment (net of expenses)	-	6,811.40
	Repayment of borrowings*	(9.29)	30.70

Consolidated Statement of cash flows (Contd.)

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Payment of Dividend	(658.20)	(524.78)
Net cash (outflow)/inflow from financing activities	**(1,421.39)**	**5,657.13**
Net increase / (decrease) in cash and cash equivalents	(245.92)	2,104.67
Cash and cash equivalents at the beginning of the year	4,951.52	2,849.05
Effect of foreign exchange on cash and cash equivalents	20.90	(2.20)
Cash and cash equivalents at the end of the year	**4,726.50**	**4,951.52**

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

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	4,726.50	4,951.52
Balances as per statement of cash flows	**4,726.50**	**4,951.52**

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

***Reconciliation of liabilities from financing activities for the year ended March 31, 2023:**

Particulars	Borrowings	Leases
Balance at the start of the year	60.04	1,809.77
Add: Cash inflow	-	-
Less: Cash outflow	(9.29)	(788.93)
Add: Non-cash changes (including additions to right of use assets)	-	601.04
Closing balance at the end of the year	50.75	1,621.88

***Reconciliation of liabilities from financing activities for the year ended March 31, 2022:**

Particulars	Borrowings	Leases
Balance at the start of the year	1,534.01	975.93
Add: Cash inflow	30.70	-
Less: Cash outflow	(0.76)	(577.33)
Add: Non-cash changes (including additions to right of use assets)	(1,503.91)	1,411.17
Closing balance at the end of the year	60.04	1,809.77

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 12, 2023

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Place : Bostan, USA
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Director
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Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer

Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary

Place : Mumbai
Date : May 12, 2023

Notes to the Consolidated Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Background:

Onward Technologies Limited (referred as the "Holding Company") and it's subsidiaries (together referred as "Group") is a leading global player in Mechanical Engineering Design and IT Services, listed at both Bombay Stock Exchange and National Stock Exchange. The Holding Company is a public limited Company domiciled in India and was incorporated on July 18, 1991 under the provisions of the Companies Act, 1956. The Holding Company has its registered office in Mumbai and in Pune.

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.

(a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Board of Directors have approved these consolidated financial statements for issue on May 12, 2023.

(b) Interest in Subsidiaries

Sr. No.	Name of the entity	% of Holding		Country of Incorporation
		March 31, 2023	March 31, 2022	
1	Onward Technologies Inc.	100%	100%	United States of America
2	Onward Technologies GmbH	100%	100%	Germany
3	Onward Technologies Canada Inc.	100%	100%	Canada
4	Onward Technologies B.V.	100%	100%	Netherland
5	OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	100%	100%	India

(ii) Basis of measurement

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

- Derivative financial assets and liabilities which are measured at fair value;
- Defined benefit plans — plan assets measured at fair value.
- Share based payment measured at fair value as on the date of grant.

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(iii) Use of judgements and estimates

The preparation of consolidated financial statements requires the management of the Group to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

differ from estimates. Differences between actual results and estimates are recognised when the results are known/materialised prospectively.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

(a) Note no. (e) - Revenue recognition – Recognition of revenue involves significant judgements in relation to fulfilment of performance obligations over a period of time or point in time and determination of transaction price.

Critical accounting estimates

(a) Note no. (e) - Revenue recognition – Recognition of revenue involves estimates around variable consideration.

(b) Note no. (i) - Recognition of deferred tax assets/liabilities - The Group reviews carrying amount of deferred tax asset at end of each reporting period for availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

(c) Note no. (v(a)) - Business combinations - to ascertain the net fair value of acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values.

(d) Note no. (s) – Measurement of defined benefit obligation: key actuarial assumptions involved in measurement

(e) Note no. 38 - share based payments - Information about assumptions and estimation uncertainties in respect of share based payments

(iv) Principles of Consolidation

a) Business combinations

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in other comprehensive income and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

b) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are not consolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker are the Board of Directors. The Group has only one operating segment which is Engineering Design and IT services.

(d) Foreign currency translation

(i) Functional and presentation currency

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

Transactions in foreign currencies are translated to the respective functional currencies of the Group companies at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the rates as at the reporting date. The exchange differences so determined and also the realised exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

(ii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at closing rates at the date of balance sheet; Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of transactions) and all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of gain or loss on sale.

(e) Revenue recognition

Ind AS 115 Revenue from contracts with customers standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A five-step process must be applied before revenue can be recognised:

i. identify contracts with customers

ii. identify the separate performance obligation

iii. determine the transaction price of the contract

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

iv. allocate the transaction price to each of the separate performance obligations, and

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

a. Revenue recognition policy

The Group derives revenue primarily from engineering design services, IT services. Amounts disclosed as revenue are net of trade allowances, rebates, discounts, goods and service taxes, value added taxes and other amounts collected on behalf of third parties.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

The Group accounts for volume and/or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. The Group recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or a service to a customer and Group expects to receive consideration in exchange for those products or services. The method for recognising revenues and costs depends on the nature of the services rendered. The Group estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognised over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or

(b) The customer controls the work-in-progress, or

(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date

If none of the criteria above are met, the Group recognised revenue at a point-in-time.

The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The billing schedule agreed with customers with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting up obligations exceed the economic benefits to be received. The Group disaggregates revenue from contracts with customers by nature of services and geography.

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(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Sale of services

a) Time and material contracts:

Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b) Fixed- price contracts:

Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Revenue from fixed price maintenance is recognised based on the right to invoice for services performed for contracts in which invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognised as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on straight line basis over the specified period, unless some other method better represents the manner in which services are performed.

Contract balances

a) Revenue in excess of invoicing is classified as unbilled revenue when such right to consideration in exchange for goods and services is conditional only on passage of time, while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b) Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.

c) Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

d) Deferred contract costs are upfront costs incurred for the contract and are amortised on a systematic basis that is consistent with the transfer to the customer of the goods/services to which the asset relates.

Significant judgments in revenue recognition:

a) Judgment is required to determine the transaction price for a contract with the customer. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

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The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

b) The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

(f) Other Income

Dividend income is recognised in the Statement of Profit and Loss only when the Group's right to receive dividend is established which is generally when the shareholders approve the dividend.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

(g) Financial instruments

a) Recognition and initial measurement

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Measurement of fair values:

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Group uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used.

Further information about the assumptions made in measuring fair values is included in below notes:

- share based payment arrangements (Refer note no. (s)(iv) and 38)
- acquisition of asset/ subsidiary (Refer note (b)(iv)(a))
- financial instruments (Refer this note and note 32)

b) Classification and subsequent measurement

i. Non-derivative financial instruments

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit/loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at fair value through profit or loss:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest expense and foreign exchange gains and losses are recognised in profit or loss. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

ii. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. the Group does not use derivative financial instruments for speculative purposes. The counter-party to the Group's foreign currency forward contracts is generally a bank.

Derivatives are initially measured at fair value. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. The full fair value of a derivative is classified as a Non-current Asset or

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liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

c) Derecognition of financial instruments

Financial assets:

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:

Substantially all of the risks and rewards of ownership of the financial asset are transferred; or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Group derecognises financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

d) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. For trade receivables that do not contain a significant financing component, the Group apply simplified approach. The Group uses simplified approach to calculate impairment on trade receivables and has not assessed credit risk individually. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(h) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented with other income.

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Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of related assets and presented within other income.

(i) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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As a lessee

Leases are recognised as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the 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.
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asses in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing, and
- makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and
- restoration costs

Right-of-use are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with the short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment like computers and hardware. The Group presents separately in the balance sheet right-of-use assets and lease liabilities within 'Financial Liabilities'

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Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased asset are included in the balance sheet based on their nature.

Since there are no transactions whereby the Group is a lessor, there were no adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(k) Impairment of non-financial assets

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Group recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. For impairment testing, assets are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss

(l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Borrowing cost and other interest expense

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection

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with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

(n) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(o) Property, plant and equipment

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Class of asset	Estimated economic useful life in years
Computers & networking	3 - 6 years
Furniture & Fixtures	7 - 10 years
Office Equipment	5 - 7 years
Electrical equipments	10 years
Vehicles	8 years
Building*	40 years

* Useful lives have been determined based on technical evaluation done by the management's expert which are lesser than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

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Leasehold improvements are depreciated over shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/(upto) the date on which asset is ready for use/ (disposed off). The useful lives for assets are in line with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

(p) Intangible assets

The cost of an item of intangible assets shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation and accumulated impairment. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss.

Intangible assets are amortised on the straight-line method as follows:

Asset	Useful life
Software	2 to 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Group after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(r) Provisions and contingent assets/liabilities

Provisions are recognised when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined

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based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed by way of a note to the consolidated financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(s) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts at undiscounted basis expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privileged leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plan – gratuity

(b) Defined contribution plans - provident fund, employee state insurance scheme.

(a) Defined benefit plan - Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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(All amounts in ₹ Lakhs, unless otherwise stated)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement of net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, both as determined at the start of the annual reporting period taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(b) Defined contribution Plans – Provident Fund, Employee State Insurance Scheme, Social Security and Labour Welfare Fund

The Group pays provident fund, employee state insurance for all employees to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the period in which the related service is provided by the employee.

(iv) Share-based payments

Employee options are provided to employees of the Group via the ESOP Plan. The fair value of the options granted under the Onward Plan is recognised as employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Bonus Plan

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(t) Dividends

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

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(v) 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)

3 Property, plant and equipment

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2021	**1,040.68**	**930.08**	**390.94**	**376.39**	**163.48**	**131.21**	**15.66**	**3,048.44**
Additions	1,755.34	438.92	8.49	34.76	-	30.40	5.97	2,273.88
Disposals	-	(148.35)	(0.03)	(11.77)	-	(19.71)	(0.42)	(180.28)
Effect of foreign currency exchange differences	-	1.30	1.76	3.44	-	0.39	-	6.89
Gross carrying amount as on March 31, 2022	**2,796.02**	**1,221.95**	**401.16**	**402.82**	**163.48**	**142.29**	**21.21**	**5,148.93**
Accumulated depreciation	**11.09**	**684.00**	**311.43**	**193.16**	**46.62**	**78.18**	**10.06**	**1,334.54**
Charge for the year	25.89	158.48	52.90	35.07	20.43	21.06	1.22	315.05
Disposals	-	(145.24)	(0.03)	(3.25)	-	(13.97)	(0.19)	(162.68)
Effect of foreign currency exchange differences	-	0.83	1.07	2.35	-	0.32	-	4.57
Closing accumulated depreciation as at March 31, 2022	**36.98**	**698.07**	**365.37**	**227.33**	**67.05**	**85.59**	**11.09**	**1,491.48**
Net carrying amount as on March 31, 2022	**2,759.04**	**523.88**	**35.79**	**175.49**	**96.43**	**56.70**	**10.12**	**3,657.45**

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2022	**2,796.02**	**1,221.95**	**401.16**	**402.82**	**163.48**	**142.29**	**21.21**	**5,148.93**
Additions	-	290.29	-	29.44	13.30	38.12	-	371.15
Disposals	-	(179.82)	(23.21)	(10.60)	(87.09)	(10.91)	(1.56)	(313.19)
Effect of foreign currency exchange differences	-	2.27	5.18	11.17	-	1.11	-	19.73
Gross carrying amount as on March 31, 2023	**2,796.02**	**1,334.69**	**383.13**	**432.83**	**89.69**	**170.61**	**19.65**	**5,226.62**
Accumulated depreciation	**36.98**	**698.07**	**365.37**	**227.33**	**67.05**	**85.59**	**11.09**	**1,491.48**
Charge for the year	56.84	262.25	17.26	48.13	18.55	23.21	1.77	428.01
Disposals	-	(171.15)	(22.45)	(9.63)	(64.01)	(7.90)	(0.93)	(276.07)
Effect of foreign currency exchange differences	-	1.36	3.98	7.98	-	1.04	-	14.36
Closing accumulated depreciation as at March 31, 2023	**93.82**	**790.53**	**364.16**	**273.81**	**21.59**	**101.94**	**11.93**	**1,657.78**
Net carrying amount as on March 31, 2023	**2,702.20**	**544.16**	**18.97**	**159.02**	**68.10**	**68.67**	**7.72**	**3,568.84**

Notes:

1 Refer note 15 for hypothecation of charge on vehicle.

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
Opening gross carrying amount as on April 1, 2021	**1,333.53**	**1,333.53**
Additions	49.38	49.38
Disposals	(45.98)	(45.98)
Capitalised during the year	-	-
Effect of foreign currency exchange differences	0.66	0.66
Gross carrying amount as on March 31, 2022	**1,337.59**	**1,337.59**
Accumulated Amortisation		
Balance as at April 1, 2021	945.66	945.66
Amortisation charge for the year	157.48	157.48
Disposals	(30.28)	(30.28)
Effect of foreign currency exchange differences	0.66	0.66
Closing accumulated amortisation as at March 31, 2022	**1,073.53**	**1,073.53**
Net carrying value as on March 31, 2022	**264.06**	**264.06**

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2022	**1,337.59**	**1,337.59**
Additions	195.82	195.82
Disposals	(13.91)	(13.91)
Capitalised during the year	-	-
Effect of foreign currency exchange differences	1.93	1.93
Gross carrying amount as on March 31, 2023	**1,521.43**	**1,521.43**
Accumulated Amortisation		
Balance as at April 1, 2022	1,073.53	1,073.53
Amortisation charge for the year	126.99	126.99
Disposals	(13.58)	(13.58)
Effect of foreign currency exchange differences	1.93	1.93
Closing accumulated amortisation as at March 31, 2023	**1,188.87**	**1,188.87**
Net carrying value as on March 31, 2023	332.56	332.56

5 Others financial assets - non-current

Non-current	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Earmarked balances with banks		
Bank deposits held as security against working capital facilities	57.33	82.10
Security deposits	256.19	197.65
Total	**313.52**	**279.75**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

6 Trade receivables

Non-current	As at March 31, 2023	As at March 31, 2022
Trade Receivables - Billed	9,139.88	6,656.37
Less: Loss allowance	(17.19)	-
	9,122.69	**6,656.37**
Trade Receivables - Unbilled	1,849.26	-
Total	**10,971.95**	**6,656.37**

Break-up of security details

Non-current	As at March 31, 2023	As at March 31, 2022
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	9,139.88	6,656.37
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Less: Loss allowance	(17.19)	-
Total	**9,122.69**	**6,656.37**

Ageing of trade receivables as at March 31, 2023:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	7,079.57	2,036.42	23.71	0.18	-	-	9,139.88
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
- Loss allowance	(3.45)	(10.54)	(3.16)	(0.04)	-	-	(17.19)
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							-
Trade Receivables - Billed							9,122.69
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							1,849.26
Total							**10,971.95**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade receivables as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	5,477.54	1,171.20	7.52	0.11	-	-	6,656.37
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							-
Trade Receivables - Billed							6,656.37
Trade Receivables - Unbilled (Refer note 9(a) for previous year unbilled trade receivables)							
- Considered good - Unsecured (undisputed)							-
Total							**6,656.37**

7 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash in hand	0.71	0.61
Balances with banks		
In current accounts	4,725.79	3,938.94
Deposits with original maturity less than three months	-	1,011.97
Total	**4,726.50**	**4,951.52**

8 Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2023	As at March 31, 2022
In earmarked accounts		
Bank deposits held as security against working capital facilities	-	63.17
Earmarked balances with banks*	23.27	16.89
Deposits with original maturity more than three months, but less than twelve months	-	1,012.90
Total	**23.27**	**1,092.96**

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

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

9(a) Contract Assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Contract Asset relating to professional services		
- Unbilled Revenue (Refer note 6)	-	1,191.28
Total	**-**	**1,191.28**

9(b) Others financial assets - current

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Derivative financial instrument		
Foreign exchange forward contracts	-	39.89
In earmarked accounts		
Bank deposits held as security against working capital facilities	55.16	-
Security deposits	93.56	-
Total	**148.72**	**39.89**

10 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	134.45	108.93
Total	**134.45**	**108.93**

11 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	551.76	419.80
Interest receivable on income tax refund	-	18.73
Export Incentives Receivable	-	132.63
Research and Development expenditure credit receivable	99.77	89.23
Others*	69.98	203.71
Total	**721.51**	**864.10**

*Others include advances paid to suppliers and employees.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

12(a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Defined Benefit Obligation	84.24	121.58
Allowance for Doubtful debts	3.08	-
Disallowances under Income tax Act, 1961	4.28	8.08
Leases	50.04	33.70
Property, plant and equipment and intangible assets	8.57	34.31
Share issue expenses	31.50	42.00
Fair value gain on Foreign exchange Forward contracts	7.80	-
Others	1.49	75.20
	191.00	**314.87**
Deferred tax liability		
Property, plant and equipment and intangible assets	-	18.30
Fair value gain on Foreign exchange Forward contracts	-	10.04
Others	-	4.71
	-	**33.05**
Total deferred tax asset (net)	**191.00**	**281.82**

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability		
Leases	14.78	14.78
Fair value of assets acquired	316.07	303.33
Total deferred tax liability (net)	**330.85**	**318.11**

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

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Movement through profit and loss		
Defined Benefit Obligation	(61.85)	(53.46)
Allowance for Doubtful debts	3.08	(10.87)
Disallowances under Income tax Act, 1961	(3.80)	(0.86)
Leases	16.34	(10.09)
Property, plant and equipment and intangible assets	(7.44)	(0.20)

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Share issue expenses	(10.50)	-
Fair value gain on Foreign exchange Forward contracts	17.84	(7.60)
Fair value of assets acquired	(12.74)	(303.32)
Others	(69.00)	(37.46)
Movement through other comprehensive income		
Defined Benefit Obligation	24.51	16.43
Total	**(103.56)**	**(407.43)**

12(a) Taxation

Income tax assets /(Income tax liabilities)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance		
- Income tax liabilities (Current)	(23.02)	-
- Income tax assets (Non-Current)	1,788.56	1,113.03
- Income tax assets (Current)	15.86	-
Add : Current tax payable for the year	(527.11)	(390.70)
Add/ (Less) : (Refund Received)/ Taxes paid	371.20	1,047.46
On account of Exchange differences on translation of foreign operations	-	11.61
Closing balance		
- Income tax liabilities (Current)	(7.20)	(23.02)
- Income tax assets (Non-Current)	1,632.70	1,788.56
- Income tax assets (Current)	-	15.86

Income Tax Expenses

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022

Profit and Loss section	Year ended March 31, 2023	Year ended March 31, 2022
Current income tax charge		
Current income tax		
- Current tax on profit for the current year	530.77	338.06
- Adjustments for current tax of prior periods	(3.66)	52.64
Deferred tax	128.07	423.86
Income tax expense reported in the consolidated statement of profit or loss	**655.18**	**814.56**

Other comprehensive income section	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax related to items recognised in OCI during the year	24.51	16.43
Income tax (charged)/credit to OCI	**24.51**	**16.43**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	1,803.19	3,182.96
Tax at Indian income tax rate of 25.17% (March 31, 2022: 25.17%)	453.83	801.09
Adjustments in respect of current income tax of previous years	(3.66)	52.64
Difference in tax rates in various subsidiaries	(9.59)	5.96
Deferred tax expenses/(reversal) on fair value change of assets acquired	12.74	303.32
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	1.20	4.13
Deferred tax asset not recognized on losses incurred by subsidiaries	132.99	28.96
Reversal of deferred tax of loss making subsidiaries	68.09	-
Tax effect on exempted income	-	(380.77)
Others	(0.42)	(0.77)
Total	**655.18**	**814.56**
Income tax expense reported in the statement of profit or loss	655.18	814.56

13(a)Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital:		
3,36,20,000 (March 31, 2022 : 3,36,20,000) Equity shares of ₹ 10 each	3,362.00	3,362.00
1,00,00,000 (March 31, 2022 : 1,00,00,000) Preference shares of ₹ 10 each	1,000.00	1,000.00
10,00,000 (March 31, 2022 : 10,00,000) unclassified shares of ₹ 10 each	100.00	100.00
Total	**4,462.00**	**4,462.00**
Issued, subscribed and paid up:		
2,23,05,270 (March 31, 2022 :2,20,20,870) Equity Shares of ₹ 10 each	2,230.53	2,202.09
Total	**2,230.53**	**2,202.09**

(i) **Reconciliation of number of equity shares issued**

Particulars	As at March 31, 2023	As at March 31, 2022
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	22,020,870	16,338,770
Shares issued during the year(Nos.)	284,400	5,682,100
Shares outstanding at the end of the year	**22,305,270**	**22,020,870**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Reconciliation of issued equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year	2,202.09	1,633.88
Shares issued during the year	28.44	568.21
Shares outstanding at the end of the year	**2,230.53**	**2,202.09**

(iii) Terms/ rights attached to equity shares

The Group has issued only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

4,60,400 (March 31, 2022 : 7,23,600) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date. Refer note 38 for further details of the ESOP scheme.

(iv) Aggregate number of shares issued for consideration other than cash during the period of three years immediately preceding the reporting date - Nil (March 31, 2022: Nil).

(v) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	% holding	No. of shares	No. of shares	No. of shares
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	39.89%	8,897,566	0.00%	-
Onward Network Technologies Private Limited (upto March 23, 2023)	0.00%	-	38.10%	8,388,983
Infinity Direct Holdings	24.21%	5,400,000	24.52%	5,400,000

(vi) Details of shareholdings of promoters and promoters group

i) Details of shareholding of promoters as on March 31, 2023

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	8,897,566	39.89%	100.00%
Onward Network Technologies Private Limited (upto March 23, 2023)	-	0.00%	-100.00%
Desai Finwealth Investments & Securities Private Limited	-	0.00%	-100.00%
Harish Shantilal Mehta	216,528	0.97%	-0.01%
Jigar Harish Mehta	576,299	2.58%	-0.03%
Heral Harish Mehta	243,096	1.09%	-0.01%
Prachi Mehta	150,000	0.67%	0.00%

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

ii) **Details of shareholding of promoters as on March 31, 2022**

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Network Technologies Private Limited	8,388,983	38.10%	-13.25%
Desai Finwealth Investments & Securities Private Limited	508,583	2.31%	-0.80%
Harish Shantilal Mehta	216,528	0.98%	-0.34%
Jigar Harish Mehta	576,299	2.62%	-0.91%
Heral Harish Mehta	243,096	1.10%	-0.38%
Prachi Mehta	148,792	0.68%	-0.23%

13(b)Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus		
Securities premium		
Opening Balance	8,367.88	1,904.34
Add : Additions on account of exercise of options under Employee Stock Option Plan	248.34	192.14
Add: Additions on account of issue of subscription shares pursuant to Share Warrants	-	6,480.00
Less: Share Warrants issue expenses	-	(208.60)
Closing Balance	**8,616.22**	**8,367.88**
Share option outstanding account		
Opening Balance	269.33	263.37
Less : Employee stock options exercised	(229.43)	(164.42)
Add : Employee stock option expenses	376.80	170.38
Less: Transfer on account of lapsed option	(11.46)	-
Closing Balance	**405.24**	**269.33**
Foreign currency translation reserve		
Opening Balance	196.33	211.76
Gain on translation of foreign currency balances	234.67	(15.43)
Closing Balance	**431.00**	**196.33**
Share Application Money pending allotment		
Opening Balance	5.78	2.40
Less : Shares allotted against the share application money received	(47.34)	(39.22)
Add : Shares application money received for allotment of shares	43.73	42.60
Closing Balance	**2.17**	**5.78**
Money received against Share Warrants		

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Add: Additions during the year	-	7,020.00
Less: Shares allotted against Share Warrants	-	(7,020.00)
Closing Balance	**-**	**-**
Retained earnings		
Opening balance	5,279.65	3,432.38
Net profit for the year	1,148.01	2,368.40
	6,427.66	**5,800.78**
Add: Transfer on account of lapsed option	11.46	-
Add: Deferred tax on warrant issue expenses	-	52.50
Less: Dividend paid (Refer Note 35)	**(664.58)**	**(524.78)**
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of defined benefit plans (net of tax)	(72.87)	(48.85)
Closing balance	5,701.67	5,279.65
Total	**15,156.30**	**14,118.97**

Nature and purpose of reserves

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to record the fair value of options as on grant date issued to employees under the Employee stock option scheme. The amounts recorded in share options outstanding account are transferred to share capital and share premium upon exercise of stock options by employees.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share Application Money pending allotment

This denotes application money received for which issue of equity shares are outstanding as on balance sheet date.

Money received against Share Warrants

The money received against Share Warrants is on account of following transaction:

The Holding company had entered into an agreement on May 27, 2021 to make preferential allotment to Infinity Direct Holdings (the "investor"). As per the agreement, the Holding company, during the quarter ended June 30, 2021, had issued 1,100,000 equity shares each fully paid-up at a price of ₹ 130 (inclusive of face value of ₹ 10 each) per share for cash and 4,300,000 share warrants, each warrant convertible into one equity share of the Holding company, at a price per warrant of ₹ 130 (inclusive of face value of ₹ 10 each),

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

convertible within 18 months from the date of allotment of such warrants. The Holding company received an approval from the shareholders in extra ordinary general meeting for such preferential allotment. During the quarter ended December 31, 2021, the Holding company has converted 4,300,000 share warrants into one equity share against each warrant. All the incidental expenses net of tax related to this preferential allotment amounting to ₹ 156.10 Lakhs had been adjusted against other equity. Money raised was utilised for the purpose for which it was raised.

Retained earnings

Retained earnings comprise of the Group's undistributed earnings after taxes.

14 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans from financial institutions		
Vehicle loan	50.75	60.04
Total Non-Current Borrowings	**50.75**	**60.04**
Less : Current maturities of long term borrowings (included in Note 15)	10.47	9.65
Total	**40.28**	**50.39**

(i) Terms of repayment for non-current borrowings

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loans from financial institutions			
Vehicle Loans The borrowing is hypothecated against the Vehicle.	Repayable in 48 equal instalments beginning from March 4, 2021.	Monthly Instalments	8.21% p.a. (March 31, 2022: 8.21% p.a.)

15 Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturities of long term borrowings	10.47	9.65
Total	**10.47**	**9.65**

Notes:

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Details of undrawn credit facilities

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Loans repayable on demand			
Secured			
From Banks			
Cash credit (Refer note below)			
HSBC Bank	Onward Technologies Limited	Payable on Demand	T-Bill+5.05% p.a.

Security details for cash credit facility

Secured by the Term deposits amounting to ₹ 112.26 Lakhs with Bank as on March 31, 2023 and has exclusive charge on all present and future Current assets including Stocks and Book debts.

Above facility is secured against overall charge on current assets and margin money deposit with the bank in the form of fixed deposit

ii) The Group has not utilised facility amount as at year ended March 31, 2023.

The Group has obtained above facilities from banks on the basis of security of current assets.

The quarterly returns or statements of current assets filed by the Group with banks are not materially misstated with the books of accounts. Differences are account of exclusion of intercompany balances, the period end closing entries and timing differences. Below are the details as on March 31, 2023:

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-22	Current Assets	6,912.59	4,689.47	6,912.59	4,689.59	-	(0.12)
Sep-22	Current Assets	14,588.08	5,271.72	14,588.10	5,528.00	(0.02)	(256.28)
Dec-22	Current Assets	22,703.72	5,719.32	22,714.35	5,719.32	(10.63)	-
Mar-23	Current Assets	31,516.54	5,618.99	31,544.90	5,618.99	(28.36)	-

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Below are the details as on March 31, 2022

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-21	Current Assets	5,157.19	6,329.20	5,158.71	2,840.74	(1.52)	3,488.46
Sep-21	Current Assets	10,829.78	4,390.59	10,829.80	3,218.55	(0.02)	1,172.04
Dec-21	Current Assets	16,872.48	4,702.23	16,785.56	3,213.55	86.92	1,488.68
Mar-22	Current Assets	23,194.12	4,611.65	23,439.50	4,115.88	(245.38)	495.77

16 Trade payables

Ageing of trade payables as at March 31, 2023:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	961.19	169.94	0.86	-	5.89	1,137.88
Disputed trade payables	-	-	-	-	-	-

Ageing of trade payables as at March 31, 2022:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	888.97	252.19	6.09	5.89	-	1,153.14
Disputed trade payables	-	-	-	-	-	-

17 Other financial liabilities - current

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative financial instrument		
- Foreign exchange forward contracts	30.99	-
Capital creditors	40.30	188.06
Unpaid Dividend	23.27	16.89
Employee benefit payable	2,417.28	1,826.61
Total	**2,511.84**	**2,031.56**

18 Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Employee related provisions		
- Provision for Gratuity	82.67	204.78
- Provision for compensated absences	136.60	135.99
Total	**219.27**	**340.77**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

19 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Employee related provisions		
- Provision for Gratuity	44.80	28.09
- Provision for compensated absences	147.67	123.88
Total	**192.47**	**151.97**

A Defined contribution plan

(i) Provident fund and Employee State Insurance Corporation scheme

The Group has certain defined contribution plans. Contributions are made to provident fund for employees at the rate specified by regulatory authorities from time to time. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1,135.30 Lakhs (March 31, 2022 - ₹ 844.63 Lakhs).

(ii) The expense recognised during the period towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 10.93 Lakhs (March 31, 2022 - ₹ 22.27 Lakhs).

(iii) Social security and other benefit plans for overseas employees

The expense recognised during the year towards National insurance, Pension, Statutory social security and contribution for health and safety insurance for overseas employees is ₹ 455.98 Lakhs (March 31, 2022 - ₹ 293.36 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.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2021	**391.46**	**(17.49)**	**373.97**
Current service cost	85.75	-	85.75
Past service cost	-	-	-
Interest expense/(income)	24.64	(1.10)	23.54
Total amount recognised in Profit or Loss	**110.39**	**(1.10)**	**109.29**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Return on plan assets	-	10.27	10.27
(Gain)/loss from experience change	50.59	-	50.59
(Gain)/loss from demographic change	-	-	-
(Gain)/loss from change in financial assumption	4.42	-	4.42
Total amount recognised in Other Comprehensive Income	**55.01**	**10.27**	**65.28**
Employer contributions	-	(230.00)	(230.00)
Benefits paid	(117.38)	31.71	(85.67)
March 31, 2022	**439.48**	**(206.61)**	**232.87**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	**439.48**	**(206.61)**	**232.87**
Current service cost	108.61	-	108.61
Past service cost	-	-	-
Interest expense/(income)	27.23	(12.80)	14.43
Total amount recognised in Profit or Loss	**135.84**	**(12.80)**	**123.04**
Return on plan assets	-	21.81	21.81
(Gain)/loss from experience change	140.54	-	140.54
(Gain)/loss from demographic change	(9.33)	-	(9.33)
(Gain)/loss from change in financial assumption	(55.64)	-	(55.64)
Total amount recognised in Other Comprehensive Income	**75.57**	**21.81**	**97.38**
Employer contributions	-	(325.82)	(325.82)
Benefits paid	(163.47)	163.47	-
March 31, 2023	**487.42**	**(359.95)**	**127.47**

II The net liability disclosed above relates to funded plans are as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation	487.42	439.48
Fair value of plan assets	(359.95)	(206.61)
Deficit	**127.47**	**232.87**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

III Significant actuarial assumptions

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.30%	6.20%
Salary growth rate	5.00%	5.00%
Expected return on plan assets	7.30%	6.20%
Withdrawal rate		
Service greater than 4 years	7.00%	5.00%
Service less than 4 years	49.00%	40.00%
Expected average remaining working lives of employees (in years)	3.72	5.18

IV Sensitivity of actuarial assumptions

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

Assumption	Impact on defined benefit obligation	
	March 31, 2023	March 31, 2022
Discount rate		
1 % increase	(36.61)	(41.27)
1 % decrease	41.73	48.23
Salary growth rate		
1 % increase	40.87	46.93
1 % decrease	(36.71)	(41.19)
Withdrawal rate		
1 % increase	3.27	1.47
1 % decrease	(3.96)	(1.96)

The above sensitivity analysis is based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be corelated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Particulars	March 31, 2023	March 31, 2022
Less than a year	44.80	28.09
Between 2 to 5 years	199.37	128.91
Between 6 to 10 years	232.08	166.54
More than 10 years	520.46	605.10
Total	**996.71**	**928.64**

The weighted duration of the defined benefit obligation is 8 years. (March 31, 2022: 10 years)

The Group expects to contribute ₹ 214.81 Lakhs (March 31, 2022 ₹ 335.99 Lakhs) during the next year towards planned assets.

VI The major categories of plan assets are as follows:

Particulars	March 31, 2023	March 31, 2022
Funds managed by insurer	100%	100%

VII Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's ability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

C Compensated absence

The leave obligations cover the Company's liability for privilege leave which are as follows :

Particulars	March 31, 2023	March 31, 2022
Expenses recognised in the Statement of Profit and Loss	24.40	34.31
Non-current leave obligations expected to be settled after 12 months	136.60	135.99
Current leave obligations expected to be settled within the next 12 months	147.67	123.88

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

D 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 Group 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.

20 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	666.83	579.08
Advance from customers	35.51	18.47
Contract liability - unearned revenue (Refer note 21(d))	63.92	137.16
Total	**766.26**	**734.71**

21 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Contract with Customers		
Sale of services		
- Professional services	44,092.83	30,720.48
Sale of products		
- Software products	-	6.39
Revenue from operations	**44,092.83**	**30,726.87**

a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geographical region type. The Group believe that this disaggregation best depicts how the nature, amount of our revenues and cash flows are affected by industry, market and other economic factors.

The payment terms of the Group are upto 60 days.

Revenue from customers	Year ended March 31, 2023	Year ended March 31, 2022
Within India	21,639.65	16,652.54
Outside India		
- USA	16,290.84	10,418.00
- Europe	2,941.93	1,023.12
- Others*	3,220.41	2,633.21
Total	**44,092.83**	**30,726.87**

*includes Canada and the United Kingdom.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Reconciliation of revenue recognised with contract price

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contract Price	44,553.23	30,745.34
Less: Discounts	(460.40)	(18.47)
Revenue from operations	44,092.83	30,726.87

c) Aggregate amount of transaction price allocated to contract that are partially unsatisfied as at reporting date

Revenue from customers	Year ended March 31, 2023	Year ended March 31, 2022
Aggregate amount of transaction price allocated to contracts that are unsatisfied as at reporting date	63.92	137.16

d) Movement in contract liabilities

Revenue from customers	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	155.63	294.81
Changes on account of:		
Consideration received from customer - work yet to be performed	35.51	18.47
Revenue recognised in the year that was included in advance from customers	(155.63)	(294.81)
Invoicing done but revenue to be recognised	63.92	137.16
Total	**99.43**	**155.63**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2023, other than those meeting the exclusion criteria mentioned above, is ₹ 63.92 Lakhs. Out of this, the Group expects to recognize revenue of around 100% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty, since based on current assessment, the occurrence of the same is expected to be remote.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

22 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income under the effective interest method from financial assets carried at amortised cost		
- Interest on bank deposits	22.29	31.73
- Interest income on security deposits	21.32	15.27
Interest on income tax refunds	172.99	12.00
Net profit on disposal of property, plant and equipment	10.62	-
Net gain on foreign currency transactions and translations	-	47.85
Profit on sale of mutual funds	26.81	46.48
Government grant (Refer note (i) below)	201.54	96.55
Waiver of loan under Paycheck Protection Plan Scheme (Refer note (iii) below)	-	1,503.91
Provision for doubtful debts written back	-	39.32
Miscellaneous income (Refer note (ii) below)	84.67	360.00
Total	**540.24**	**2,153.11**

Note:

i) Based on its assessment and precedence for research and development expenditure credit available in the United Kingdom, the Group has recognised for such incentive on accrual basis for the current year to the extent of ₹ 99.77 Lakhs (Previous year: ₹ 89.23 Lakhs). The Group is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

ii) The Group had assessed it's eligibility under the Employee Retention Credit relief available under The Coronavirus Aid, Relief and Economic Security Act (CARES Act) introduced by the USA Government and accordingly concluded that such benefit should be recorded once benefit is received from the Government. During the year ended March 31, 2022, the Group had recovered ₹ 294.42 Lakhs relating to previous year which had been disclosed as other income. The Group had also received ₹ 1,012.17 Lakhs as credit towards salary cost of current year which had been netted against such expenses. Such scheme has been discontinued with effect from September 30, 2021.

iii) The Group had obtained a loan under Paycheck Protection Program ("PPP") in the USA. Total amount of ₹ 1,503.91 Lakhs of such loan including interest accrued thereon was disclosed as borrowing in the financial year ended March 31, 2021. The Group's application for forgiveness of such loan and the interest thereon was approved by the Small Business Authorities (SBA) on June 24, 2021. Accordingly, entire amount of such loan outstanding had been credited to Profit and Loss account in the financial year ended March 31, 2022.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

23 Purchase of Software Licenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of Software Licenses	-	1.07
Total	**-**	**1.07**

24 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages		
- Salaries, wages and incentives	32,946.43	22,323.04
- Gratuity Expenses (Refer note 19)	123.04	109.29
Contributions to provident and other funds (Refer note 19)		
- Contributions to provident fund and Employee State Insurance Corporation scheme	1,146.23	866.90
- Social security and other benefit plans for overseas employees	455.98	293.36
Employee share based payment expense (Refer note 38)	376.80	170.38
Staff welfare expenses	260.57	118.55
Total	**35,309.05**	**23,881.52**

25 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost		
Interest on borrowings	5.05	7.63
Interest on Lease Liabilities	157.68	92.93
Interest on dues of micro enterprises and small enterprises	3.65	-
Total	**166.38**	**100.56**

26 Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	428.01	315.05
Amortisation of intangible assets	126.99	157.48
Depreciation of right-of-use Assets	743.16	537.98
Total	**1,298.16**	**1,010.51**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sub-contracting cost	1,882.62	1,818.92
Water power and fuel	215.75	143.23
Rent	202.26	198.16
Software Expenses	994.64	583.34
Legal and professional charges	812.98	500.42
Travelling and conveyance	793.01	536.52
Insurance	204.43	128.62
Repairs and maintenance		
- Buildings	188.51	105.37
- Others	77.21	78.78
Office Expenses	131.82	79.76
Director sitting fees (Refer note 30)	23.50	35.11
Loss allowance	17.19	-
Export incentives receivable written off	14.74	71.19
Bad Debts written off	10.48	4.04
Communication expenses	91.20	79.05
Net loss on disposal of property, plant and equipment	-	20.05
Property, plant and equipment written off	6.43	-
Rates and taxes	49.73	34.43
Payment to auditors (Refer note 27(a))	34.89	37.83
Advertisement and sales promotion	29.80	20.11
Net loss on foreign currency transactions and translations	31.50	5.41
CSR Expenditure (Refer note 27(b))	26.54	27.36
Miscellaneous Expenses	217.06	195.66
Total	**6,056.29**	**4,703.36**

27(a) Payment to auditors

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Statutory Audit	29.00	20.60
Limited reviews	2.00	8.00
In other capacities		
Fees for other services	3.00	8.75
Reimbursement of out of pocket expenses	0.89	0.48
Total	**34.89**	**37.83**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27(b) Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount approved by Board required to be spent during the year	26.54	27.36
Amount spent during the year on various projects	26.54	27.36
Amount required to be spent as per Section 135 of Companies Act, 2013	26.54	27.36
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	26.54	27.36
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

* Calculated at 2% of the average net profits of the Holding Company during the immediately preceeding 3 years

Nature of CSR expenses

Promoting Education and Healthcare activities (i.e. Medical Relief under Project Eye Camp, Blood donation and Medical assistance)

Note: There are no ongoing CSR projects or excess/short expense to be incurred as on balance sheet date. Therefore, relevant disclosures are not given.

28 Earnings per share (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	1,148.01	2,368.40
Weighted average number of equity shares	22,184,523	18,764,878
Basic earnings per share	**5.17**	**12.62**
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	1,148.01	2,368.40
Weighted average number of Equity Shares (including potential shares)	22,745,780	19,459,632
Diluted earnings per share	**5.05**	**12.17**
(c) Weighted Average number of shares used as denominator		
Issued equity share capital at the beginning of the year	22,020,870	16,338,770
Add: Effect of employee share options exercised	163,653	160,080
Add: Conversion of share warrants	-	2,266,028
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	22,184,523	18,764,878
Adjustments for calculating diluted earnings per share :		
Dilutive impact of employee stock options	561,256	694,754
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	**22,745,779**	**19,459,632**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

29 Contingencies and commitments

a) Contingent liabilities

The Group does not have any contingent liabilities.

b) Capital commitments

i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 55.19 Lakhs (March 31, 2022 : ₹ 15.34).

30 Related party transactions

a. Entity having significant influence:

1 Onward Network Technologies Private Limited (upto March 23, 2023)

2 Onward Software Technologies Private Limited (w.e.f. March 24, 2023)

3 Infinity Direct Holdings, Mauritius

b. Subsidiaries:

Interests in Subsidiaries are set out in note 36.

c. The entity controlled/ jointly controlled by a person identified in (a) above:

1 Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023)

d. Key Management Personnel:

1 Mr. Harish Mehta (Executive Chairman)

2 Mr. Jigar Mehta (Managing Director)

3 Mrs. Prachi Mehta (Director) - (Upto September 29, 2022)

4 Mr. Parish Meghani (Independent Director)

5 Mr. Rahul Rathi (Independent Director)

6 Mr. Jay Sonawala (Independent Director)

7 Mr. Subrata Kumar Mitra (Independent Director)

8 Mr. Harsha Raghavan (Additional Director) - (w.e.f. June 30, 2021)

9 Ms. Niranjani Chandramouli (Independent Director) - (w.e.f. September 29, 2022)

10 Mr. Devanand Ramandasani (Chief Financial Officer) - (Upto December 23, 2022)

11 Mr. Pawan Kumar Nathani (Chief Financial Officer) - (w.e.f. April 24, 2023)

12 Ms. Dimple Chauhan (Company Secretary) - (Upto July 22, 2022)

13 Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)

e. Entities controlled by Key Management Personnel

1 Onward Software Technologies Private Limited

2 Onward Network Technologies Private Limited

Note: Consequent to the composite scheme of Amalgamation and Arrangement via order dated March 03, 2023, all shares of Onward Technologies Limited held by Onward Network Technologies Private Limited and Desai Finwealth Investments & Securities Private Limited were transferred to Onward Software Technologies Private Limited with effect from March 24, 2023.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

I. Related party transactions:

Related Party	Nature of transaction	March 31, 2023	March 31, 2022
Entity having significant influence			
Onward Network Technologies Private Limited (upto March 23, 2023)	Rent expense	33.49	34.81
	Reimbursement of expenses paid	9.39	6.83
	Dividend paid	251.67	251.67
	Security deposits paid	0.90	-
Infinity Direct Holdings, Mauritius	Money received against share warrants and equity shares	-	7,020.00
	Issue of equity shares	-	1,430.00
	Issue of shares against warrants	-	5,590.00
	Dividend paid	162.00	33.00
The entity controlled/ jointly controlled by a person identified in (a) above			
Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023)	Dividend paid	15.26	15.26
Entities controlled by Key Management Personnel			
Onward Network Technologies Private Limited (w.e.f. March 24, 2023)	Rent expense	0.64	-
	Reimbursement of expenses paid	0.14	-
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Employee benefit expense	307.23	255.10
	Dividend paid	6.50	6.50
Mr. Jigar Mehta (Managing Director)	Employee benefit expense	266.96	212.26
	Dividend paid	17.29	17.29
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Employee benefit expense	44.12	67.31
	Long term employee benefits		
	Employee share based payment expense	0.97	4.38
	Issue of equity shares	2.00	2.00
	Dividend paid	0.30	0.30
Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)	Employee benefit expense	22.30	-
	Employee share based payment expense	6.42	-
	Issue of equity shares	0.24	-
	Dividend paid	-	-
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Employee benefit expense	0.95	5.48
	Employee share based payment expense	-	1.19
	Issue of equity shares	0.50	0.50
	Dividend paid	0.15	0.08
Mrs. Prachi Mehta (Director) - (upto September 29, 2022)	Dividend paid	4.46	4.46
	Director sitting fees	1.50	5.90
Mr. Parish Meghani (Independent Director)	Dividend paid	9.53	8.58
	Director sitting fees	4.75	7.35

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Related Party	Nature of transaction	March 31, 2023	March 31, 2022
Mr. Jay Sonawala (Independent Director)	Dividend paid	0.02	0.02
	Director sitting fees	5.20	7.25
Mr. Rahul Rathi (Independent Director)	Director sitting fees	4.50	5.25
Mr. Subrata Kumar Mitra (Independent Director)	Director sitting fees	6.00	6.90
Ms. Niranjani Chandramouli (Independent Director) - (w.e.f September 29, 2022)	Director sitting fees	1.55	-

All transactions with these related parties are priced on an arm length basis.

II Outstanding Balances

Related Party	Related Party	March 31, 2023	March 31, 2022
Entity having significant influence			
Onward Network Technologies Private Limited (upto March 23, 2023)	Lease liabilities	-	17.01
Entities controlled by Key Management Personnel			
Onward Network Technologies Private Limited (w.e.f. March 24, 2023)	Trade Payables	0.14	-
	Lease liabilities	92.03	-
	Security Deposits	18.82	-
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Salary and Allowance payable	148.92	40.83
Mr. Jigar Mehta (Managing Director)	Salary and Allowance payable	147.91	29.41
	Long term employee benefits	2.88	4.45
	Post -employment benefits	11.10	10.92
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Salary and Allowance payable	-	8.75
	Long term employee benefits	-	1.05
	Post -employment benefits	-	0.41
Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)	Salary and Allowance payable	1.92	-
	Long term employee benefits	0.33	-
	Post -employment benefits	0.18	-
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Salary and Allowance payable	-	0.45
	Long term employee benefits	-	0.13
	Post -employment benefits	-	0.22

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 Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

31 Right-of-use assets and lease liabilities:

(i) Amounts Recognised in the balance sheet :

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Buildings	1,460.22	1,751.60
Lease Liabilities		
Current	891.31	716.41
Non Current	730.57	1,093.36
Total	**1,621.88**	**1,809.77**

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 ₹ 405.67 Lakhs (March 31, 2022: ₹ 1,637.82 Lakhs)

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expenses (included in finance cost)	157.68	92.93
Expense relating to short-term leases (included in other expenses)	202.26	198.16
Depreciation of right-of-use Assets	743.16	537.98
Total	**1,103.10**	829.07

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 788.74 Lakhs (March 31, 2022 : ₹ 577.33 Lakhs).

32 Fair value measurements - financial instruments

Financial instruments by category

Particulars	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	10,971.95	-	7,847.65
Cash and cash equivalents	-	4,726.50	-	4,951.52
Other bank balances	-	23.27	-	1,092.96
Derivative financial assets	-	-	39.89	-
Other financial assets	-	462.24	-	279.75
Total financial assets	**-**	**16,183.96**	**39.89**	**14,171.88**
Financial liabilities				
Borrowings	-	50.75	-	60.04
Lease Liabilities	-	1,621.88	-	1,809.77
Trade payables	-	1,137.88	-	1,153.14
Derivative financial liabilities	30.99	-	-	-
Other financial liabilities	-	2,480.85	-	2,031.56
Total financial liabilities	**30.99**	**5,291.36**	**-**	**5,054.51**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the 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, 2023				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	(30.99)	-	(30.99)
At March 31, 2022				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	39.89	-	39.89

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer between levels.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Foreign currency forward contracts - based on bank confirmation at the balance sheet date.

iii) Valuation process

Changes in level 2 and level 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the finance team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

iv) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

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 Board of Directors and Audit Committee oversees the activities to manage these risks. All derivative activities for risk management purposes are carried out by personnel with requisite knowledge, skills and experience. It is the Group's policy that no trading in derivatives for speculative purposes should be undertaken.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are approved and reviewed regularly by the Board to reflect changes in market conditions and the Group's activities. Management has overall responsibility for the establishment and oversight of the Group's risk management framework. The risks to which Group is exposed and related risk management policies are summarised below.

(A) Credit risk

(I) Credit risk management

The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivables) and from deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision considered necessary for expected credit loss for credit risk arising from these financial assets other than trade receivables. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for e.g., external credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

Exposure to credit risk: The carrying amount of financial assets represent the maximum credit exposure.

Trade Receivables

The credit risk from customer receivables is recorded and monitored on an ongoing basis and periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Group uses expected credit loss model to assess the impairment loss or gain. Responsibilities and duties relating to credit risk assessment are governed by an internal directive. This mainly includes factors such as stipulation of payment terms, fixing of credit limits, release of deliveries, and receivables monitoring. The credit risk is considered low given the sound credit ratings and past history of timely payments being made by the customers. Customer specific events/information is considered while assessing the adequacy of provision as on balance sheet date.

Reconciliation of loss allowance provision

Loss allowance on April 1, 2021	**41.29**
Provision Written back	(39.32)
Provision utilised	(1.97)
Loss allowance on March 31, 2022	**-**
Additional loss allowance provision made	17.19
Loss allowance on March 31, 2023	**17.19**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The following table provides information about the exposure to credit risk and ECLs for trade receivables (billed) for corporate customers as at March 31, 2023.

Ageing Bucket	Balance Outstanding as at March 31, 2023	Weighted Average Loss Rate	Loss Allowance as at March 31, 2023
Not due	7,065.82	0.08%	3.45
0 to 90 days	1,857.28	0.24%	5.57
90 to 180 days	189.69	0.95%	4.97
180 to 270 days	26.65	5.23%	3.12
270 to 360 days	0.22	20.00%	0.04
360 to 450 days	0.22	20.00%	0.04
Total	**9,139.88**		**17.19**

Exposure to unbilled receivables is ₹ 1,849.26 Lakhs. Loss allowance on unbilled receivable is considered to be insignificant.

Refer note 33(C)(I)(i) for exposure to respective foreign currencies which is consistent with the location of the customer.

Financial assets at fair value through profit or loss

The Group is also exposed to credit risk in relation to forward contract that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments and contracts ₹ Nil Lakhs (March 31, 2022: ₹ 39.89 Lakhs).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt covenants.

(I) Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	500.00	1,682.65
Total	**500.00**	**1,682.65**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

(II) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date and that the amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

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

March 31, 2023	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	50.75	14.25	42.95	-
Trade Payables	1,137.88	1,137.88	-	-
Payable for purchase of Property, Plant and Equipment	40.30	40.30	-	-
Lease Liabilities	1,621.88	999.27	873.46	49.13
Foreign exchange forward contracts	30.99	30.99	-	-
Unpaid Dividend	23.27	23.27	-	-
Employee Benefit Payable	2,417.28	2,417.28	-	-
Total	**5,322.35**	**4,663.24**	**916.41**	**49.13**

March 31, 2022	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	60.04	14.25	57.20	-
Trade Payables	1,153.14	1,153.14	-	-
Payable for purchase of Property, Plant and Equipment	188.06	188.06	-	-
Lease Liabilities	1,809.77	867.72	1,361.98	110.00
Unpaid Dividend	16.89	16.89	-	-
Employee Benefit Payable	1,826.61	136.60	-	-
Total	**5,054.51**	**2,376.66**	**1,419.18**	**110.00**

(C) Market risk

I) Foreign currency risk

The Group operates internationally and thereby is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP, CAD and AUD. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the Group's functional currency (₹). The risk is measured through forecast of foreign currency transactions.

The Group has a policy to maintain forex exposure on the books at reasonable levels considering forecast of transactions in next 12 months and natural hedge through foreign currency payables. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. When a forward contract is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :-

Particulars	March 31, 2023					March 31, 2022			
	USD	Euro	GBP	CAD	AUD	USD	Euro	GBP	CAD
Financial assets-non current									
Other financial assets	5.08	1.44	-	0.20	-	23.54	0.47	-	0.20
Financial assets-current									
Trade receivables	4,735.94	1,214.24	390.58	431.05	8.47	2,392.63	286.87	91.94	-
Bank balances	898.77	738.08	506.44	294.83	-	653.43	217.55	134.62	134.18
Other financial assets	20.55	-	-	-	-	-	-	-	-
Exposure to foreign currency risk (assets)	**5,660.34**	**1,953.76**	**897.02**	**726.08**	**8.47**	**3,069.60**	**504.89**	**226.56**	**134.38**
Derivative instruments*									
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	1,335.47	838.77	535.49	-	-	1,439.00	341.00	430.00	-
Financial liabilities-non current									
Lease liabilities	155.69	-	-	-	-	238.79	-	-	-
Financial liabilities-current									
Lease liabilities	104.27	-	-	-	-	72.37	-	-	-
Trade payables	497.44	8.09	34.99	10.71	-	238.08	21.93	65.17	18.48
Other financial liabilities	340.91	13.23	0.88	46.22	-	231.36	-	19.88	11.99
Exposure to foreign currency risk (liabilities)	**1,098.31**	**21.32**	**35.87**	**56.93**	**-**	**780.61**	**21.93**	**85.05**	**30.47**
Net assets/(liabilities)	**4,562.03**	**1,932.44**	**861.15**	**669.15**	**8.47**	**2,288.99**	**482.96**	**141.51**	**103.91**

* amount disclosed is contract value, computed using forward rate, outstanding as on balance sheet date. These contracts have been marked to market as on balance sheet date and recorded accordingly. (Also, refer note 41)

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

Particulars	Impact on Profit after tax		Impact on Equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
USD sensitivity				
₹/USD - Increase by 5% (March 31, 2022 - 5%)	228.10	114.45	228.10	114.45
₹/USD - Decrease by 5% (March 31, 2022 - 5%)	(228.10)	(114.45)	(228.10)	(114.45)
EURO sensitivity				
₹/Euro - Increase by 5% (March 31, 2022 - 5%)	96.62	24.15	96.62	24.15
₹/Euro - Decrease by 5% (March 31, 2022 - 5%)	(96.62)	(24.15)	(96.62)	(24.15)
GBP sensitivity				
₹/GBP - Increase by 5% (March 31, 2022 - 5%)	43.06	7.08	43.06	7.08
₹/GBP - Decrease by 5% (March 31, 2022 - 5%)	(43.06)	(7.08)	(43.06)	(7.08)
CAD sensitivity				
₹/CAD - Increase by 5% (March 31, 2022 - 5%)	33.46	5.20	33.46	5.20
₹/CAD - Decrease by 5% (March 31, 2022 - 5%)	(33.46)	(5.20)	(33.46)	(5.20)
AUD sensitivity				
₹/AUD - Increase by 5% (March 31, 2022 - 5%)	0.42	-	0.42	-
₹/AUD - Decrease by 5% (March 31, 2022 - 5%)	(0.42)	-	(0.42)	-

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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:

Particulars	Weighted Average Interest rate	March 31, 2023	March 31, 2022
Fixed rate borrowings	8.21%	50.75	60.04
Total borrowings		**50.75**	**60.04**

(ii) Sensitivity

The Group's policy is to minimize the interest rate cash flow risk exposure on borrowing. The Group has exposure to local currency as well as foreign currency. The local currency loans are linked to bank base rate/ marginal cost of funds based lending (MCLR) while the foreign currency loans are linked to prime lending rate. The Group does not have any variable rate borrowings.

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, 2023 and March 31, 2022.

The gearing ratios were as follows:

Particulars	March 31, 2023	March 31, 2022
Net Debt*	-	-
Total Equity	17,386.83	16,321.06
Net Debt to Equity Ratio	0.00%	0.00%

*Since cash and cash equivalents are more than total debt (consists of borrowings), net debt is considered as zero.

The net debt to equity ratio is stable during the current year.

(i) Loan Covenants

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

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

35 Dividends

Particulars		March 31, 2023	March 31, 2022
i)	Equity shares		
	Final Dividend for the year ended March 31, 2022 of ₹ 3.00 (March 31, 2021: ₹ 3.00) per fully paid share	664.58	524.78
ii)	Dividends not recognised at the end of reporting period		
	The Directors have recommended the payment of a final dividend of ₹ 3 per fully paid equity share (March 31, 2022 ₹ 3 per equity share). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.	669.16	660.63

36 Interest in Other Entities

(a) Subsidiaries

The group's subsidiaries as on March 31, 2023 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
		%	%	%	%	
Onward Technologies Inc.	The United States of America	100.00	100.00	-	-	Mechanical Engineering Design and IT Services
Onward Technologies GmbH	Germany	100.00	100.00	-	-	
Onward Technologies Canada Inc.	Canada	100.00	100.00	-	-	
Onward Technologies B.V.	Netherland	100.00	100.00	-	-	
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	India	100.00	100.00	-	-	Leasing out of commercial premises

37 Segment reporting

As required by Ind AS 108 the Group evaluates the performance of the Group on the basis of a single segment i.e., for the Mechanical Engineering Design and IT Services. Geographical information is collated based on individual customers for whom revenue is recognized on the basis of their physical location. The information of non-current assets is reported on the basis of the physical location of those assets.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Geographical Information

Particulars	March 31, 2023	March 31, 2022
(1) Revenue from external customers		
Within India	21,639.65	16,652.54
Outside India		
- USA	16,290.84	10,418.00
- Europe	2,941.93	1,023.12
- Others*	3,220.41	2,633.21
Total revenue per statement of profit and loss	**44,092.83**	**30,726.87**
The revenue information above is based on the locations of the customers		
(2) Non-current operating assets (refer note below)		
Within India	5,073.79	5,306.51
Outside India		
- USA	282.98	363.14
- Europe	1.72	1.61
- Others*	3.12	1.85
Total	**5,361.61**	**5,673.11**

*includes Canada and the United Kingdom.

Note:

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

Revenue from major external customers

Revenue from one customer in India amounted to ₹ 5,846.17 Lakhs (March 31, 2022: ₹ 4,344.61 Lakhs)

38 Share-based payments

Employee Stock Option Plan

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

Pursuant to schemes, the Holding Company has granted options each to eligible employees at an exercise price of ₹ 10 per equity share of ₹ 10 each and of ₹ 20 per equity share of ₹ 10 each respectively for 2009 and 2019 Plan. Under the term of schemes, the vesting period shall commence on the expiry of one year from the date of grant of the options to the employees and it will be spread equally over 4 years. Total options will vest equally over the period of four years on last day of each year.

The employee stock options granted shall be capable of being exercised within a period of one year from the date of vesting the options, they would be exercisable by the option holder and the shares arising on exercise of such options shall not be subject to any lock-in period. When exercisable, each option is convertible into four equity share of the Holding Company. Further, in the case of termination of employment, all non-vested options would stand cancelled. Options that have vested but have not been exercised within the time prescribed as mentioned above, failing which they would lapse.

Notes to the Consolidated 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, 2023		March 31, 2022	
	No. of Options	Average exercise price per share option (₹)	No. of Options	Average exercise price per share option (₹)
Opening Balance	180,900	17.46	213,475	14.17
Granted during the year	25,500	20.00	65,500	20.00
Forfeited/ cancelled during the year	-	-	(1,375)	10.00
Lapsed during the year	(25,450)	15.83	(24,875)	16.90
Exercised during the year*	(65,850)	16.38	(71,825)	13.01
Outstanding as at the end of the year	115,100	18.95	180,900	17.46
Vested and exercisable (shares)	38,600	16.50	10,500	15.56
Unvested (shares)	421,800	19.17	713,100	17.53

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2023 was ₹ 292.75 (March 31, 2022 - ₹ 242.42)

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

ESOP Scheme	Exercise Price	Share options outstanding		Weighted average remaining life	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ESOP Scheme 2009	10	17,325	43,925	1.80	2.05
ESOP Scheme 2019	20	97,775	136,975	3.19	3.40

The fair value at the grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, the term of the options, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023 included :

Particulars	Inputs for the year ended March 31, 2023			
Scheme	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (₹)	20	20	20	20
Grant Date	April 5, 2022	June 13, 2022	October 11, 2022	March 2, 2023
Expiry Date	April 4, 2027	June 12, 2027	October 10, 2027	March 1, 2028
Expected life of the option (years)	3.50	3.50	3.50	3.50
Share Price as on Grant Date (₹)	407.25	289.55	260.05	290.15
Fair value as on Grant Date (₹)	362.73	253.94	226.53	254.55
Expected Volatility (%)	54.25%	53.97%	54.08%	53.15%
Expected Dividend yield (%)	2.06%	2.06%	2.06%	2.06%
Risk free interest rate (%)	5.88%	7.36%	7.37%	7.38%

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, 2022 included :

Particulars	Inputs for the year ended March 31, 2022						
Scheme	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (₹)	20	20	20	20	20	20	20
Grant Date	June 10, 2021	July 19, 2021	August 25, 2021	September 11, 2021	September 21, 2021	October 28, 2021	January 14, 2022
Expiry Date	June 9, 2026	July 18, 2026	August 24, 2026	September 10, 2026	September 20, 2026	October 27, 2026	January 13, 2027
Expected life of the option (years)	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Share Price as on Grant Date (₹)	189.60	270.60	235.60	233.15	224.40	220.95	338.10
Fair value as on Grant Date (₹)	155.80	230.23	198.45	195.67	188.20	185.21	292.02
Expected Volatility (%)	53.47%	52.96%	53.02%	53.03%	53.15%	53.02%	53.26%
Expected Dividend yield (%)	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%
Risk free interest rate (%)	4.28%	5.48%	5.66%	4.70%	5.57%	5.84%	5.97%

The expected price volatility is based on the historic volatility (based upon the remaining life of the options), adjusted for any expected changes to the future volatility due to publicly available information. The risk free interest rate is based on the yield for government securities as at Grant Date have been taken to be the risk-free rate for the purpose of valuation of options, based on the life of the options.

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits expenses	376.80	170.38
Total	**376.80**	**170.38**

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, 2023	92.77%	16,129.47	144.06%	1,653.79	(60.19%)	(97.38)	118.83%	1,556.41
March 31, 2022	90.79%	14,817.10	39.37%	932.48	(76.00%)	(48.85)	38.35%	883.63
Subsidiaries (Group's share)								
Indian								
OT Park Private Limited								
March 31, 2023	1.51%	262.23	11.14%	127.91	-	-	9.77%	127.91
March 31, 2022	0.82%	134.31	1.35%	32.04	-	-	1.39%	32.04
Foreign								
Onward Technologies Inc.								
March 31, 2023	16.28%	2,830.15	(61.43%)	(705.20)	173.83%	281.25	(32.37%)	(423.95)
March 31, 2022	19.94%	3,254.10	76.74%	1,817.60	62.40%	40.11	80.63%	1,857.71

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Onward Technologies GmbH								
March 31, 2023	(0.20%)	(34.24)	5.69%	65.33	(2.76%)	(4.46)	4.65%	60.87
March 31, 2022	(0.58%)	(95.11)	(0.05%)	(1.23)	3.39%	2.18	0.04%	0.95
Onward Technologies Canada Inc.								
March 31, 2023	1.41%	245.12	3.72%	42.74	(0.90%)	(1.45)	(3.15%)	41.29
March 31, 2022	0.50%	81.00	(4.25%)	(100.69)	3.70%	2.38	(4.27%)	(98.31)
Onward Technologies B.V.								
March 31, 2023	0.29%	50.25	(2.15%)	(24.63)	2.41%	3.90	(1.58%)	(20.73)
March 31, 2022	0.43%	70.98	(0.55%)	(13.13)	(3.45%)	(2.22)	(0.67%)	(15.35)
Consolidation adjustments								
March 31, 2023	(12.06%)	(2,096.15)	(1.04%)	(11.93)	(12.40%)	(20.06)	(2.44%)	(31.99)
March 31, 2022	(11.89%)	(1,941.32)	(12.61%)	(298.67)	(90.04%)	(57.88)	(15.47%)	(356.55)
Total								
March 31, 2023	**100.00%**	**17,386.83**	**100.00%**	**1,148.01**	**100.00%**	**161.80**	**100.00%**	**1,309.81**
March 31, 2022	**100.00%**	**16,321.06**	**100.00%**	**2,368.40**	**100.00%**	**(64.28)**	**100.00%**	**2,304.12**

40 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, 2022 (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.

41 Derivative assets and liabilities

In accordance with its risk management policy and business plan the Group has hedged its cash flows. The Group enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Group's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions.

The following are the outstanding EUR/USD/GBP: ₹ Currency Exchange Contracts entered into by the Company:

Particulars	March 31, 2023		March 31, 2022	
	Foreign Currency (Lakhs)	₹	Foreign Currency (Lakhs)	₹
USD	18.05	1,483.17	18.52	1,430.47
EURO	9.91	885.93	3.77	327.12
GBP	5.82	591.59	4.06	411.56

The forward contracts have maturity between 30 to 368 days.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

42 Asset acquisition:

During the year ended March 31, 2022, the Group had acquired 100% equity of OT Park Private Limited (erstwhile "NV Pune Technology Park Private Limited") ("OTPPL") on December 01, 2021 for a purchase consideration including incidental expenses of ₹ 1,719.90 Lakhs. OTPPL owns single immovable property and therefore entire purchase consideration is allocated to the immovable property. Accordingly, this transaction is recorded as an asset acquisition net off incidental assets and liabilities acquired. All the inter company transactions that occurred post the acquisition date have been eliminated.

43 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

44 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the Group

The title deeds of all the immovable properties as disclosed in note 3 to the financial statements, are held in the name of the Group.

(xi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xii) Loans or advances to specified persons

There are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359
Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer
Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary
Place : Mumbai
Date : May 12, 2023

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Financial Statements

STANDALONE

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Independent Auditor's Report

To the Members of Onward Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Onward Technologies Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

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

Key audit matter - Revenue Recognition

See Note 1(d) and 21 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company enters into contracts with the customers which are primarily time and material or fixed price contracts. Time and material contracts represent contracts in which the Company is compensated on the basis of time delivered to a customer. Fixed price contracts represent contracts where the Company is compensated on the basis of a fixed monthly billing for performance of services. Accounting for revenue arising out of such contracts with customers involves judgement in respect of: • Determination of transaction price; • Recognition of revenue based on fulfilment of performance obligation over a period of time or at a point in time. Revenue recognition has been identified as a key audit matter because the Company and its external stakeholders focus on revenue as a key financial metric. This could create an incentive for revenue to be overstated or recognised before the services are rendered.	Our audit procedures include: • Obtained an understanding of the processes and controls implemented by the Company; • Evaluated the design, implementation and operating effectiveness of key Internal financial controls with reference to financial statements for the measurement, recognition and accounting of revenue; • On sample of contracts selected based on statistical sampling, we tested the recognition of revenue in accordance with the relevant standards by performing the procedures below: i. Read master service agreements and other relevant documents forming part of contracts with the customer. ii. Tested contract terms to determine the transaction price including any variable consideration for computing revenue and to test the basis of estimation of variable consideration. iii. Assessed the Company's classification of customer contracts into time and material and fixed price contracts. iv. Verified the underlying evidence for recognition of revenue. (i) For revenue recorded in time and material contracts, tested approved time-sheets including customer acceptances, invoicing and trends of collection and disputes. (ii) For revenue recorded in fixed price contracts, tested evidence to verify the service delivery including customer acceptances, invoicing and trends of collection and disputes. • Assessed the appropriateness of the revenue recognition accounting policies and its compliance with Ind AS 115. • Evaluated the adequacy of disclosures in the Standalone Financial Statements.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial

statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

a. The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor who had expressed an unmodified opinion on 13 May 2022.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   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 the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company does not have any pending litigations which would impact its financial position.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 and 41 to the standalone financial statements.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43(vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

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

As stated in Note 35 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHR9098

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Onward Technologies Limited for the year ended 31 March 2023

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering Information Technology Engineering services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Whether subsequently rectified
Sep 2022	Trade receivables - Current assets	5,271.72	5,528.00	256.28	Yes
Dec 2022	Revenue from operations for the nine month period	22,703.72	22,714.35	10.63	Yes

Note: The aforesaid returns/statements have been filed with The Hongkong and Shanghai Banking Corporation Limited

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clause 3(iii)(a) and clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company. The Company has made investments in a company. The Company has not made any investments in firms, limited liability partnership or any other parties.

Clause (iii)(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made during the year and the terms and conditions of the grant of advances in the nature of loans during the year are not prejudicial to the interest of the Company. The Company has not extended any guarantee, security or given any loans.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited with the appropriate authorities, except Provident fund of which the Company has been irregular in depositing the sum due for ranging from 13 days to 320 days and the amount involved is ₹ 12.97 Lakhs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ Lakhs)	Period to which the amount relates	Due date	Date of payment
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident fund	9.60	FY 2022-23	Various	₹ 6.91 Lakhs paid on 13 April 2023

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not have any associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not have any associates or joint ventures.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHR9098

Place: Mumbai
Date: 12 May 2023

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Onward Technologies Limited for the year ended 31 March 2023

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Onward Technologies Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165
ICAI UDIN:23215165BGXRHR9098

Place: Mumbai
Date: 12 May 2023

Standalone Balance Sheet

As at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	1,797.85	1,842.46
Right-of-use assets	31	1,349.59	1,705.14
Intangible assets	4	332.57	264.07
Financial assets			
(a) Investments	5	3,324.58	3,201.75
(b) Other financial assets	6	377.66	296.56
Deferred tax assets	13(a)	191.00	213.73
Income-tax assets (net)	13(b)	1,571.23	1,763.72
Other non-current assets	7	134.45	108.93
Total non-current assets		**9,078.93**	**9,396.36**
II. Current assets			
Financial assets			
(a) Trade receivables	8		
- Billed		5,933.46	4,639.30
- Unbilled		2,551.98	-
(b) Cash and cash equivalents	9(a)	3,351.26	3,946.32
(c) Bank balances other than cash and cash equivalents above	9(b)	23.27	1,080.46
(d) Contract assets - unbilled receivable	10	-	1,456.95
(e) Other financial assets	11	201.67	76.49
Other current assets	12	699.57	840.93
Total current assets		**12,761.21**	**12,040.45**
Total assets		**21,840.14**	**21,436.81**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14(a)	2,230.53	2,202.09
Other equity	14(b)	13,898.96	12,615.01
Total equity		**16,129.49**	**14,817.10**
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
(a) Borrowings	15	40.28	50.39
(b) Lease Liabilities	31	699.37	1,131.80
Provisions	19(a)	196.45	340.77
Total non-current liabilities		**936.10**	**1,522.96**

Standalone Balance Sheet (Contd.)

As at March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
II. Current liabilities			
Financial liabilities			
(a) Borrowings	16	10.47	9.65
(b) Lease Liabilities	31	787.03	644.04
(c) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		90.46	102.65
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,044.53	869.50
(d) Other financial liabilities	18	2,098.98	1,775.71
Provisions	19(b)	138.25	107.97
Other current liabilities	20	604.83	1,587.23
Total current liabilities		**4,774.55**	**5,096.75**
Total liabilities		**5,710.65**	**6,619.71**
Total equity and liabilities		**21,840.14**	**21,436.81**

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

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359
Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer
Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary
Place : Mumbai
Date : May 12, 2023

Standalone Statement of profit and loss

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year March 31, 2023	For the year March 31, 2022
Revenue from operations	21	31,516.54	23,439.50
Other income	22	945.30	560.01
Total Income		**32,461.84**	**23,999.51**
Expenses			
Purchase of Software Licences	23	-	1.07
Employee benefits expense	24	24,286.73	17,615.96
Finance costs	25	165.67	101.24
Depreciation and amortisation expense	26	1,270.29	920.96
Other expenses	27	4,565.70	4,058.60
Total expenses		**30,288.39**	**22,697.83**
Profit before tax		**2,173.45**	**1,301.68**
Tax expense			
Current tax	13(b)	496.91	275.85
Deferred tax	13(a)	47.24	93.35
Total tax expense		**544.15**	**369.20**
Profit for the year		1,629.30	932.48
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	14(b)	(97.38)	(65.28)
Income tax relating to these items	13(b)	24.51	16.43
Total other comprehensive income for the year, net of tax	**14(b)**	**(72.87)**	**(48.85)**
Total comprehensive income for the year		**1,556.43**	**883.63**
Earnings per share			
Basic	28	7.34	4.97
Diluted	28	7.16	4.79

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359
Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer
Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary
Place : Mumbai
Date : May 12, 2023

Statement of changes in equity

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
As at April 1, 2021		**1,633.88**
Change in equity share capital	14(a)	568.21
As at March 31, 2022		**2,202.09**
Change in equity share capital	14(a)	28.44
As at March 31, 2023		**2,230.53**

B. Other Equity

Particulars	Notes	Securities premium account	Retained Earnings	Share option outstanding account	Share application money pending allotment	Money received against Share Warrants	Total
As at April 1, 2021		**1,904.34**	**3,560.67**	**263.37**	**2.40**	**-**	**5,730.78**
Profit for the year		-	932.48	-	-	-	932.48
Other Comprehensive Income		-	(48.85)	-	-	-	(48.85)
Total comprehensive income for the year		**-**	**883.63**	**-**	**-**	**-**	**883.63**
Transactions with owners in their capacity as owners							
Contributions and distributions							
Money received against Share Warrants	14(b)	-	-	-	-	7,020.00	7,020.00
Shares allotted against Share Warrants	14(b)	-	-	-	-	(7,020.00)	(7,020.00)
Issue of equity shares under Employee Stock Option Plan	14(b)	192.14	-	(164.42)	-	-	27.72
Issue of equity shares pursuant to Share Warrants	14(b)	6,480.00	-	-	-	-	6,480.00
Employee stock option expenses	36	-	-	115.09	-	-	115.09
Employee stock option expenses (for employees of subsidiary)	36	-	-	55.29	-	-	55.29
Deferred tax on share issue expenses	14(b)	-	52.50	-	-	-	52.50
Share issue expenses	14(b)	(208.60)	-	-	-	-	(208.60)
Shares allotted against the share application money received	14(b)	-	-	-	(39.22)	-	(39.22)
Shares application money received for allotment of shares	14(b)	-	-	-	42.60	-	42.60
Dividends paid	14(b)	-	(524.78)	-	-	-	(524.78)
As at March 31, 2022		**8,367.88**	**3,972.02**	**269.33**	**5.78**	**-**	**12,615.01**

Statement of changes in equity (Contd.)

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Securities premium account	Retained Earnings	Share option outstanding account	Share application money pending allotment	Money received against Share Warrants	Total
Profit for the year		-	1,629.30	-	-	-	1,629.30
Other Comprehensive Income		-	(72.87)	-	-	-	(72.87)
Total comprehensive income for the year		**-**	**1,556.43**	**-**	**-**	**-**	**1,556.43**
Transactions with owners in their capacity as owners							
Contributions and distributions							
Issue of equity shares under Employee Stock Option Plan	14(b)	248.34	-	(229.43)	-	-	18.91
Employee stock option expenses	36	-	-	263.56	-	-	263.56
Employee stock option expenses (for employees of subsidiary)	36	-	-	113.24	-	-	113.24
Transfer on account of lapsed option	14(b)	-	11.46	(11.46)	-	-	-
Shares allotted against the share application money received	14(b)	-	-	-	(47.34)	-	(47.34)
Shares application money received for allotment of shares	14(b)	-	-	-	43.73	-	43.73
Dividends paid	14(b)	-	(664.58)	-	-	-	(664.58)
As at March 31, 2023		**8,616.22**	**4,875.33**	**405.24**	**2.17**	**-**	**13,898.96**

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

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549

Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197

Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359

Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer

Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary

Place : Mumbai
Date : May 12, 2023

Standalone Statement of cash flows

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
A)	**Cash flows from operating activities**		
	Profit before income tax	2,173.45	1,301.68
	Adjustments for		
	Depreciation and amortisation expense	1,270.29	920.96
	(Profit) / loss on disposal of property, plant and equipment	(13.63)	20.05
	Property, plant and equipment written off	6.43	-
	Interest income	(195.28)	(31.62)
	Unwinding of discount on security deposit	(28.98)	(15.27)
	Employee share based payment expenses	263.56	115.09
	Finance costs	165.67	101.24
	Profit on sale of mutual funds	(26.81)	(46.48)
	Unrealised foreign exchange (gain)/loss	(18.47)	4.51
	Loss allowance	12.25	-
	Bad Debts written off	1.09	4.04
	Operating profit before working capital changes	**3,609.57**	**2,374.20**
	Working capital adjustments		
	(Increase)/Decrease in trade receivables and unbilled receivables	(2,384.06)	(2,005.02)
	(Increase)/Decrease in other financial assets	(65.52)	30.10
	(Increase)/Decrease in other assets	97.11	(345.34)
	(Decrease)/Increase in trade payables	162.84	193.31
	(Decrease)/Increase in other liabilities	(982.40)	821.52
	(Decrease)/Increase in other financial liabilities	471.03	462.18
	(Decrease)/Increase in employee benefit obligations	(211.42)	(189.96)
	Cash generated from operations	**697.15**	**1,340.99**
	Income taxes paid/(refund)	(304.42)	(932.77)
	Net cash (outflow)/inflow from operating activities	**392.73**	**408.22**
B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(502.25)	(449.61)
	Purchase of intangible assets	(195.49)	(26.18)
	Proceeds from sale of property, plant and equipment	45.02	11.12
	Proceeds from fixed deposits	3,000.00	50.00
	Fixed deposits placed	(1,941.35)	(1,039.48)
	Interest received	214.01	31.62
	Investment in subsidiaries	(122.83)	(267.92)
	Acquisitions of shares in OT Park Limited	-	(1,719.62)
	Proceeds from mutual funds	26.81	56.48
	Net cash (outflow)/inflow from investing activities	**523.92**	**(3,353.59)**

Standalone Statement of cash flows (Contd.)

For the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C) Cash flows from financing activities		
Repayment of lease liabilities*	(872.88)	(504.47)
Interest paid*	(8.70)	(101.24)
Shares application money received for allotment of shares	43.74	31.59
Proceeds from issue of equity shares/warrants pursuant to preferential allotment (net of expenses)	-	6,811.40
Repayment of borrowings*	(9.29)	(9.25)
Payment of Dividend	(664.58)	(524.78)
Net cash (outflow)/inflow from financing activities	**(1,511.71)**	**5,703.25**
Net increase / (decrease) in cash and cash equivalents	**(595.06)**	**2,757.88**
Cash and cash equivalents at the beginning of the period	3,946.32	1,188.44
Cash and cash equivalents at the end of the period	**3,351.26**	**3,946.32**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	3,351.26	3,946.32
Balances as per statement of cash flows	**3,351.26**	**3,946.32**

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

***Reconciliation of liabilities from financing activities for the year ended March 31, 2023:**

Particulars	Borrowings	Leases
Balance at the start of the year	60.04	1,775.84
Add: Cash inflow	-	-
Less: Cash outflow	(9.29)	(872.88)
Add: Non-cash changes (including additions to right of use assets)	-	583.44
Closing balance at the end of the year	50.75	1,486.40

***Reconciliation of liabilities from financing activities for the year ended March 31, 2022:**

Particulars	Borrowings	Leases
Balance at the start of the year	69.29	924.70
Add: Cash inflow	-	-
Less: Cash outflow	(9.25)	(504.47)
Add: Non-cash changes (including additions to right of use assets)	-	1,355.61
Closing balance at the end of the year	60.04	1,775.84

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

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359
Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer
Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary
Place : Mumbai
Date : May 12, 2023

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. The Company has its registered office in Mumbai.

1. Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied.

(a) Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Board of Directors have approved these standalone financial statements for issue on May 12, 2023.

(ii) Historical cost convention

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

- Derivative financial assets and liabilities which are measured at fair value
- Defined benefit plans - plan assets measured at fair value;
- Share based payments

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their 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) Use of judgements and estimates

The preparation of standalone financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognised when the results are known/materialised prospectively.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

(a) Note no. (d) - Revenue recognition – Recognition of revenue involves significant judgements in relation to fulfilment of performance obligations over a period of time or point in time and determination of transaction price.

Critical accounting estimates

(a) Note no. (d) - Revenue recognition – Recognition of revenue involves estimates around variable consideration.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Note no. (h) - Recognition of deferred tax assets/liabilities - The Company reviews carrying amount of deferred tax asset at end of each reporting period for availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

(c) Note no. (r) - Measurement of defined benefit obligation: key actuarial assumptions involved in measurement.

(d) Note no. 36 - share based payments - Information about assumptions and estimation uncertainties in respect of share based payments

(b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker are the Board of Directors. The Company has only one operating segment which is Engineering Design and IT services.

(c) Foreign currency translation

(i) Functional and presentation currency

Transactions in foreign currencies are translated to the respective functional currencies of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the rates as at the reporting date. The exchange differences so determined and also the realised exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

(ii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at closing rates at the date of balance sheet; Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of transactions).

(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

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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. Amounts disclosed as revenue are net of trade allowances, rebates, discounts, goods and service taxes, value added taxes and other amounts collected on behalf of third parties.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

The Company accounts for volume and/or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognises the liability based on its estimate of the customer's future purchases. The Company recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or a service to a customer and Company expects to receive consideration in exchange for those products or services. The method for recognising revenues and costs depends on the nature of the services rendered. The Company estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognised over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

If none of the criteria above are met, the Company recognised revenue at a point-in-time.

The point-in-time is determined when the control of the goods or services is transferred, which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The billing schedule agreed with customers with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

credit period. In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting up obligations exceed the economic benefits to be received. The Company disaggregates revenue from contracts with customers by nature of services and geography.

(i) Sale of services

a) Time and material contracts:

Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b) Fixed- price contracts:

Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Revenue from fixed price maintenance is recognised based on the right to invoice for services performed for contracts in which invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognised as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on straight line basis over the specified period, unless some other method better represents the manner in which services are performed.

Contract balances

a) Revenue in excess of invoicing is classified as unbilled revenue when such right to consideration in exchange for goods and services is conditional only on passage of time, while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b) Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.

c) Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

d) Deferred contract costs are upfront costs incurred for the contract and are amortised on a systematic basis that is consistent with the transfer to the customer of the goods/services to which the asset relates.

Significant judgments in revenue recognition:

a) Judgment is required to determine the transaction price for a contract with the customer. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

b) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

(e) Other Income

Dividend income is recognised in the Statement of Profit and Loss only when the Company's right to receive dividend is established which is generally when the shareholders approve the dividend.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

(f) Financial instruments

a) Recognition and initial measurement

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Measurement of fair values:

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used.

Further information about the assumptions made in measuring fair values is included in below notes:

- share based payment arrangements (Refer note no. (r)(iv) and 36)
- financial instruments (Refer this note and note 32)

b) Classification and subsequent measurement

i. Non-derivative financial instruments

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit/loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the C may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at fair value through profit or loss:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest expense and foreign exchange gains and losses are recognised in profit or loss. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. the

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Company does not use derivative financial instruments for speculative purposes. The counter-party to the Company's foreign currency forward contracts is generally a bank.

Derivatives are initially measured at fair value. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. The full fair value of a derivative is classified as a Non-current Asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

c) Derecognition of financial instruments

Financial assets:

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Company derecognises financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

d) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. For trade receivables that do not contain a significant financing component, the Company apply simplified approach. The Company uses simplified approach to calculate impairment on trade receivables and has not assessed credit risk individually. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(g) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate 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 year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current

Notes to the Standalone 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

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

Leases are recognised as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both, lease and non-leases components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease component and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including - in-substance fixed payments), less any lease incentive receivable.
- amounts expected to be payable by the Company under residual value guarantees.
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asses 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.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and
- restoration costs

Right-of-use are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with the short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment like computers and hardware. The Company presents separately in the balance sheet right-of-use assets and lease liabilities within 'Financial Liabilities'

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased asset are included in the balance sheet based on their nature.

Since there are no transactions whereby the Company is a lessor, there were no adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(j) Impairment of non-financial assets

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Company recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Borrowing cost and other interest expenses

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

(m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(n) Property, plant and equipment

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

component accounted for as a consolidated asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Class of asset	Estimated economic useful life in years
Computers & networking	3 - 6 years
Furniture & Fixtures	7 - 10 years
Office Equipment	5 - 7 years
Electrical equipments	10 years
Vehicles	8 years
Building*	40 years

* Useful lives have been determined based on technical evaluation done by the management's expert which are lesser than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

Leasehold improvements are depreciated over shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/(upto) the date on which asset is ready for use/ (disposed off). The useful lives for assets are in line with the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

(o) Intangible assets

The cost of an item of intangible assets shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation and accumulated impairment. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss.

Intangible assets are amortised on the straight-line method as follows:

Asset	Useful life
Software	2 to 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Subsequent costs are included in the asset's carrying amount or recognised as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a consolidated asset is derecognised when replaced.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Company after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(q) Provisions and contingent assets/liabilities

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed by way of a note to the standalone financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts at undiscounted basis expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privileged leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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 gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement of net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, both as determined at the start of the annual reporting period taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(b) Defined contribution Plans – Provident Fund, Employee State Insurance Scheme, Social Security and Labour Welfare Fund

The Company pays provident fund, employee state insurance for all employees to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the period in which the related service is provided by the employee.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(iv) Share-based payments

Employee options are provided to employees of the Company via the ESOP Plan. The fair value of the options granted under the Onward Plan is recognised as employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Bonus Plan

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(s) Dividends

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

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Rounding of amounts:

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

3. Property, plant and equipment

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2021	**1,040.68**	**893.77**	**330.66**	**260.19**	**163.47**	**121.31**	**15.66**	**2,825.74**
Additions	9.16	427.90	8.49	22.06	-	30.40	5.97	503.98
Disposals	-	(121.82)	(0.03)	(10.77)	-	(19.36)	(0.42)	(152.40)
Gross carrying amount as on March 31, 2022	**1,049.84**	**1,199.85**	**339.12**	**271.48**	**163.47**	**132.35**	**21.21**	**3,177.32**
Accumulated depreciation	**11.09**	**655.95**	**276.68**	**118.18**	**46.62**	**69.46**	**10.05**	**1,188.03**
Charge for the year	22.13	151.67	44.53	24.16	20.43	19.62	1.22	283.76
Disposals	-	(120.72)	(0.03)	(2.36)	-	(13.63)	(0.19)	(136.93)
Closing accumulated depreciation as at March 31, 2022	**33.22**	**686.90**	**321.18**	**139.98**	**67.05**	**75.45**	**11.08**	**1,334.86**
Net carrying amount as on March 31, 2022	**1,016.62**	**512.95**	**17.94**	**131.50**	**96.42**	**56.90**	**10.13**	**1,842.46**

Particulars	Building	Computers	Leasehold Improvements	Furniture & Fixtures	Vehicles (refer note 1 below)	Office Equipment	Electrical Equipments	Total
Opening gross carrying amount as on April 1, 2022	**1,049.84**	**1,199.85**	**339.12**	**271.48**	**163.47**	**132.35**	**21.21**	**3,177.32**
Additions	-	266.87	-	29.44	13.30	38.12	-	347.73
Disposals	-	(174.76)	(23.21)	(10.60)	(87.09)	(9.91)	(1.56)	(307.13)
Gross carrying amount as on March 31, 2023	**1,049.84**	**1,291.96**	**315.91**	**290.32**	**89.68**	**160.56**	**19.65**	**3,217.92**
Accumulated depreciation	**33.22**	**686.90**	**321.18**	**139.98**	**67.05**	**75.45**	**11.08**	**1,334.86**
Charge for the year	21.92	251.07	8.25	36.51	18.55	23.21	1.77	361.28
Disposals	-	(171.15)	(22.45)	(9.63)	(64.01)	(7.90)	(0.93)	(276.07)
Closing accumulated depreciation as at March 31, 2023	**55.14**	**766.82**	**306.98**	**166.86**	**21.59**	**90.76**	**11.92**	**1,420.07**
Net carrying amount as on March 31, 2023	**994.70**	**525.14**	**8.93**	**123.46**	**68.09**	**69.80**	**7.73**	**1,797.85**

Notes

1. Refer note 15 for hypothecation of charge on vehicle.
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
Opening gross carrying amount as on April 1, 2021	**1,309.77**	**1,309.77**
Additions	49.38	49.38
Disposals	(45.98)	(45.98)
Capitalised during the year	-	-
Gross carrying amount as on March 31, 2022	**1,313.17**	**1,313.17**
Accumulated Amortisation		
Balance as at April 1, 2021	**921.90**	**921.90**
Amortisation charge for the year	157.48	157.48
Disposals	(30.28)	(30.28)
Closing accumulated amortisation as at March 31, 2022	**1,049.10**	**1,049.10**
Net carrying value as on March 31, 2022	**264.07**	**264.07**

Particulars	Computer Software	Total
Opening gross carrying amount as on April 1, 2022	**1,313.17**	**1,313.17**
Additions	195.82	195.82
Disposals	(13.91)	(13.91)
Capitalised during the year	-	-
Gross carrying amount as on March 31, 2023	**1,495.08**	**1,495.08**
Accumulated Amortisation		
Balance as at April 1, 2021	**1,049.10**	**1,049.10**
Amortisation charge for the year	126.99	126.99
Disposals	(13.58)	(13.58)
Closing accumulated amortisation as at March 31, 2023	**1,162.51**	**1,162.51**
Net carrying value as on March 31, 2023	**332.57**	**332.57**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

5. Investment - Non-current

	As at March 31, 2023	As at March 31, 2022
Investment in subsidiaries		
Unquoted		
Investment in Onward Technologies, Inc.		
114,000 (March 31, 2022 : 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		
Nil (March 31, 2022 : 5,000) equity shares of ₹ 100 per share	-	106.93
Less:- Write off of investment (Refer Note b below)	-	(106.93)
	-	-
Investment in Onward Technologies B.V.	87.81	87.81
100,000 (March 31, 2022 : 100,000) equity shares of Euro 1 per share		
Investment in Onward Technologies Canada Inc.	302.94	180.11
500,000 (March 31, 2022 : 300,000) equity shares of CAD 1 per share		
Investment in OT Park Limited (formerly known as NV Pune Technology Park Private Limited)	1719.62	1719.62
2,53,750 (March 31, 2022 : 2,53,750) equity shares of ₹ 10 per share		
27,000 (March 31, 2022 : 27,000) 7.50% redeemable preference shares of ₹ 10 per share		
Total (equity instruments)	**3,324.58**	**3,201.75**
Total non-current investments	**3,324.58**	**3,201.75**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	3,378.58	3,255.75
Aggregate amount of impairment in the value of investments	54.00	54.00

(a) Investment in Onward Technologies, GmbH

The subsidiary has accumulated losses and negative net worth as on balance sheet date. Amount of value in use based on future cash flow projections was lower than the value of investment and impairment loss recognised in the earlier years has been retained. Investment in the entity is not designated in number of shares.Summary of key assumptions used for computing value in use is as follows

a) Terminal growth rate - 2% (March 31, 2022: 1%)

b) Sales Growth rate - 5% to 9% (March 31, 2022: 8% to 20%)

c) EBITDA to Sales % - 0% to 4% ((March 31, 2022: (1%) to 3%)

d) Discount rate - 9.23% (March 31, 2022: 6.86%)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Investment in Onward Properties Private Limited

The Company had recognised provision for impairment of the subsidiary amounting to ₹ 106.93 Lakhs in March 2020. Considering that the strike off order has been received for wholly owned subsidiary in the previous year, this investment had been written off against the provision created.

6. Others financial assets - non-current

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Earmarked balances with banks		
Bank deposits held as security against working capital facilities	57.10	58.56
Security deposits	320.56	238.00
Total	**377.66**	**296.56**

7. Other non-current assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	134.45	108.93
Total	**134.45**	**108.93**

8. Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade Receivables - Billed	4,342.80	4,115.88
Receivables from related parties (Refer Note 30)	1,602.91	523.42
Subtotal	**5,945.71**	**4,639.30**
Less: Loss allowance	(12.25)	-
	5,933.46	**4,639.30**
Trade Receivables - Unbilled	2,551.98	-
Total	**8,485.44**	**4,639.30**

Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	5,945.71	4,639.30
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Less: Loss allowance	(12.25)	-
Total	**5,933.46**	**4,639.30**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade receivables as at March 31, 2023:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	4,067.50	1,843.13	34.86	0.22	-	-	5,945.71
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
- Loss allowance	(3.44)	(6.91)	(1.86)	(0.04)	-	-	(12.25)
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							-
Trade Receivables - Billed							5,933.46
Trade Receivables - Unbilled							
- Considered good - Unsecured (undisputed)							2,551.98
Total							**8,485.44**

Ageing of trade receivables as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good and Doubtful	3,786.51	845.16	7.52	0.11	-	-	4,639.30
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
- Loss allowance	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good and Doubtful	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance							-
Trade Receivables - Billed							4,639.30
Trade Receivables - Unbilled (Refer note 10 for previous year unbilled trade receivables)							
- Considered good - Unsecured (undisputed)							-
Total							**4,639.30**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

9(a). Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash in hand	0.71	0.61
Balances with banks		
In current accounts	3,350.55	2,933.74
Deposits with original maturity less than three months	-	1,011.97
Total	**3,351.26**	**3,946.32**

9(b). Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2023	As at March 31, 2022
In earmarked accounts		
Bank deposits held as security against working capital facilities	-	50.67
Earmarked balances with banks*	23.27	16.89
Deposits with original maturity more than three months, but less than twelve months	-	1,012.90
Total	**23.27**	**1,080.46**

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

10. Contract Assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Contract Asset relating to professional services		
- Unbilled Revenue (Refer note 8)	-	1,456.95
Total	**-**	**1,456.95**

11. Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Derivative financial instrument		
Foreign exchange forward contracts	-	39.89
Receivable from related party for employee stock options (Refer note 30)	73.50	14.19
In earmarked accounts		
Bank deposits held as security against working capital facilities	55.16	-
Security deposits	73.01	22.41
Total	**201.67**	**76.49**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

12. Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	549.80	406.77
Interest receivable on income-tax refund	-	18.73
Export Incentives Receivable	-	132.63
Research and Development expenditure credit receivable	99.77	89.23
Others*	50.00	193.57
Total	**699.57**	**840.93**

*Others include advances paid to suppliers and employees.

13(a). Deferred tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Defined Benefit Obligation	84.24	112.94
Allowance for Doubtful debts	3.08	-
Disallowances under Income tax Act, 1961	4.28	8.08
Leases	50.04	28.91
Property, plant and equipment and intangible assets	8.57	34.31
Share issue expenses	31.50	42.00
Fair value gain on Foreign exchange Forward contracts	7.80	-
Others	1.49	2.23
	191.00	**228.47**
Deferred tax liability		
Fair value gain on Foreign exchange Forward contracts	-	10.04
Others	-	4.70
	-	**14.74**
Total deferred tax asset (net)	**191.00**	**213.73**

Movement in Deferred tax assets/ (liabilities) in Statement of profit and loss (charged)/ credited during the year

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation	(53.21)	(52.58)
Allowance for Doubtful debts	3.08	(10.87)
Disallowances under Income tax Act, 1961	(3.80)	(0.86)
Leases	21.14	0.16
Property, plant and equipment and intangible assets	(25.75)	(1.13)
Share issue expenses	(10.50)	(10.50)
Fair value gain on Foreign exchange Forward contracts	17.84	(7.60)
Others	3.96	(9.97)
Movement through other comprehensive income		
Defined Benefit Obligation	24.51	16.43
Total	**(22.73)**	**(76.92)**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

13(b). Taxation

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1,763.72	1,106.80
Less : Current tax payable for the year	(496.91)	(275.85)
Add/ (Less) : (Refund Received)/ Taxes paid	304.42	932.77
Closing balance	**1,571.23**	**1,763.72**

Income Tax Expenses

The major components of income tax expenses for the year ended March 31, 2023 and March 31, 2022

Profit and Loss section	Year ended March 31, 2023	Year ended March 31, 2022
Current income tax charge		
Current income tax		
- Current tax on profit for the current year	500.57	223.21
- Adjustments for current tax of prior periods	(3.66)	52.64
Deferred tax	47.24	93.35
Income tax expense reported in the statement of profit or loss	**544.15**	**369.20**

Other comprehensive income section	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax related to items recognised in Other comprehensive income during the year	24.51	16.43
Income tax (charged)/credit to OCI	**24.51**	**16.43**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	2,173.45	1,301.68
Tax at income tax rate of 25.17% (March 31, 2022 : 25.17%)	547.01	327.61
Adjustments in respect of current income tax of previous years	(3.66)	52.64
Tax Effects of amounts which are not deductible (taxable) in calculating taxable income	1.20	7.84
Others	(0.40)	(18.89)
Total	**544.15**	**369.20**
Income tax expense reported in the statement of profit or loss	544.15	369.20

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

14(a). Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital:		
3,36,20,000 (March 31, 2022 : 3,36,20,000) Equity shares of ₹ 10 each	3,362.00	3,362.00
1,00,00,000 (March 31, 2022 : 1,00,00,000) Preference shares of ₹ 10 each	1,000.00	1,000.00
10,00,000 (March 31, 2022 : 10,00,000) unclassified shares of ₹ 10 each	100.00	100.00
Total	**4,462.00**	**4,462.00**
Issued, subscribed and paid up :		
2,23,05,270 (March 31, 2022 :2,20,20,870) Equity Shares of ₹ 10 each	2,230.53	2,202.09
Total	**2,230.53**	**2,202.09**

(i) Reconciliation of number of equity shares issued

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year (Nos.)	2,20,20,870	1,63,38,770
Shares issued during the year(Nos.)	2,84,400	56,82,100
Shares outstanding at the end of the year	**2,23,05,270**	**2,20,20,870**

(ii) Reconciliation of issued equity share capital

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Issued, subscribed and paid up		
Share capital outstanding at the beginning of the year	2,202.09	1,633.88
Shares issued during the year	28.44	568.21
Shares outstanding at the end of the year	**2,230.53**	**2,202.09**

(iii) Terms/ rights attached to equity shares

The Company has issued only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

4,60,400 (March 31, 2022 : 7,23,600) equity shares are outstanding under ESOP 2009 and ESOP 2019 scheme as at balance sheet date. Refer note 36 for further details of the ESOP scheme.

(iv) Aggregate number of shares issued for consideration other than cash during the period of three years immediately preceding the reporting date - Nil (March 31, 2022: Nil).

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**

Particulars	As at March 31, 2023		As at March 31, 2023	
	% holding	No. of shares	% holding	No. of shares
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	39.89%	88,97,566	0.00%	-
Onward Network Technologies Private Limited (upto March 23, 2023)	0.00%	-	38.10%	83,88,983
Infinity Direct Holdings	24.21%	54,00,000	24.52%	54,00,000

(vi) **Details of shareholdings of promoters and promoters group**

i) **Details of shareholding of promoters as on March 31, 2023**

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Software Technologies Private Limited (w.e.f. March 24, 2023)	88,97,566	39.89%	100.00%
Onward Network Technologies Private Limited (upto March 23, 2023)	-	0.00%	-100.00%
Desai Finwealth Investments & Securities Private Limited	-	0.00%	-100.00%
Harish Shantilal Mehta	2,16,528	0.97%	-0.01%
Jigar Harish Mehta	5,76,299	2.58%	-0.03%
Heral Harish Mehta	2,43,096	1.09%	-0.01%
Prachi Mehta	1,50,000	0.67%	0.00%

ii) **Details of shareholding of promoters as on March 31, 2022**

Name of Promoters	Number of shares	Percentage of total number of shares	Percentage of change during the year
Onward Network Technologies Private Limited	83,88,983	38.10%	-13.25%
Desai Finwealth Investments & Securities Private Limited	5,08,583	2.31%	-0.80%
Harish Shantilal Mehta	2,16,528	0.98%	-0.34%
Jigar Harish Mehta	5,76,299	2.62%	-0.91%
Heral Harish Mehta	2,43,096	1.10%	-0.38%
Prachi Mehta	1,48,792	0.68%	-0.23%

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

14(b). Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus		
Securities premium account		
Opening Balance	8,367.88	1,904.34
Add: Additions on account of exercise of options under Employee Stock Option Plan	248.34	192.14
Add: Additions on account of issue of subscription shares pursuant to Share Warrants	-	6,480.00
Less: Share Warrants issue expenses	-	(208.60)
Closing Balance	**8,616.22**	**8,367.88**
Share option outstanding account		
Opening Balance	269.33	263.37
Less: Employee stock options exercised	(229.43)	(164.42)
Add: Employee stock option expenses	376.80	170.38
Less: Transfer on account of lapsed option	(11.46)	-
Closing Balance	**405.24**	**269.33**
Share Application Money pending allotment		
Opening Balance	5.78	2.40
Less: Shares allotted against the share application money received	(47.34)	(39.22)
Add: Shares application money received for allotment of shares	43.73	42.60
Closing Balance	**2.17**	**5.78**
Money received against Share Warrants		
Opening Balance	-	-
Add: Additions during the year	-	7,020.00
Less: Shares allotted against Share Warrants	-	(7,020.00)
Closing Balance	**-**	**-**
Retained earnings		
Opening balance	3,972.02	3,560.67
Net profit for the year	1,629.30	932.48
	5,601.32	**4,493.15**
Add: Transfer on account of lapsed option	11.46	-
Add: Deferred tax on warrant issue expenses	-	52.50
Less: Dividend paid (Refer Note 35)	(664.58)	(524.78)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of defined benefit plans (net of tax)	(72.87)	(48.85)
Closing Balance	4,875.33	3,972.02
Total	**13,898.96**	**12,615.01**

Notes to the Standalone 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 fair value of options as on grant date issued to employees under the Employee stock option scheme. The amounts recorded in share options outstanding account are transferred to share capital and share premium upon exercise of stock options by employees.

Share Application Money pending allotment

This denotes application money received for which issue of equity shares are outstanding as on balance sheet date.

Money received against Share Warrants

The money received against Share Warrants is on account of following transaction:

The Company had entered into an agreement on May 27, 2021 to make preferential allotment to Infinity Direct Holdings (the "investor"). As per the agreement, the Company, during the quarter ended June 30, 2021, had issued 1,100,000 equity shares each fully paid-up at a price of ₹ 130 (inclusive of face value of ₹ 10 each) per share for cash and 4,300,000 share warrants, each warrant convertible into one equity share of the Company, at a price per warrant of ₹ 130 (inclusive of face value of ₹ 10 each), convertible within 18 months from the date of allotment of such warrants. The Company received an approval from the shareholders in extra ordinary general meeting for such preferential allotment. During the quarter ended December 31, 2021, the Company had converted 4,300,000 share warrants into one equity share against each warrant. All the incidental expenses net of tax related to this preferential allotment amounting to ₹ 156.10 Lakhs had been adjusted against other equity. Money raised was utilised for the purpose for which it was raised.

Retained earnings

Retained earnings comprise of the Company's undistributed earnings after taxes.

15. Non-Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans from financial institutions		
Vehicle Loans	50.75	
Total Non-Current Borrowings	**50.75**	**60.04**
Less : Current maturities of long term borrowings (Refer Note 16)	10.47	9.65
Total	**40.28**	**50.39**

(i) Terms of repayment and security details for non-current borrowings

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate
Secured			
Term Loans from financial institutions			
Vehicle Loans The borrowing is hypothecated against the car	Repayable in 48 equal instalments beginning from March 4, 2021.	Monthly Instalments	8.21% p.a. (March 31, 2022: 8.21% p.a.)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

16. Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturities of long term borrowings	10.47	9.65
Total	**10.47**	**9.65**

Notes:

(i) Details of undrawn credit facilities

Particulars	Terms of repayment	Coupon/ Interest rate
Loans repayable on demand		
Secured		
From Banks		
Cash credit (Refer note below)		
HSBC Bank	Payable on Demand	T-Bill+5.05% p.a.

Security details for cash credit facility

Secured by the Term deposits amounting to ₹ 112.26 Lakhs with Bank as on March 31, 2023 and has exclusive charge on all present and future Current assets including Stocks and Book debts.

Above facility is secured against overall charge on current assets and margin money deposit with the bank in the form of fixed deposit.

The Company has not utilised facility amount as at year ended March 31, 2023.

(ii) The Company has obtained overdraft facility from banks and on the basis of security of current assets.

The quarterly returns or statements of current assets filed by the Company with banks are not materially misstated with the books of accounts. Differences are account of exclusion of intercompany balances, the period end closing entries and timing differences. Below are the details as on March 31, 2023:

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-22	Current Assets	6,912.59	4,689.47	6,912.59	4,689.59	-	(0.12)
Sep-22	Current Assets	14,588.08	5,271.72	14,588.10	5,528.00	(0.02)	(256.28)
Dec-22	Current Assets	22,703.72	5,719.32	22,714.35	5,719.32	(10.63)	0.00
Mar-23	Current Assets	31,516.54	5,618.99	31,544.90	5,618.99	(28.36)	0.00

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Below are the details as on March 31, 2022

Quarter ended	Particulars of securities provided	Amount as per books of account		Amount as reported in the quarterly statement		Amount of difference	
		Revenue (for the YTD)	Trade Receivables	Revenue	Trade Receivables (w/o related party)	Revenue	Trade Receivables
Jun-21	Current Assets	5,157.19	6,329.20	5,158.71	2,840.74	(1.52)	3,488.46
Sep-21	Current Assets	10,829.78	4,390.59	10,829.80	3,218.55	(0.02)	1,172.04
Dec-21	Current Assets	16,872.48	4,702.23	16,785.56	3,213.55	86.92	1,488.68
Mar-22	Current Assets	23,194.12	4,611.65	23,439.50	4,115.88	(245.38)	495.77

17. Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	90.46	102.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (Refer Note 30)	572.44	100.07
(ii) Others	472.09	769.43
Total	**1,134.99**	**972.15**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	90.46	96.51
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	350.01
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	3.65	6.14
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Note:

The above information is based on the information available with the Company about the registrations of the vendors as micro or small enterprises under the MSMED Act, 2006.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade payables as at March 31, 2023:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
- MSME	87.33	3.13	-	-	-	**90.46**
- Others	943.76	94.88	-	-	5.89	**1,044.53**
Disputed trade payables						
- MSME	-	-	-	-	-	**-**
- Others	-	-	-	-	-	**-**

Ageing of trade payables as at March 31, 2022:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
- MSME	36.10	66.55	-	-	-	**102.65**
- Others	628.57	228.95	6.09	5.89	-	**869.50**
Disputed trade payables						
- MSME	-	-	-	-	-	**-**
- Others	-	-	-	-	-	**-**

18. Other financial liabilities - current

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative financial instrument		
- Foreign exchange forward contracts	30.99	-
Capital creditors	27.80	175.56
Unpaid Dividend	23.27	16.89
Employee benefit payables	2,016.92	1,583.26
Total	**2,098.98**	**1,775.71**

19(a). Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Employee related provisions		
- Provision for Gratuity	82.67	204.78
- Provision for compensated absences	113.78	135.99
Total	**196.45**	**340.77**

19(b). Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Employee related provisions		
- Provision for Gratuity	44.80	28.09
- Provision for compensated absences	93.45	79.88
Total	**138.25**	**107.97**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

A Defined contribution plan

(i) Provident fund

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate specified by regulatory authorities from time to time. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1,135.30 Lakhs (March 31, 2022 - ₹ 844.63 Lakhs).

(ii) The expense recognised during the year towards defined contribution plan of Employee State Insurance Corporation, social security and Labour welfare fund is ₹ 10.93 Lakhs (March 31, 2022 - ₹ 22.27 Lakhs).

(iii) Social security and other benefit plans for overseas employees

The expense recognised during the year towards National insurance, Pension, Statutory social security and contribution for health and safety insurance for overseas employees is ₹ 153.12 Lakhs (March 31, 2022 - ₹ 103.26 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.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2021	**391.46**	**(17.49)**	**373.97**
Current service cost	85.75	-	85.75
Past service cost	-	-	-
Interest expense/(income)	24.64	(1.10)	23.54
Total amount recognised in Profit or Loss	**110.39**	**(1.10)**	**109.29**
Return on plan assets	-	10.27	10.27
(Gain)/loss from experience change	50.59	-	50.59
(Gain)/loss from demographic change	-	-	-
(Gain)/loss from change in financial assumption	4.42	-	4.42
Total amount recognised in Other Comprehensive Income	**55.01**	**10.27**	**65.28**
Employer contributions	-	(230.00)	(230.00)
Benefits paid	(117.38)	31.71	(85.67)
March 31, 2022	**439.48**	**(206.61)**	**232.87**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	**439.48**	**(206.61)**	**232.87**
Current service cost	108.61	-	108.61
Past service cost	-	-	-
Interest expense/(income)	27.23	(12.80)	14.43
Total amount recognised in Profit or Loss	**135.84**	**(12.80)**	**123.04**
Return on plan assets	-	21.81	21.81
(Gain)/loss from experience change	140.54	-	140.54
(Gain)/loss from demographic change	(9.33)	-	(9.33)
(Gain)/loss from change in financial assumption	(55.64)	-	(55.64)
Total amount recognised in Other Comprehensive Income	**75.57**	**21.81**	**97.38**
Employer contributions	-	(325.82)	(325.82)
Benefits paid	(163.47)	163.47	-
March 31, 2023	**487.42**	**(359.95)**	**127.47**

II. The net liability disclosed above relates to funded plans are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation	487.42	439.48
Fair value of plan assets	(359.95)	(206.61)
Deficit	**127.47**	**232.87**

III. Significant actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.20%
Salary growth rate	5.00%	5.00%
Expected return on plan assets	7.30%	6.20%
Withdrawal rate		
Service greater than 4 years	7.00%	5.00%
Service less than 4 years	49.00%	40.00%
Expected average remaining working lives of employees (in years)	3.72	5.18

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

IV. Sensitivity of actuarial assumptions

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

Particulars	Impact on defined benefit obligation	
	As at March 31, 2023	As at March 31, 2022
Discount rate		
1 % increase	(36.61)	(41.27)
1 % decrease	41.73	48.23
Salary growth rate		
1 % increase	40.87	46.93
1 % decrease	(36.71)	(41.19)
Withdrawal rate		
1 % increase	3.27	1.47
1 % decrease	(3.96)	(1.96)

The above sensitivity analysis are based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be corelated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Less than a year	44.80	28.09
Between 2 to 5 years	199.37	128.91
Between 6 to 10 years	232.08	166.54
More than 10 years	520.46	605.10
Total	**996.71**	**928.64**

The weighted duration of the defined benefit obligation is 8 years. (March 31, 2022 : 10 years)

The Company expects to contribute ₹ 214.81 Lakhs (March 31, 2022 ₹ 335.99 Lakhs) during the next year towards planned assets.

VI. The major categories of plan assets are as follows::

Particulars	As at March 31, 2023	As at March 31, 2022
Funds managed by insurer	100%	100%

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

VII Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's ability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

C. Compensated absence

The leave obligations cover the Company's liability for privilege leave which are as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses recognised in the Statement of Profit and Loss	(8.64)	34.31
Non-current leave obligations expected to be settled after 12 months	113.78	135.99
Current leave obligations expected to be settled within the next 12 months	93.45	79.88

D. 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.

20. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	546.55	555.19
Advance from customers		
- From customers	35.51	-
- From related party (Refer note 30)	-	900.09
Contract liability - unearned revenue (Refer note 21(d))	22.77	131.95
Total	**604.83**	**1,587.23**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

21. Revenue from Operation

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Contract with Customers		
Sale of services		
- Professional services	31,516.54	23,433.11
Sale of products		
- Software products	-	6.39
Revenue from Operations	**31,516.54**	**23,439.50**

a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geographical region type. The Company believes that this disaggregation best depicts how the nature, amount of our revenues and cash flows are affected by industry, market and other economic factors.

The payment terms of the Company are upto 60 days.

Revenue from operations	Year ended March 31, 2023	Year ended March 31, 2022
Within India	21,624.82	16,652.54
Outside India		
- USA	4,976.26	3,331.62
- Europe	2,046.69	959.54
- Others*	2,868.77	2,495.80
Total	**31,516.54**	**23,439.50**

*includes Canada and the United Kingdom.

b) Reconciliation of revenue recognised with contract price

Revenue from operations	March 31, 2023	March 31, 2022
Contract Price	31,601.99	23,439.50
Less: Discounts	(85.45)	-
Revenue from operations	**31,516.54**	**23,439.50**

c) Aggregate amount of transaction price allocated to contract that are partially unsatisfied as at reporting date

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Aggregate amount of transaction price allocated to contract that are unsatisfied as at reporting date	22.77	131.95

Note:

Management expects that entire transaction price allocated to the unsatisfied contracts as of March 31, 2023, will be recognised as revenue during the next reporting period. All other contracts are for period of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

d) Movement in contract liabilities

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	1,032.04	283.17
Changes on account of:		
Consideration received from customer - work yet to be performed	35.51	900.09
Revenue recognised in the year that was included in advance from customers	(1,032.04)	(283.17)
Invoicing done but revenue to be recognised	22.77	131.95
Total	**58.28**	**1,032.04**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2023, other than those meeting the exclusion criteria mentioned above, is ₹ 22.77 Lakhs. Out of this, the Company expects to recognize revenue of around 100% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty, since based on current assessment, the occurrence of the same is expected to be remote.

22. Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income under the effective interest method from financial assets carried at amortised cost		
- Interest on bank deposits	22.29	31.62
- Interest income on security deposits	28.98	15.27
Interest on income tax refunds	172.99	12.00
Net profit on disposal of property, plant and equipment	13.63	-
Net gains on foreign currency transactions and translations	-	47.85
Profit on sale of mutual funds	26.81	46.48
Government grant (Refer note below)	175.38	96.55
Management fees from related parties (Refer note 30)	377.46	247.61
Recruitment fees from related parties (Refer note 30)	50.04	-
Reversal of provision for doubtful debts	-	39.32
Miscellaneous income	77.72	23.31
Total	**945.30**	**560.01**

Note:

Based on its assessment and precedence for research and development expenditure credit available in the United Kingdom, the Company has recognised for such incentive on accrual basis for the current year to the extent of ₹ 99.77 Lakhs (Previous year: ₹ 89.23 Lakhs). The Company is in the process of filing claim with the Authorities. There are no unfulfilled conditions for such grant.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

23. Purchase of Software Licenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of Software Licenses	-	1.07
Total	**-**	**1.07**

24. Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages		
- Salaries, wages and incentives	22,350.21	16,337.32
- Gratuity Expenses (Refer note 19)	123.04	109.29
Contributions to provident and other funds (Refer note 19)		
- Contributions to provident fund and Employee State Insurance Corporation scheme	1,146.23	866.90
- Social security and other benefit plans for overseas employees	153.12	103.26
Employee share based payment expense (Refer note 36)	263.56	115.09
Staff welfare expenses	250.57	84.10
Total	**24,286.73**	**17,615.96**

25. Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost		
Interest on borrowings	5.05	7.58
Interest on Lease Liabilities	156.97	93.61
Interest on dues of micro enterprises and small enterprises	3.65	0.05
Total	**165.67**	**165.67**

26. Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	361.28	283.76
Amortisation of intangible assets	126.99	157.48
Depreciation of right-of-use Assets	782.02	479.72
Total	**1,270.29**	**920.96**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27. Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sub-contracting cost	772.04	1,501.49
Water power and fuel	213.84	143.23
Rent	117.80	79.05
Software Expenses	918.71	583.34
Legal and professional charges	472.85	207.48
Travelling and conveyance	459.88	355.01
Insurance	63.06	72.05
Repairs and maintenance		
- Others	254.52	177.40
Office Expenses	122.22	50.15
Director sitting fees (Refer note 30)	23.50	32.65
Loss allowance	12.25	-
Export incentives receivable written off	14.74	71.19
Bad debts written off	1.09	4.04
Communication expenses	69.01	55.70
Net loss on disposal of property, plant and equipment	-	20.05
Property, plant and equipment written off	6.43	-
Rates and taxes	38.26	25.96
Advertisement and sales promotion	20.10	20.11
Payment to auditors (Refer note 27(a))	34.89	37.83
Marketing Fees Expenses (Refer note 30)	745.54	410.88
Net losses on foreign currency transactions and translations	29.48	-
CSR Expenditure (Refer note 27(b))	26.54	27.36
Miscellaneous Expenses	148.95	183.63
Total	**4,565.70**	**4,058.60**

27(a). Payment to auditors

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Statutory Audit	29.00	20.60
Limited reviews	2.00	8.00
In other capacities		
Fees for other services	3.00	8.75
Reimbursement of out of pocket expenses	0.89	0.48
Total	**34.89**	**37.83**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

27(b). Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount approved by Board required to be spent during the year	26.54	27.36
Amount spent during the year on various projects	26.54	27.36
Amount required to be spent as per Section 135 of Companies Act, 2013	26.54	27.36
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	26.54	27.36
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

* Calculated at 2% of the average net profits of the Company during the immediately preceeding 3 years

Nature of CSR expenses

Promoting Education and Healthcare activities (i.e. Medical Relief under Project Eye Camp, Blood donation and Medical assistance)

Note: There are no ongoing CSR projects or excess/short expense to be incurred as on balance sheet date. Therefore, relevant disclosures are not given.

28. Earnings per share (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Basic earnings per share		
Net Profit attributable to equity shareholders of the company	1,629.30	932.48
Weighted average number of Equity Shares	2,21,84,523	1,87,64,878
Basic Earnings per share	**7.34**	**4.97**
(b) Diluted earnings per share		
Net Profit attributable to equity shareholders of the company	1,629.30	932.48
Weighted average number of Equity Shares (including potential shares)	2,27,45,780	1,94,59,632
Diluted Earnings per share	**7.16**	**4.79**
(c) Weighted Average number of shares used as denominator		
Issued equity share capital at the beginning of the year	2,20,20,870	1,63,38,770
Add: Effect of employee share options exercised	1,53,112	1,60,080
Add: Conversion of share warrants	-	22,66,028
Weighted average number of equity shares used as a denominator in calculating basic earnings per share	2,21,73,982	1,87,64,878
Adjustments for calculating diluted earnings per share :		
Dilutive impact of employee stock options	5,61,256	6,94,754
Weighted average number of equity shares and potential shares used as a denominator in calculating diluted earnings per share	**2,27,35,238**	**1,94,59,632**

29. Contingencies and commitments

a) Contingent liabilities

The Company does not have any contingent liabilities.

b) Capital commitments

i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 55.19 Lakhs (March 31, 2022 : ₹ 15.34).

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

30. Related party transactions

a. Entity having significant influence

1 Onward Network Technologies Private Limited (upto March 23, 2023)

2 Onward Software Technologies Private Limited (w.e.f. March 24, 2023)

3 Infinity Direct Holdings, Mauritius

b. Subsidiaries

Sr. No.	Name of the entity	Place of business/ Country of Incorporation	Ownership Interest	
			March 31, 2023	March 31, 2022
1	Onward Technologies Inc.	The United States of America	100.00%	100.00%
2	Onward Technologies GmbH	Germany	100.00%	100.00%
3	Onward Technologies Canada Inc.	Canada	100.00%	100.00%
4	Onward Technologies B.V.	Netherland	100.00%	100.00%
5	OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	India	100.00%	100.00%

c. The entity controlled/ jointly controlled by a person identified in (a) above:

1 Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023)

d. Key Management Personnel:

1 Mr. Harish Mehta (Executive Chairman)

2 Mr. Jigar Mehta (Managing Director)

3 Mrs. Prachi Mehta (Director) - (Upto September 29, 2022)

4 Mr. Parish Meghani (Independent Director)

5 Mr. Rahul Rathi (Independent Director)

6 Mr. Jay Sonawala (Independent Director)

7 Mr. Subrata Kumar Mitra (Independent Director)

8 Mr. Harsha Raghavan (Additional Director) - (w.e.f. June 30, 2021)

9 Ms. Niranjani Chandramouli (Independent Director) - (w.e.f. September 29, 2022)

10 Mr. Devanand Ramandasani (Chief Financial Officer) - (Upto December 23, 2022)

11 Mr. Pawan Kumar Nathani (Chief Financial Officer) - (w.e.f. April 24, 2023)

12 Ms. Dimple Chauhan (Company Secretary) - (Upto July 22, 2022)

13 Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)

e. Entities controlled by Key Management Personnel

1 Onward Software Technologies Private Limited

2 Onward Network Technologies Private Limited

Note: Consequent to the composite scheme of Amalgamation and Arrangement via order dated March 03, 2023, all shares of Onward Technologies Limited held by Onward Network Technologies Private Limited and Desai Finwealth Investments & Securities Private Limited were transferred to Onward Software Technologies Private Limited with effect from March 24, 2023.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

I. Related party transactions:

Related Party	Nature of transaction	March 31, 2023	March 31, 2022
Entity having significant influence			
Onward Network Technologies Private Limited (upto March 23, 2023)	Rent expense	33.49	34.81
	Reimbursement of expenses paid	9.39	6.83
	Dividend paid	251.67	251.67
	Security deposits paid	0.90	-
Infinity Direct Holdings, Mauritius	Money received against share warrants and equity shares	-	7,020.00
	Issue of equity shares	-	1,430.00
	Issue of shares against warrants	-	5,590.00
	Dividend paid	162.00	33.00
The entity controlled/ jointly controlled by a person identified in (a) above			
Desai Finwealth Investments & Securities Private Limited (upto March 23, 2023)	Dividend paid	15.26	15.26
Entities controlled by Key Management Personnel			
Onward Network Technologies Private Limited (w.e.f. March 24, 2023)	Rent expense	0.64	-
	Reimbursement of expenses paid	0.14	-
Subsidiaries			
Onward Technologies Inc.	Reimbursement of expenses received	22.05	1.74
	Reimbursement of expenses paid	39.74	12.51
	Revenue from operations	4,219.09	3,204.76
	Income from management fees	221.85	177.25
	Income from recruitment fees	19.02	-
	Marketing fees expenses	287.79	232.34
	ESOP expenses for employees of subsidiary	110.50	53.46
Onward Technologies GmbH	Reimbursement of expenses received	18.60	-
	Revenue from operations	1,528.92	890.19
	Income from management fees	150.21	70.36
	Income from recruitment fees	8.59	-
	Marketing fees expenses	353.34	178.91
	ESOP expenses for employees of subsidiary	2.76	1.15
Onward Technologies Canada Inc.	Reimbursement of expenses received	29.61	-
	Reimbursement of expenses paid	0.21	-
	Revenue from operations	97.40	-
	Investment in subsidiary	122.83	180.11
	Income from management fees	5.40	-
	Income from recruitment fees	22.43	-
	Marketing fees expenses	74.17	-

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Related Party	Nature of transaction	March 31, 2023	March 31, 2022
Onward Technologies B.V.	Revenue from operations	102.68	-
	Marketing fees expenses	30.24	-
	Investment in subsidiary	-	87.81
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	Rent and Maintenance expense	188.74	70.27
	Reimbursement of expenses paid	16.66	7.59
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Employee benefit expense	307.23	255.10
	Dividend paid	6.50	6.50
Mr. Jigar Mehta (Managing Director)	Employee benefit expense	266.96	212.26
	Dividend paid	17.29	17.29
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Employee benefit expense	44.12	67.31
	Employee share based payment expense	0.97	4.38
	Issue of equity shares	2.00	2.00
	Dividend paid	0.30	0.30
Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)	Employee benefit expense	22.30	-
	Employee share based payment expense	6.42	-
	Issue of equity shares	0.24	-
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Employee benefit expense	0.95	5.48
	Employee share based payment expense	-	1.19
	Issue of equity shares	0.50	0.50
	Dividend paid	0.15	0.08
Mrs. Prachi Mehta (Director) - (upto September 29, 2022)	Dividend paid	4.46	4.46
	Director sitting fees	1.50	5.90
Mr. Parish Meghani (Independent Director)	Dividend paid	9.53	8.58
	Director sitting fees	4.75	7.35
Mr. Jay Sonawala (Independent Director)	Dividend paid	0.02	0.02
	Director sitting fees	5.20	7.25
Mr. Rahul Rathi (Independent Director)	Director sitting fees	4.50	5.25
Mr. Subrata Kumar Mitra (Independent Director)	Director sitting fees	6.00	6.90
Ms. Niranjani Chandramouli (Independent Director) - (w.e.f September 29, 2022)	Director sitting fees	1.55	-

All transactions with these related parties are priced on an arm length basis.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

II. Outstanding Balances

Related Party	Nature of transaction	March 31, 2023	March 31, 2022
Entity having significant influence			
Onward Network Technologies Private Limited (upto March 23, 2023)	Lease liabilities	-	17.01
Entities controlled by Key Management Personnel			
Onward Network Technologies Private Limited (w.e.f. March 24, 2023)	Trade Payables	0.14	-
	Lease liabilities	92.03	-
	Security Deposits	18.82	-
Subsidiaries			
Onward Technologies Inc.	Trade Receivables	622.09	-
	Trade Payables	110.40	61.96
	Advance from customers	-	900.09
	Receivable for employee stock options provided	71.27	13.34
Onward Technologies GmbH	Trade Receivables	789.00	523.42
	Trade Payables	180.57	38.35
	Receivable for employee stock options provided	2.23	0.85
Onward Technologies Canada Inc.	Trade Receivables	191.82	-
	Trade Payables	48.67	-
Onward Technologies B.V.	Trade Payables	30.25	0.23
OT Park Private Limited (formerly known as NV Pune Technology Park Private Limited)	Lease liabilities	124.49	277.23
	Security Deposits	83.20	-
	Trade Payables	202.41	56.27
Key management personnel			
Mr. Harish Mehta (Executive Chairman)	Salary and Allowance payable	148.92	40.83
Mr. Jigar Mehta (Managing Director)	Salary and Allowance payable	147.91	29.41
	Long term employee benefits	2.88	4.45
	Post -employment benefits	11.10	10.92
Mr. Devanand Ramandasani (Chief Financial Officer) - (upto December 23, 2022)	Salary and Allowance payable	-	8.75
	Long term employee benefits	-	1.05
	Post -employment benefits	-	0.41
Ms. Shama Pawar (Company Secretary) - (w.e.f. July 23, 2022)	Salary and Allowance payable	1.92	-
	Long term employee benefits	0.33	-
	Post -employment benefits	0.18	-
Ms. Dimple Chauhan (Company Secretary) - (upto July 22, 2022)	Salary and Allowance payable	-	0.45
	Long term employee benefits	-	0.13
	Post -employment benefits	-	0.22

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. Right-of-use assets and lease liabilities:

(i) Amounts Recognised in the balance sheet :

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Buildings	1,349.59	1,705.14
Lease Liabilities		
Current	787.03	644.04
Non Current	699.37	1,131.80
Total	**1,486.40**	**1,775.84**

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 ₹ 405.67 Lakhs (March 31, 2022: ₹ 1,304.25 Lakhs).

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expenses (included in finance cost)	156.97	93.61
Expense relating to short-term leases (included in other expenses)	117.80	79.05
Depreciation of right-of-use Assets	782.02	479.72
Total	**1,056.79**	**652.38**

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 872.88 Lakhs (March 31, 2022 : ₹ 504.47 Lakhs)

32. Fair value measurements - financial instruments

Financial instruments by category

Particulars	March 31, 2023		March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	8,485.44	-	6,096.25
Cash and cash equivalents	-	3,351.26	-	3,946.32
Other bank balances	-	23.27	-	1,080.46
Derivative financial assets	-	-	39.89	-
Other financial assets	-	579.33	-	333.16
Total financial assets	**-**	**12,439.30**	**39.89**	**11,456.19**
Financial liabilities				
Borrowings	-	50.75	-	60.04
Lease Liabilities	-	1,486.40	-	1,775.84
Trade payables	-	1,134.99	-	972.15
Derivative financial liabilities	30.99	-	-	-
Other financial liabilities	-	2,067.99	-	1,775.71
Total financial liabilities	**30.99**	**4,740.13**	**-**	**4,583.74**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At March 31, 2023				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	(30.99)	-	(30.99)
At March 31, 2022				
Financial assets				
Derivative financial instrument not designated as hedges				
Foreign exchange forward contracts	-	39.89	-	39.89

Level 1: hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer between levels.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Foreign currency forward contracts - based on bank confirmation at the balance sheet date.

iii) Valuation process

Changes in level 2 and level 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the finance team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

iv) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

33. Financial risk management

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

The Company's Board of Directors and Audit Committee oversees the activities to manage these risks.. All derivative activities for risk management purposes are carried out by personnel with requisite knowledge, skills and experience. It is the Company's policy that no trading in derivatives for speculative purposes should be undertaken.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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 unbilled receivables) and from deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision considered necessary for expected credit loss for credit risk arising from these financial assets other than trade receivables. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for e.g., external credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

Exposure to credit risk: The carrying amount of financial assets represent the maximum credit exposure.

Trade Receivables 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, 2021	**41.29**
Provision Written back	(39.32)
Provision utilised	(1.97)
Loss allowance on March 31, 2022	**-**
Additional loss allowance provision made	12.25
Provision Written back	-
Provision utilised	-
Loss allowance on March 31, 2023	**12.25**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The following table provides information about the exposure to credit risk and ECLs for trade receivables (billed) for corporate customers as at March 31, 2023.

Ageing Bucket	Balance Outstanding as at March 31, 2023	Weighted Average Loss Rate	Loss Allowance as at March 31, 2023
Not due	4,067.49	0.08%	3.44
0 to 90 days	1,494.34	0.24%	3.59
90 to 180 days	348.80	0.95%	3.32
180 to 270 days	34.64	5.23%	1.81
270 to 360 days	0.22	20.00%	0.04
360 to 450 days	0.22	20.00%	0.04
Total	**5,945.71**		**12.25**

Exposure to unbilled receivables is ₹ 2,551.98 Lakhs. Loss allowance on unbilled receivable is considered to be insignificant.

Refer note 33(C)(I)(i) for exposure to respective foreign currencies which is consistent with the location of the customer.

Financial assets at fair value through profit or loss

The company is also exposed to credit risk in relation to forward contract that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments and contracts ₹ (30.99) Lakhs (March 31, 2022: ₹ 39.89 Lakhs).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt covenants.

(I) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	500.00	550.00
Total	**500.00**	**550.00**

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in ₹.

(II) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date and that the amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

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

March 31, 2023	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	50.75	14.25	42.95	-
Trade Payables	1,134.99	1,134.99	-	-
Payable for purchase of Property, Plant and Equipment	27.80	27.80	-	-
Lease Liabilities	1,486.40	883.22	754.64	
Foreign exchange forward contracts	30.99	30.99	-	-
Unpaid Dividend	23.27	23.27	-	-
Employee Benefit Payable	2,016.92	2,016.92	-	-
Total	**4,771.12**	**4,131.44**	**797.59**	**-**

March 31, 2022	Carrying value	Upto 1 year	1-3 years	>3 years
Borrowings	60.04	14.25	57.20	-
Trade Payables	972.15	972.15	-	-
Payable for purchase of Property, Plant and Equipment	175.56	175.56	-	-
Lease Liabilities	1,775.84	777.28	1,197.05	10.88
Unpaid Dividend	16.89	16.89	-	-
Employee Benefit Payable	1,583.26	1,583.26	-	-
Total	**4,583.74**	**3,539.39**	**1,254.25**	**10.88**

(C) Market risk

(I) Foreign currency risk

The company operates internationally and thereby is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP, CAD and AUD. Foreign exchange risk arises from future commercial transactions and recognised assets denominated in a currency that is not the company's functional currency (₹). The risk is measured through forecast of foreign currency transactions.

The Company has a policy to maintain forex exposure on the books at reasonable levels considering forecast of transactions in next 12 months and natural hedge through foreign currency payables. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. When a forward contract is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(II) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	March 31, 2023					March 31, 2022		
	USD	Euro	GBP	CAD	AUD	USD	Euro	GBP
Financial assets-current								
Trade receivables (includes related parties)	671.02	792.85	68.74	122.71	8.47	19.70	537.83	676.09
Bank balances	253.81	304.05	506.23	-	-	-	-	134.62
Other Receivables from Related Party	71.27	2.23	-	-	-	13.34	0.85	-
Exposure to foreign currency risk (assets)	**996.10**	**1,099.13**	**574.97**	**122.71**	**8.47**	**33.04**	**538.68**	**810.71**
Derivative instruments*								
Gross outstanding amount of Foreign exchange forward contracts - Sell foreign currency	1,335.47	838.77	535.49	-	-	1,439.44	340.99	429.55
Financial liabilities-current								
Trade payables	111.34	210.82	34.99	48.67	-	76.16	38.11	65.17
Exposure to foreign currency risk (liabilities)	**111.34**	**210.82**	**34.99**	**48.67**	**-**	**76.16**	**38.11**	**65.17**
Net assets/(liabilities)	**884.76**	**888.31**	**539.98**	**74.04**	**8.47**	**(43.12)**	**500.57**	**745.54**

* amount disclosed is contract value, computed using forward rate, outstanding as on balance sheet date. These contracts have been marked to market as on balance sheet date and recorded accordingly. (Also, refer note 41)

(III) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

Particulars	Impact on Profit after tax		Impact on Equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
USD sensitivity				
₹/USD - Increase by 5% (March 31, 2022 - 5%)	44.24	(2.16)	44.24	(2.16)
₹/USD - Decrease by 5% (March 31, 2022 - 5%)	(44.24)	2.16	(44.24)	2.16
EURO sensitivity				
₹/Euro - Increase by 5% (March 31, 2022 - 5%)	44.42	25.03	44.42	25.03
₹/Euro - Decrease by 5% (March 31, 2022 - 5%)	(44.42)	(25.03)	(44.42)	-
GBP sensitivity				
₹/GBP - Increase by 5% (March 31, 2022 - 5%)	27.00	37.28	27.00	37.28
₹/GBP - Decrease by 5% (March 31, 2022 - 5%)	(27.00)	(37.28)	(27.00)	(37.28)
CAD sensitivity				
₹/CAD - Increase by 5% (March 31, 2022 - 5%)	3.70	-	3.70	-
₹/CAD - Decrease by 5% (March 31, 2022 - 5%)	(3.70)	-	(3.70)	-
AUD sensitivity				
₹/AUD - Increase by 5% (March 31, 2022 - 5%)	0.42	-	0.42	-
₹/AUD - Decrease by 5% (March 31, 2022 - 5%)	(0.42)	-	(0.42)	-

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(IV) Interest rate risk

The Company's interest rate risk arises from long-term and short-term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

Management closely tracks the base interest rate movements on regular basis. Based on regular review, Management assesses the need to hedge interest rate risk. Management reviews the future movement in base rate against different factors such as overall micro and macro economic factors, liquidity in the spending cycle. Further, on a regular basis, Management assesses the possibility of entering into new facilities which would reduce the future finance cost which helps the Management to mitigate risk related to interest rate movement.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	Weighted Average Interest rate	March 31, 2023	March 31, 2022
Fixed rate borrowings	8.21%	50.75	60.04
Total		**50.75**	**60.04**

(V) Sensitivity

The Company's policy is to minimize the interest rate cash flow risk exposure on borrowing. The Company has exposure to local currency only. The local currency loans are linked to bank base rate/ marginal cost of funds based lending (MCLR). The Company does not have any variable rate borrowings.

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, 2023 and March 31, 2022.

The gearing ratios were as follows:

Particulars	March 31, 2023	March 31, 2022
Net Debt*	-	-
Total Equity	16,129.49	14,817.10
Net Debt to Equity Ratio	0.00%	0.00%

*Since cash and cash equivalents are more than total debt (consists of borrowings), net debt is considered as zero.

The net debt to equity ratio is stable during the current year.

(i) Loan Covenants

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

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

35. Capital Management

Particulars		March 31, 2023	March 31, 2022
i)	Equity shares		
	Final Dividend for the year ended March 31, 2022 of ₹ 3 (March 31, 2021: ₹ 3) per fully paid share	664.58	524.78
ii)	Dividends not recognised at the end of reporting period	669.16	660.63
	The Directors have recommended the payment of a final dividend of ₹ 3 per fully paid equity share (March 31, 2022 ₹ 3 per equity share). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.		

36. Share-based payments

Employee Stock Option Plan

The Company instituted the 2009 plan and 2019 Plan (Schemes) for eligible employees in pursuance of a special resolution approved by the shareholders at the extraordinary general meeting held on August 31, 2009 and July 25, 2019 respectively. The schemes covers grant of options to specified permanent employees of the Company as well as its subsidiaries. Pursuant to schemes, the Company has granted options to eligible employees at an exercise price of ₹ 10 per equity share of ₹ 10 each and of ₹ 20 per equity share of ₹ 10 each respectively for 2009 and 2019 Plan. Under the term of schemes, the vesting period shall commence on the expiry of one year from the date of grant of the options to the employees and it will be spread equally over 4 years. Total option will vest equally over the period of four years on last day of each year. The employee stock options granted shall be capable of being exercised within a period of one year from the date of vesting the options, they would be exercisable by the option holder and the shares arising on exercise of such options shall not be subject to any lock-in period. When exercisable, each option is convertible into four equity share of the Company. Further, in the case of termination of employment, all non-vested options would stand cancelled. Options that have vested but have not been exercised within the time prescribed as mentioned above, failing which they would lapse.

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

Particulars	March 31, 2023		March 31, 2022	
	No. of Options	Average exercise price per share option (₹)	No. of Options	Average exercise price per share option (₹)
Opening Balance	1,80,900	17.46	2,13,475	14.17
Granted during the year	25,500	20.00	65,500	20.00
Forfeited/ cancelled during the year	-	-	(1,375)	10.00
Lapsed during the year	(25,450)	15.83	(24,875)	16.90
Exercised during the year*	(65,850)	16.38	(71,825)	13.01
Outstanding as at the end of the year	1,15,100	18.95	1,80,900	17.46
Vested and exercisable (shares)	38,600	16.50	10,500	15.56
Unvested (shares)	4,21,800	19.17	7,13,100	17.53

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2023 was ₹ 292.75 (March 31, 2022 - ₹ 242.42)

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

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

ESOP Scheme	Exercise Price	Share options outstanding		Weighted average remaining life	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ESOP Scheme 2009	10	17,325	43,925	1.80	2.05
ESOP Scheme 2019	20	97,775	1,36,975	3.19	3.40

Fair value of the options granted

The fair value at the grant date is determined using the Black Scholes Merton Model which takes into account the exercise price, the term of the options, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023 included :

Particulars	Inputs for the year ended March 31, 2023			
Scheme	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (₹)	20	20	20	20
Grant Date	April 5, 2022	June 13, 2022	October 11, 2022	March 2, 2023
Expiry Date	April 4, 2027	June 12, 2027	October 10, 2027	March 1, 2028
Expected life of the option (years)	3.50	3.50	3.50	3.50
Share Price as on Grant Date (₹)	407.25	289.55	260.05	290.15
Fair value as on Grant Date (₹)	362.73	253.94	226.53	254.55
Expected Volatility (%)	54.25%	53.97%	54.08%	53.15%
Expected Dividend yield (%)	2.06%	2.06%	2.06%	2.06%
Risk free interest rate (%)	5.88%	7.36%	7.37%	7.38%

The model inputs for options granted during the year ended March 31, 2022 included :

Particulars	Inputs for the year ended March 31, 2022						
Scheme	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019	ESOP 2019
Exercise Price (₹))	20	20	20	20	20	20	20
Grant Date	June 10, 2021	July 19, 2021	August 25, 2021	September 11, 2021	September 21, 2021	October 28, 2021	January 14, 2022
Expiry Date	June 9, 2026	July 18, 2026	August 24, 2026	September 10, 2026	September 20, 2026	October 27, 2026	January 13, 2027
Expected life of the option (years)	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Share Price as on Grant Date (₹))	189.60	270.60	235.60	233.15	224.40	220.95	338.10
Fair value as on Grant Date (₹))	155.80	230.23	198.45	195.67	188.20	185.21	292.02
Expected Volatility (%)	53.47%	52.96%	53.02%	53.03%	53.15%	53.02%	53.26%
Expected Dividend yield (%)	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%
Risk free interest rate (%)	4.28%	5.48%	5.66%	4.70%	5.57%	5.84%	5.97%

The expected price volatility is based on the historic volatility (based upon the remaining life of the options), adjusted for any expected changes to the future volatility due to publicly available information. The risk free interest rate is based on the yield for government securities as at Grant Date have been taken to be the risk-free rate for the purpose of valuation of options, based on the life of the options.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Expenses arising from share-based payment transactions

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee Option Plan	263.56	115.09
Total	**263.56**	**115.09**

Expenses arising from share-based payment transactions relating to employees of subsidiaries

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee Option Plan	113.24	55.29
Total	**113.24**	**55.29**

37. Ratio Analysis

Sr. No	Particulars	Computation of ratios	March 31, 2023	March 31, 2022	% change	Remarks
1	Current Ratio	Current assets / Current liabilities	2.67	2.36	13.14%	No significant variance
2	Debt-Equity Ratio	Total debt / Equity	0.31%	0.41%	-22.35%	No significant variance
3	Debt Service Coverage Ratio	Earnings before interest, tax and depreciation (EBITDA) / Finance cost + Borrowings including lease payments	2.12	1.20	76.69%	Increase on account of decrease in lease liability and increase in EBIDTA of current year.
4	Return on Equity Ratio	Net profit after tax / Average shareholders equity	10.53%	8.41%	25.24%	Increase on account of increase in net profit after tax and increase in other equity of current year.
5	Inventory turnover ratio	COGS / Average inventory	N.A.	N.A.	N.A.	Not applicable
6	Trade Receivables turnover ratio	Total sales / Closing trade receivable	3.71	3.84	-3.40%	No significant variance
7	Trade payables turnover ratio	Total purchases / Closing trade payable	-	0.00	-100.00%	No significant variance
8	Net capital turnover ratio	Total sales / Working capital	3.95	3.38	16.90%	No significant variance
9	Net profit ratio	Net profit after tax / Total sales	5.17%	3.98%	29.95%	Increase on account of increase in net profit after tax and increase in revenue from operation of current year.
10	Return on Capital employed	Earnings before interest and tax (EBIT) / Capital employed*	14.76%	9.60%	53.74%	Increase on account of increase in EBIT and increase in equity of current year.
11	Return on investment	Earnings before interest, tax and depreciation (EBITDA) / Closing total assets	16.53%	10.84%	52.45%	Increase on account of increase in EBIDTA and increase in total assets of current year.

*Capital employed = Total net worth - Intangible assets + Total borrowing + Total deferred tax liability

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

38. Investment

During the year ended March 31, 2022, the Company had acquired 100% equity of OT Park Private Limited (erstwhile "NV Pune Technology Park Private Limited") ("OTPPL") on December 01, 2021 for a purchase consideration including incidental expenses of ₹ 1,719.90 Lakhs. Such amount is recorded as investment in subsidiary. OTPPL owns single immovable property which is leased out to the Company.

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, 2022 (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. Segment reporting

The Company has only one operating segment which is Mechanical Engineering Design and IT Services.

41. Derivative assets and liabilities

In accordance with its risk management policy and business plan the Company has hedged its cash flows. The Company enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Company's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions.

The following are the outstanding EUR/USD/GBP: ₹ Currency Exchange Contracts entered into by the Company:

Particulars	March 31, 2023		March 31, 2022	
	Foreign Currency (Lakhs)	₹	Foreign Currency (Lakhs)	₹
USD	18.05	1,483.17	18.52	1,430.47
EURO	9.91	885.93	3.77	327.12
GBP	5.82	591.59	4.06	411.56

The forward contracts have maturity between 30 to 368 days.

42. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

43. Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Notes to the Standalone Financial Statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties as disclosed in note 3 to the financial statements, are held in the name of the company.

(xi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xii) Loans or advances to specified persons

There are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.

For **B S R & Co. LLP**
Firm Registration Number: 101248W/W-100022

Ashish Gupta
Partner
Membership No.: 215165

Place : Mumbai
Date : May 12, 2023

For and on behalf of the Board of Directors of
Onward Technologies Limited
CIN: L28920MH1991PLC062542

Harish Mehta
Executive Chairman
DIN: 00153549
Place : Mumbai
Date : May 12, 2023

Jigar Mehta
Managing Director
DIN: 06829197
Place : Bostan, USA
Date : May 12, 2023

Rahul Rathi
Director
DIN: 00966359
Place : Mumbai
Date : May 12, 2023

Pawankumar Nathani
Chief Financial Officer
Place : Mumbai
Date : May 12, 2023

Shama Pawar
Company Secretary
Place : Mumbai
Date : May 12, 2023

ONWARD TECHNOLOGIES LIMITED
Regd. Off: 2nd Floor, Sterling Center, Dr. A. B. Road, Worli, Mumbai – 400 018
CIN: L28920MH1991PLC062542
E-mail: investors@onwardgroup.com | website: www.onwardgroup.com

Notice

NOTICE is hereby given that the **32nd Annual General Meeting ('AGM')** of the Members of **ONWARD TECHNOLOGIES LIMITED** ('the Company') will be held on **Monday, July 17, 2023 at 03.00 P.M.** (IST) through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') organized by the Company, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt;

   A. the audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the reports of Board of Directors and the Auditors thereon.

   B. the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the report of the Auditors thereon.

2. To declare final dividend on Equity Shares for the financial year ended March 31, 2023.

3. To appoint a Director in place of Mr. Harsha Raghavan (DIN: 01761512), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider the re-appointment of Mr. Jay Sonawala, as an Independent Director on the Board of the Company for a second term of three years and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149(10), 150 and 152 of the Companies Act, 2013 (the "Act") read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Jay Sonawala (DIN: 01401445), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of three consecutive years commencing from July 21, 2023 till July 20, 2026;

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s)/ authorized representative(s) of the Company to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider the appointment of Mr. Jai Diwanji, Additional Director of the Company, as a Non-Executive Independent Director on the Board of the Company and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment thereof), Mr. Jai Diwanji (DIN: 00910410) who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 12, 2023 in terms of Section 161 of the Act and Articles of Association of the Company and who is eligible for the appointment as a Director, be and is hereby appointed as a Director of the Company;

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, if any, read with Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Articles of Association of the Company (including any statutory modification(s) or re-enactment thereof), Mr. Jai Diwanji (DIN:

00910410), who has submitted a declaration that he meets the criteria of Independence as provided under the Act and the Listing Regulations be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 3 consecutive years from May 12, 2023 to May 11, 2026;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s)/ authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider the appointment of Mr. Dhanpal Jhaveri, Additional Director of the Company, as a Non-Executive Independent Director on the Board of the Company and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment thereof), Mr. Dhanpal Jhaveri (DIN: 02018124) who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 12, 2023 in terms of Section 161 of the Act and Articles of Association of the Company and who is eligible for the appointment as a Director, be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, if any, read with Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Articles of Association of the Company (including any statutory modification(s) or re-enactment thereof), Mr. Dhanpal Jhaveri (DIN: 02018124), who has submitted a declaration that he meets the criteria of Independence as provided under the Act and the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 3 consecutive years from May 12, 2023 to May 11, 2026;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s)/ authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors of
Onward Technologies Limited

Shama Pawar
Company Secretary
M. No. A28393

Date : May 12, 2023
Place : Mumbai

Registered Office: 2nd Floor, Sterling Centre,
Dr. Annie Besant Road, Worli, Mumbai – 400 018.
Email: investors@onwardgroup.com
Website: www.onwardgroup.com
CIN: L28920MH1991PLC062542

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The Explanatory Statement sets out all material facts relating to the business(es) to be dealt at the Annual General Meeting as mentioned in the Notice:

Item No. 04:

The Board of Directors at its meeting held on May 15, 2020 had appointed Mr. Jay Sonawala as an Additional Director of the Company to hold office till the next Annual General Meeting. Further, the Members at the Annual General Meeting held on July 16, 2020 appointed Mr. Jay Sonawala as an Independent Director to hold office for a term of three consecutive years. Accordingly, the tenure of Mr. Jay Sonawala, as an Independent Director is coming to an end on July 20, 2023.

Pursuant to the provisions of Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

After taking into account the performance evaluation, during his first term of three years and considering the knowledge, expertise and experience in respective fields and the contribution made by Mr. Jay Sonawala during his tenure as an Independent Director since his appointment, the Nomination and Remuneration Committee at its meeting held on May 12, 2023 has considered, approved and recommended the re-appointment of Mr. Jay Sonawala as an Independent Director for a second term of three years with effect from July 21, 2023 to July 20, 2026, to the Board of Directors for their approval.

The Company has received the declaration on criteria of Independence as per Section 149(6) of the Act. Accordingly, the Board of Directors at its meeting held on May 12, 2023, has approved the proposal for re-appointment of Mr. Jay Sonawala as an Independent Director for a second term of three consecutive years with effect from July 21, 2023.

In the opinion of the Board, Mr. Jay Sonawala fulfills the conditions specified in the Act and rules made thereunder for his re-appointment as an Independent Director of the Company. Accordingly, the Board recommends the resolution in relation to re-appointment of Mr. Jay Sonawala as an Independent Director, for the approval by the Members of the Company, by way of a Special resolution.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India relating to Mr. Jay Sonawala has been provided in a separate section of this Notice.

Except Mr. Jay Sonawala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 04 of the Notice.

Item No. 05 & 06:

Brief profile of Mr. Jai Diwanji

Mr. Jai Diwanji has completed his education from the University of Cambridge (U.K.) with B.A. in Law degree in the year 1997. In addition to this, he also holds a Business Service Management degree from Tulane University (U.S.A.).

He is an Advocate with over 25 years of experience. He is presently a Partner at Desai & Diwanji, a full– service Indian law firm. His practice includes advising national and international corporates and other multifarious enterprises in the areas of mergers & acquisitions, private equity, joint ventures and general corporate law.

Brief Profile of Mr. Dhanpal Jhaveri

Mr. Dhanpal Jhaveri is Vice Chairman-Everstone Group, a premier investment group focused on India and South East Asia, with assets in excess of US$7 billion across private equity, real estate, credit, climate change and green infrastructure, and venture capital. He is also the CEO for Eversource Capital, a joint venture between Everstone and Lightsource bp that provides global investors with an opportunity to invest in the Indian green infrastructure alongside a global industrial leader and established regional fund manager.

He is associated with CII as a member of its Renewable Energy Council and its National Committee on Private Equity and Venture Capital. He is also on the Finance Advisory Panel of The India Sanitation Coalition (ISC). In addition, he is a member of the Managing Committee of the Indian Merchant's Chamber of Commerce and Industry. He also mentors young business leaders and entrepreneurs ardently and is a member of Entrepreneurs' Organization (EO). Mr. Dhanpal is a board member and an Ex-President of TiE, Mumbai and the Board Member of Avasara Leadership Institute; an educational institution focused on accelerating academic and leadership outcomes for India's brightest girls.

He has completed his Bachelor of Commerce from the University of Mumbai and a Master of Business Administration from Babson College, USA.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee ("NRC") approved the appointment of Mr. Jai Diwanji (DIN: 00910410) and Mr. Dhanpal Jhaveri (DIN: 02018124) as Additional Directors (in the capacity of Non-Executive Independent Directors) of the Company, who shall hold office as such till this Annual General Meeting ("AGM").

In terms of the provisions of Section 149 and other applicable provisions of the Act, Mr. Jai Diwanji and Mr. Dhanpal Jhaveri being eligible and offering themselves for appointment, is proposed to be appointed as Non-Executive Independent Directors for three consecutive years for a term upto May 11, 2026.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India relating to Mr. Jai Diwanji and Mr. Dhanpal Jhaveri have been provided in a separate section of this Notice.

In terms of the provisions of the Act they have filed requisite consent(s)/disclosures before the Board. The Company has also received an intimation from proposed appointee in Form DIR-8 to the effect that they are not disqualified and further confirmed that they are not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director in any Company.

The Company has received a declaration from both of them confirming that they meet the criteria of independence as prescribed under the provisions of

Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also, they have successfully registered themselves in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

The Company follows a robust process for Board appointment, which is a hallmark of a progressive board. The Board deliberates on various factors including current tenure of board members, skill matrix including diversity, time-commitment and statutory requirements etc. In the opinion of the Board. Mr. Jai Diwanji and Mr. Dhanpal Jhaveri fulfils the conditions specified in the Act, rules made thereunder and SEBI (Listing obligations and disclosure requirements) Regulations 2015 for appointment as Independent Directors of the Company.

Accordingly, the Board recommends the appointment of Mr. Jai Diwanji and Mr. Dhanpal Jhaveri as Independent Directors for a term of three consecutive years i.e. upto May 11, 2026, for approval of the Members of the Company, by way of Special Resolutions.

Except Mr. Jai Diwanji and Mr. Dhanpal Jhaveri, being the appointees no other Director or Key Managerial Personnel of the Company or their respective relatives is/are concerned or interested, financially or otherwise, in the said resolution set out at Item Nos. 05 and 06 of the Notice.

NOTES:

Section I – Attendance and Documents Inspection

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular Nos.10/2022 and 11/2022 dated December 28, 2022 and all other relevant circulars issued from time to time and the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 32nd Annual General Meeting ("AGM") of the Company is being held through VC / OAVM without the physical presence of Members at a common venue. The deemed venue for the 32nd AGM will be the Registered Office of the Company – Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli, Mumbai - 400 018.

2. Since the AGM will be held through VC facility, the Route Map is not annexed in this Notice.

3. In compliance with the applicable Circulars, Notice of the AGM along with the Annual Report for FY 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/Company/ Depositories. Members may note that the Notice and Annual Report for FY 2022-23 are also available on the Company's website at https://www.onwardgroup.com/investors-annual-reports.php. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

4. The Statement pursuant to Section 102 of the Act as amended with respect to Item Nos. 4 to 6 forms part of this Notice. The relevant details, pursuant to Regulations 36(3) and 36(5) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM forms part of the Explanatory Statement, respectively.

5. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member. Since, the AGM is being held through VC facility, the facility for appointment of proxies by the members will not be available. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Corporate/Institutional Members intending to authorize their representative to attend the Meeting through VC/OAVM facility are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee,

Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

10. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investors@onwardgroup.com upto Monday, July 10, 2023. Those Members who have registered themselves shall be given an opportunity of speaking live in AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@onwardgroup.com.

Section II – Dividend, Record Date, TDS, etc.

12. The Register of Members and the Share Transfer Books of the Company will remain closed from July 11, 2023 to July 17, 2023 (both days inclusive).

13. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of AGM as under:

    i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Monday, July 10, 2023.

    ii. To all Members in respect of shares held in physical form after giving effect to valid transmission, name deletion and transposition requests lodged with the Company as of the close of business hours on Monday, July 10, 2023.

14. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the IT Act.

Section C – Updation of records, IEPF and queries on Annual Report

15. Members are requested to direct notifications about change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company ("Link Intime") at Link Intime India Pvt. Ltd., Unit: Onward Technologies Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Contact No: 91-22-49186270, Fax No: 91-22-49186060, Email: rnt.helpdesk@linkintime.co.in in case the shares are held in physical form.

16. The Securities and Exchange Board of India, vide its circulars dated November 03, 2021, December 14, 2021 and March 16, 2023, has mandated the furnishing of PAN, address with PIN code, e-mail address, mobile number, bank account details, specimen signature and nomination by holders

of physical securities. Further, if any ONE of the cited documents/details as enunciated in the said circulars is NOT registered with Company / RTA, within September 30, 2023, such physical folios shall be frozen by the Company/Registrar and Share Transfer Agent of the Company (RTA). Members holding shares in physical mode are requested to update their PAN, KYC and Nomination details with the Company/the RTA of the Company on or before September 30, 2023 to keep their folio compliant. The formats for Updation of PAN, KYC and Nomination details in accordance with the above referred SEBI circular are available on the RTA website. The duly filled-in Forms along with supporting documents may be sent to the RTA at their address:

Link Intime India Pvt. Ltd.
Unit: Onward Technologies Limited,
C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai – 400 083,
or by email to rnt.helpdesk@linkintime.co.in
Park, Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai – 400083.

Please note that documents received only from the registered e-mail address of the shareholders will be considered.

17. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB /P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the website of the Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd at www.linkintime.co.in.

19. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

20. As per the provisions of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their Nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.

21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

22. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

OTHER INSTRUCTIONS

1. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, June 9, 2023. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-Voting or voting at the AGM through electronic voting system or poll paper.

2. Any person, who acquires shares of the Company and becomes a Member of the Company after mailing of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if the Member is already registered with

NSDL for remote e-Voting then the Member can use his/her existing User ID and password for casting the vote.

3. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the Meeting, thereafter, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

4. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at: https://www.onwardgroup.com/investors-announcements.php and on the website of NSDL www.evoting.nsdl.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Section IV – Voting through electronic means

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER :-

The remote e-voting period begins on Thursday, July 13, 2023 at 09:00 A.M. and ends on Sunday, July 16, 2023 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. Monday, July 10, 2023 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 Monday, July 10, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to

Type of shareholders	Login Method
	NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	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 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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.

   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.

4. 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***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@napco.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@onwardgroup.com. The same will be replied by the company suitably.

Details required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be re-appointment/appointment at the ensuing Annual General Meeting (AGM) and their Brief Resume have been provided under the Explanatory Statement annexed to this Notice.

Disclosure on appointment / re-appointment of Director pursuant to Clause 1.2.5 of Secretarial Standards-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Names	Mr. Harsha Raghavan	Mr. Jay Sonawala	Mr. Jai Diwanji	Mr. Dhanpal Jhaveri
Director Identification Number (DIN)	01761512	01401445	00910410	02018124
Father's Name	Ramabadran Veera Raghavan	Nitin Sonawala	Mr. Shishir Diwanji	Mr. Arvind Jhaveri
Date of Birth/ (Age in years)	October 10, 1971 (52)	July 13, 1976 (47)	February 4, 1973 (50)	December 20, 1968 (55)
Date of first Appointment on the Board	June 30, 2021	March 27, 2015	May 12, 2023	May 12, 2023
Qualification	MBA and M. S., Industrial Engineering (Stanford Graduate School of Business) and Bachelor of Art, Computer Science and Economics (U.C. Berkeley)	Bachelor's in commerce from Sydenham College of Commerce and Economics and Masters in Business from NMIMS Institute	B.A. in Law from University of Cambridge (U.K.) and Business Service Management degree from Tulane University (U.S.A.)	Bachelor of Commerce from the University of Mumbai and Master of Business Administration from Babson College, USA
No. of Years of experience	More than 25 years	More than 20 years	25 years	More than 25 years
Brief Resume including experience and qualification Experience in Specific Functional Area	Mr. Harsha Raghavan, based in Mumbai, is the Managing Partner of Convergent Finance LLP. He was previously the founding MD & CEO of Fairbridge Capital Private Limited (a Fairfax Company) from its Inception in 2011 where he led all investment advisory activities in India. During his time, he sourced and advised on over $2.1 billion worth of investment activity. Previously, he served as Head of India for Candover Investments, Co- Head of India for Goldman Sachs Principal Investment Area and Vice President of Indocean Chase Capital. In these roles, he advised on more than two dozen transactions totaling over $1.5 billion in value.	As mentioned in the Explanatory Statement of Item No. 04 above.	As mentioned in the Explanatory Statement of Item Nos. 05 & 06 above	
Tenure and Terms and Conditions of Appointment	Proposed to be re-appointed as Non-Executive Non-Independent Director, liable to retire by rotation.	For a Second term of three years	For a first term of three years	For a first term of three years
Details of remuneration sought to be paid	As per Investment Agreement, he is not taking any sitting fees for attending meetings of the Board and also committees.	Sitting fees	NA	NA

Names	Mr. Harsha Raghavan	Mr. Jay Sonawala	Mr. Jai Diwanji	Mr. Dhanpal Jhaveri
Last drawn remuneration	Not applicable	Sitting fees as disclosed in Report on Corporate Governance forming part of this Annual Report.	Nil (*)	Nil (*)
Relationship with other Directors and Key Managerial Personnel	None			
Directorship in Listed Companies	**Directorship:** · Hindustan Foods Limited · Camlin Fine Sciences Limited · Jagsonpal Pharmaceuticals Limited	Nil	**Directorship:** · Elecon Engineering Company Limited · NESCO Limited · Kaira Can Company Limited · Alemnic Pharma Limited	**Directorship:** Indostar Capital Finance Limited
Chairman/Member in the Committees of the Boards of other Listed companies	**Committee Membership:** **Camlin Fine Sciences Limited** - Member of Audit Committee - Member of Nomination and Remuneration Committee - Jagsonpal Pharmaceuticals Limited - Member of Audit Committee - Member of Risk Management Committee	None	**Committee Membership:** **Elecon Engineering Company Limited** - Member of Audit Committee - Chairman of Nomination and Remuneration Committee - Chairman of Stakeholders Relationship Committee - Chairman of Risk Management Committee **NESCO Limited** - Member of Audit Committee - Chairman of Nomination and Remuneration Committee - Member of Stakeholders Relationship Committee - Member of Risk Management Committee - Member of Corporate Social Responsibility Committee **Kaira Can Company Limited** - Member of Audit Committee	**Committee Membership:** - Chairman of Stakeholders Relationship Committee - Member of Corporate Social Responsibility Committee
No. of Shares held as on May 12, 2023 in the Company	Nil	500 equity shares	Nil	Nil
Shareholding in the Company of the spouse and immediate relatives of the Director	Nil	Nil	Nil	Nil
Number of meetings of the Board attended during the year	1	5	Nil *	Nil *

* Appointed w.e.f. May 12, 2023.

Notes

Notes

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