

To,

Date: 11th May, 2018

BSE Limited
Corporate Relations Department
P J Towers, Dalal Street
Mumbai 400 001

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051.

Ref: Scrip Code - BSE: 517536, NSE: ONWARDTEC

Subject: Audited Financial Results (Standalone & Consolidated) for the quarter and year ended 31st March, 2018:

Dear Sir/ Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company at its meeting held on 11th May, 2018 have approved and taken on record, inter alia, the unaudited financial results (Standalone and Consolidated) of the Company for the quarter and year ended 31st March, 2018.

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

Further, we wish to inform you that pursuant to above regulations, the Board of Directors has opted to submit standalone as well as consolidated financial results for the coming quarters of financial year 2018-19.

Kindly acknowledge receipt of the same.

For Onward Technologies Limited

M. M. Damania
Company Secretary

Encl: As above



Onward Technologies Limited

Corporate Identity Number: L28920MH1991PLC062542
 Registered Office: Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli,
 Mumbai - 400 018, India.
 Tel: +91 22 2492 6570 Fax: +91 22 2492 6549
 E-mail: info@onwardgroup.com Website: www.onwardgroup.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Unaudited) Refer Note 3	(Unaudited)	(Audited) Refer Note 4	(Audited)	(Audited) Refer Note 4
1	Revenue from operations	6,203.99	5,800.97	5,819.33	24,446.02	22,356.35
2	Other income (net)	219.35	132.23	69.60	475.34	252.34
3	Total Income (1+2)	6,423.34	5,933.20	5,888.93	24,921.36	22,608.69
4	Expenses					
a)	Purchase of traded goods	165.24	26.84	51.27	372.14	278.50
b)	Employee benefits expense	4,738.37	4,669.08	4,222.95	18,582.05	16,544.29
c)	Finance costs	63.52	84.98	65.84	302.98	279.96
d)	Depreciation and amortisation expense	131.70	138.54	121.41	548.52	432.95
e)	Other expenses	1,308.52	972.83	1,267.05	4,364.73	4,413.58
	Total Expenses	6,407.35	5,892.27	5,728.52	24,170.42	21,949.28
5	Profit before tax (3-4)	15.99	40.93	160.41	750.94	659.41
6	Tax Expense					
a)	Current Tax	39.61	9.88	53.23	223.44	142.70
b)	Short/(Excess) provision of taxation for previous periods	0.01	0.01	-	(9.14)	52.78
c)	Deferred Tax	(138.78)	(19.34)	38.60	(134.98)	54.01
	Total tax expense/ (credits)	(99.16)	(9.45)	91.83	79.32	249.49
7	Net profit/ (loss) for the period (5 - 6)	115.15	50.38	68.58	671.62	409.92
8	Other comprehensive income, net of income tax					
a) i)	Items that will not be reclassified to profit or loss	(18.89)	5.19	8.87	(3.31)	29.43
ii)	Income tax relating to items that will not be reclassified to profit or loss	5.92	(1.72)	(0.46)	0.77	(7.36)
b) i)	Items that will be reclassified to profit or loss	(4.16)	-	27.26	(4.16)	27.26
ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	(17.13)	3.47	35.67	(6.70)	49.33
9	Total comprehensive income for the period (7-8)	132.28	46.91	32.91	678.32	360.59
10	Net Profit/ (loss) attributable to:					
a)	Owners	115.15	50.38	68.58	671.62	409.92
b)	Non-controlling interests	-	-	-	-	-
11	Total comprehensive income attributable to:					
a)	Owners	132.28	46.91	32.91	678.32	360.59
b)	Non-controlling interests	-	-	-	-	-
12	Paid-up equity share capital : (Face value Rs. 10 each)	1,554.21	1,547.45	1,519.63	1,554.21	1,519.63
13	Earnings/ (loss) per share (of Rs. 10 each) (not annualised)					
Basic: (in Rs.)		0.74	0.33	0.45	4.35	2.72
Diluted: (in Rs.)		0.74	0.30	0.42	4.07	2.53



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CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		Refer Note 3	(Unaudited)	(Audited) Refer Note 4	(Audited)	(Audited) Refer Note 4
1	Segment Revenue (net of inter-segment revenue)					
	Mechanical Engineering Design Services	4,806.25	4,496.99	4,450.88	18,841.00	17,362.33
	Information Technology Services	1,397.74	1,303.98	1,368.45	5,605.02	4,994.02
	Revenue from operations	6,203.99	5,800.97	5,819.33	24,446.02	22,356.35
2	Segment Results					
	Profit before tax and finance cost					
	Mechanical Engineering Design Services	57.41	116.71	137.35	692.70	601.84
	Information Technology Services	22.10	9.20	88.90	361.22	337.53
	Total profit before tax and finance cost	79.51	125.91	226.25	1,053.92	939.37
	Less: Finance cost	63.52	84.98	65.84	302.98	279.96
	Less: Tax expense	(99.16)	(9.45)	91.83	79.32	249.49
	Total Segment Net Profit for the period	115.15	50.38	68.58	671.62	409.92

Sr. No.	Particulars	March 31, 2018	March 31, 2017
		(Audited)	(Audited) Refer Note 4
3	Segment Assets		
	Mechanical Engineering Design Services	6,942.60	6,398.12
	Information Technology Services	3,132.10	2,635.60
	Total Segment Assets	10,074.70	9,033.72
4	Segment Liabilities		
	Mechanical Engineering Design Services	3,847.19	3,631.59
	Information Technology Services	1,247.40	1,160.08
	Total Segment Liabilities	5,094.59	4,791.67



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Notes:

- The statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 11, 2018.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The statutory auditors have carried out the audit for the year ended March 31, 2018. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the current financial year which were subjected to limited review.
- Consolidated financial results for the quarter and year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by predecessor auditor. The adjustments to these results for the differences in accounting principles adopted by the Company on transition to the Ind AS have been reviewed/ audited by the statutory auditors.
- During the quarter and year ended March 31, 2018, the group issued 67,600 and 345,800 equity shares respectively pursuant to the exercise of stock options by certain employees under the ESOP scheme, 2009.
- The board in its meeting held on May 11, 2018, has recommended final dividend of Rs. ₹ per equity share of Rs. 10 each for the year 2017-18, subject to shareholders approval.
- The consolidated financial results include the results of Onward Technologies Limited's subsidiaries in India, USA and Germany.
- During the quarter and year ended March 31, 2018, Onward eServices Limited, a subsidiary of the Company has recognised a hitherto unrecognised deferred tax asset of Rs. 141.04 lacs. The amount has been recognised based on the management's reassessment with respect to recoverability, basis the most recent revised expectations of the future profitability of the subsidiary.
- Results of Onward Technologies Limited on a standalone basis are hosted at Company's website www.onwardgroup.com

Standalone Information					
Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Refer Note 3			Refer Note 4	
Revenue from operations and other income	3,084.85	2,651.70	2,475.11	11,310.03	9,957.05
Profit before tax	66.46	17.80	41.59	334.98	535.10
Profit/(loss) after tax	23.20	12.02	(19.72)	220.15	297.25

- The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. In lakhs)	
	For the quarter ended March 31, 2017	For the year ended March 31, 2017
Net profit as per Previous GAAP (Indian GAAP)	9.36	531.14
Ind AS adjustments : Add/ (less)		
Effect of employees stock option measurement based on fair value of options and amortisation under graded method	(24.53)	(142.14)
Actuarial (gain)/Loss on employee defined benefit funds recognised in OCI	8.87	29.43
Effect of fair valuing security deposits and amortisation of prepaid rent	(0.17)	(0.17)
Tax impact on Ind AS adjustments	(1.58)	(8.34)
Others		
Tax Provision previously unrecognized	76.63	-
Net profit as per Ind AS	68.58	409.92
Other comprehensive income, net of income tax	(35.67)	(49.33)
Total comprehensive income for the period	32.91	360.59

This reconciliation statement has been provided in accordance with circular CIR/CFD/FAC/62/2016 issued by SEBI dated July 5, 2016 on account of implementation of Ind-AS by listed companies.

Description	(Rs. In lakhs)	
	For the year ended March 31, 2017	
Total equity (shareholder's fund) as per Previous GAAP (Indian GAAP)	4,273.83	
Ind AS adjustments : Add/ (less)		
Fair valuation of derivatives	(6.30)	
Commission on bank guarantee given on behalf of subsidiaries	(1.62)	
Effect of fair valuing security deposits and amortisation of prepaid rent	(34.88)	
Others	11.03	
Tax impact of Ind AS adjustments		
Total Equity as per Ind AS	4,242.06	

For and on Behalf of the Board of Onward Technologies Limited

Handwritten signature

Harish Mehta
Executive Chairman

Place : Mumbai
Date : May 11, 2018



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Onward Technologies Limited

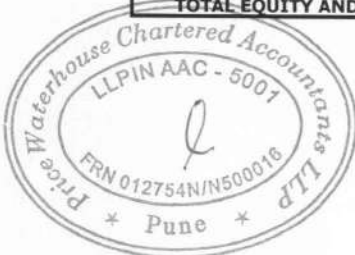
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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

Statement of Assets and Liabilities

Particulars	(Rs. In lakhs)	
	As at March 31, 2018	As at March 31, 2017
ASSETS		
Non-current assets		
Property, plant and equipment	856.24	1,055.16
Intangible assets	703.41	765.76
Intangible assets under development	10.50	-
Financial assets		
(a) Loans	227.53	268.17
(b) Other financial assets	4.51	-
Deferred tax assets	119.39	14.53
Income-tax assets	1,318.70	961.77
Other non-current assets	5.15	7.12
	3,245.43	3,072.51
Current assets		
Financial Assets		
(a) Trade receivables	4,560.14	4,853.50
(b) Cash and cash equivalents	755.72	329.90
(c) Bank balances other than (b) above	30.76	27.12
(d) Unbilled Revenue	876.76	133.52
(e) Loans	41.99	0.45
(f) Other financial assets	15.87	63.86
Income-tax assets	142.23	226.04
Other current assets	405.80	326.82
	6,829.27	5,961.21
TOTAL ASSETS	10,074.70	9,033.72
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,554.21	1,519.63
Other equity	3,425.90	2,722.42
	4,980.11	4,242.05
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	231.20	517.19
Employee benefit obligations	121.02	93.44
Deferred tax liabilities	33.52	63.10
	385.74	673.73
Current liabilities		
Financial Liabilities		
(i) Borrowings	1,717.74	1,456.76
(ii) Trade payables	780.16	330.56
(iii) Other financial liabilities	332.60	765.22
Employee benefit obligations	249.66	215.85
Income-tax Liabilities	32.83	1.94
Other current liabilities	1,595.86	1,347.61
	4,708.85	4,117.94
TOTAL EQUITY AND LIABILITIES	10,074.70	9,033.72



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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Onward Technologies Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Onward Technologies Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Onward Technologies Limited
Report on the Consolidated Ind AS Financial Statements
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6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 3,232.62 lakhs and net assets of Rs. 1,096.83 lakhs as at March 31, 2018, total revenue of Rs. 5,605.02 lakhs, total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. 331.82 lakhs and net cash flows amounting to Rs. 655.35 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

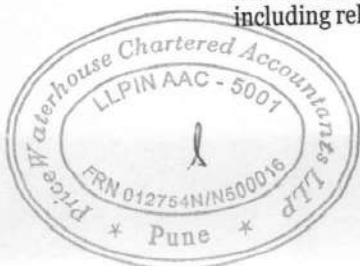
Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

9. The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated May 22, 2017 and May 16, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- 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 Ind AS financial statements.
- In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiaries included in the Group incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.



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INDEPENDENT AUDITORS' REPORT

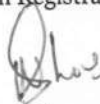
To the Members of Onward Technologies Limited

Report on the Consolidated Ind AS Financial Statements

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- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 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 companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2018 on the consolidated financial position of the Group – Refer Note 28 to the consolidated Ind AS financial statements.
 - ii. The Group had long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2018.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2018.

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



Neeraj Sharma
Partner
Membership Number 108391

Place: Mumbai
Date: May 11, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the Ind AS consolidated financial statements for the year ended March 31, 2018

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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Onward Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to one subsidiary company incorporated in India namely Onward Properties Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.



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Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the Ind AS consolidated financial statements for the year ended March 31, 2018

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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

8. We draw your attention to the following qualification of the opinion on the internal financial controls over financial reporting of Onward eServices Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated May 09, 2018 and reproduced by us as under:

"According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2018:

- a) The Company's internal financial controls over employee database maintenance and payroll processing were not operating effectively which could potentially result in the Company incorrectly recognising employee costs.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Qualified Opinion

9. In our opinion, the holding Company and its subsidiary which is company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and except for the possible effects of the material weakness described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, such internal financial controls over financial reporting were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the Ind AS consolidated financial statements for the year ended March 31, 2018

Page 3 of 3

Further, we draw your attention to the following remarks with regard to the internal financial controls over financial reporting of Onward eServices Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated May 09, 2018 and reproduced by us as under:

"We have considered the material weakness identified and reported above, in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company"

Other Matters

10. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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



Neeraj Sharma
Partner
Membership Number 108391

Date: May 11, 2018

Onward Technologies Limited

Corporate Identity Number: L28920MH1991PLC062542
Registered Office: Sterling Centre, 2nd Floor, Dr. A. B. Road, Worli,
Mumbai - 400 018, India.
Tel: +91 22 2492 6570 Fax: +91 22 2492 6549
E-mail: info@onwardgroup.com Website: www.onwardgroup.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Unaudited) Refer Note 3	(Unaudited)	(Audited) Refer Note 4	(Audited)	(Audited) Refer Note 4
1	Revenue from operations	2,811.35	2,473.10	2,347.06	10,658.07	9,301.76
2	Other income (net)	273.50	178.60	128.06	651.96	655.29
3	Total Income (1+2)	3,084.85	2,651.70	2,475.12	11,310.03	9,957.05
4	Expenses					
a)	Purchase of traded goods	160.70	22.79	34.27	329.93	220.22
b)	Employee benefits expense	2,010.61	1,926.32	1,732.58	7,633.48	6,345.88
c)	Finance costs	52.07	59.68	43.42	218.08	204.48
d)	Depreciation and amortisation expense	111.74	116.79	103.84	455.94	378.35
e)	Other expenses	683.27	508.32	519.42	2,337.62	2,273.02
	Total Expenses	3,018.39	2,633.90	2,433.53	10,975.05	9,421.95
5	Profit before tax (3-4)	66.46	17.80	41.59	334.98	535.10
6	Tax Expense					
a)	Current Tax	42.08	1.06	(1.36)	103.62	134.19
b)	Short/(Excess) provision of taxation for previous periods	-	0.01	52.78	(9.15)	52.78
c)	Deferred Tax	1.18	4.71	9.89	20.36	50.88
	Total tax expense	43.26	5.78	61.31	114.83	237.85
7	Net profit/(loss) for the period (5 - 6)	23.20	12.02	(19.72)	220.15	297.25
8	Other comprehensive income, net of income tax					
a) i)	Items that will not be reclassified to profit or loss	(4.12)	5.19	5.02	11.45	25.58
ii)	Income tax relating to items that will not be reclassified to profit or loss	1.37	(1.72)	(1.65)	(3.79)	(8.55)
b) i)	Items that will be reclassified to profit or loss	-	-	-	-	-
ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	(2.75)	3.47	3.37	7.66	17.03
9	Total comprehensive income for the period (7-8)	25.95	8.55	(23.09)	212.49	280.22
10	Paid-up equity share capital : (Face value Rs. 10 each)	1,554.21	1,547.45	1,519.63	1,554.21	1,519.63
11	Earnings per share (of Rs. 10 each) (not annualised)					
	Basic: (in Rs.)	0.15	0.08	(0.13)	1.43	1.97
	Diluted: (in Rs.)	0.14	0.07	(0.13)	1.33	1.83

Notes:

- The statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on May 11, 2018.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The statutory auditors have carried out the audit for the year ended March 31, 2018. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the current financial year which are subjected to limited review.
- Results for the quarter and year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor. The adjustments to these results for the differences in accounting principles adopted by the Company on transition to the Ind AS have been reviewed/ audited by the statutory auditors.
- Where financial results contain both consolidated financial results and separate financial results of parent, segment information needs to be presented only in case of consolidated financial results. Accordingly, segment information has been presented only in the consolidated financial results.
- During the quarter and year ended March 31, 2018, the company issued 67,600 and 345,800 equity shares respectively pursuant to the exercise of stock options by certain employees under the ESOP scheme, 2009.
- The board in its meeting held on May 11, 2018, has recommended final dividend of Rs. ₹ per equity share of Rs. 10 each for the year 2017-18, subject to shareholders approval.
- The minimum conversion price has anti-dilutive effect on the earning per share, the effect of anti-dilutive potential equity shares are ignored in calculating diluted earning per share for the quarter ended March 31, 2017.
- The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. In lakhs)	
	For the quarter ended March 31, 2017	For the year ended March 31, 2017
Net profit/ (loss) as per Previous GAAP (Indian GAAP)	(112.72)	291.55
Ind AS adjustments : Add/ (less)		
Effect of employees stock option measurement based on fair value of options and amortisation under graded method	(7.43)	(67.76)
Effect of measuring investment in preference share at fair value	-	55.80
Actuarial (gain)/Loss on employee defined benefit funds recognised in OCI	5.02	25.58
Effect of fair valuing security deposits and amortisation of pre-paid rent	(0.12)	(0.11)
Commission on bank guarantees given on behalf of subsidiaries	7.78	28.21
Tax impact on Ind AS adjustments	(4.18)	(36.02)
Others		
Tax Provision previously unrecognized	91.93	-
Net profit/(loss) as per Ind AS	(19.72)	297.25
Other comprehensive income, net of income tax	(3.37)	(17.03)
Total comprehensive income for the period	(23.09)	280.22

This reconciliation statement has been provided in accordance with circular CIR/CFD/FAC/62/2016 issued by SEBI dated July 5, 2016 on account of implementation of Ind AS by listed companies.

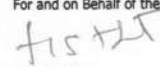
Registered Office : Sterling Centre, 2nd Floor, Dr. Annie Besant Road, Worli, Mumbai - 400018.
Tel.: +91 (22) 2492 6570 • Fax : +91 (22) 2492 6549 • CIN No.: L28920MH1991PLC062542.

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10 Reconciliation of total equity as at March 31, 2017

Description	For the year ended March 31, 2017
Total equity (shareholder's fund) as per Previous GAAP (Indian GAAP)	4,776.19
Ind AS adjustments : Add/ (less)	
Effect of employees stock option measurement based on fair value of options and amortisation under graded method	111.68
Effect of measuring investment in preference share at fair value	55.80
Fair valuation of derivatives	(6.30)
Commission on bank guarantee given on behalf of subsidiaries	28.21
Effect of fair valuing security deposits and amortisation of pre-paid rent	(1.56)
Others	(34.88)
Tax impact of Ind AS adjustments	(15.48)
Total Equity as per Ind AS	4,913.66

For and on Behalf of the Board of Onward Technologies Limited


 Harish Mehta
 Executive Chairman

 Place : Mumbai
 Date : May 11, 2018


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Onward Technologies Limited		
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Tel: +91 22 2492 6570 Fax: +91 22 2492 6549		
E-mail: info@onwardgroup.com Website: www.onwardgroup.com		
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018		
Statement of Assets and Liabilities		
Particulars	(Rs. In lakhs)	
	As at March 31, 2018	As at March 31, 2017
	Audited	Audited (Refer Note 4)
ASSETS		
Non-current assets		
Property, plant and equipment	574.08	693.62
Intangible assets	692.88	748.04
Intangible assets under development	10.50	-
Financial assets		
(a) Investments	3,942.17	3,904.10
(b) Loans	129.73	144.19
(c) Other financial assets	4.51	-
Income-tax assets	1,001.53	782.84
Other non-current assets	5.15	2.69
	6,360.55	6,275.48
Current assets		
Financial assets		
(a) Trade receivables	1,902.65	1,666.59
(b) Cash and cash equivalents	180.32	205.37
(c) Bank balances other than (b) above	10.29	9.47
(d) Unbilled Revenue	257.46	102.95
(e) Loans	13.20	0.45
(f) Other financial assets	118.82	92.07
Other current assets	312.93	223.12
	2,795.67	2,300.02
TOTAL ASSETS	9,156.22	8,575.50
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,554.21	1,519.63
Other equity	3,631.68	3,394.03
	5,185.89	4,913.66
Non-current liabilities		
Financial liabilities		
(a) Borrowings	129.69	376.43
Employee benefit obligations	76.01	57.51
Deferred tax liabilities	28.54	11.98
	234.24	445.92
Current liabilities		
Financial liabilities		
(a) Borrowings	1,451.17	848.75
(b) Trade payables	647.46	820.80
(c) Other financial liabilities	289.78	660.24
Employee benefit obligations	169.90	148.36
Other current liabilities	1,177.78	737.77
	3,736.09	3,215.92
TOTAL EQUITY AND LIABILITIES	9,156.22	8,575.50

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the members of Onward Technologies Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Onward Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A - Wing 1, Business Bay, Airport Road
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of Onward Technologies Limited
Report on the Standalone Financial Statements
Page 2 of 3

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated May 22, 2017 and May 16, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of Onward Technologies Limited
Report on the Standalone Financial Statements
Page 3 of 3

- (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 A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 28;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
 - iv. The reporting on disclosure relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

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



Neeraj Sharma
Partner
Membership Number 108391

Place: Mumbai
Date: May 11, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements for the year ended March 31, 2018

Page 1 of 2

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Onward Technologies Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements for the year ended March 31, 2018

Page 2 of 2

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

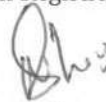
Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Neeraj Sharma
Partner

Membership Number 108391

Place: Mumbai
Date: May 11, 2018

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
(c) The Company does not own any immovable properties as disclosed in Note 3 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	116.90	FY 2006-07	ITAT, Mumbai
Income Tax Act, 1961	Income Tax	326.73	FY 2007-08	ITAT, Mumbai
Income Tax Act, 1961	Income Tax	606.31	FY 2008-09	ITAT, Mumbai
Income Tax Act, 1961	Income Tax	3.77	FY 2010-11	CIT (A), Mumbai



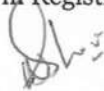
Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Onward Technologies Limited on the standalone financial statements as of and for the year ended March 31, 2018
Page 2 of 2

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Neeraj Sharma
Partner
Membership Number 108391

Place: Mumbai
Date: May 11, 2018

Date: 11th May, 2018

To,

BSE Ltd.

P. J. Towers, Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Ltd.

'Exchange Plaza', C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai 400 051.

Ref: Scrip Code: BSE: 517536 NSE: ONWARDTEC

Subject: Declaration pursuant to Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

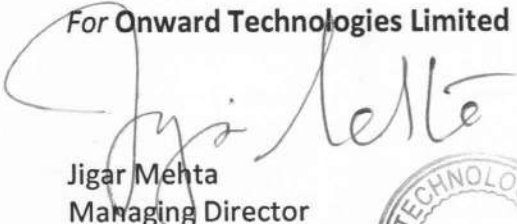
I, Mr. Jigar Mehta, Managing Director of Onward Technologies Limited (CIN: L28920MH1991PLC062542) having its registered office at Sterling Centre, 2nd Floor, Dr. Annie Besant Road, Worli, Mumbai – 400018, hereby declare that, the Statutory Auditors of the Company, M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/N500016) have issued an Audit Report with unmodified opinion on Standalone Audited Financial Results of the Company for the quarter and year ended March 31, 2018.

Further, we hereby submit statement of impact of audit qualification on the Consolidated Audited Financial Results for the above period.

This Declaration is given in compliance to Regulation 33 (3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications and amendments for the time being in force.

Kindly take this declaration on your records.

For Onward Technologies Limited


Jigar Mehta
Managing Director

Encl: As above.



Registered Office : Sterling Centre, 2nd Floor, Dr. Annie Besant Road, Worli, Mumbai - 400018.
Tel.: +91 (22) 2492 6570 • Fax : +91 (22) 2492 6549 • CIN No.: L28920MH1991PLC062542.
www.onwardgroup.com

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Consolidated Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	24,921.36	NA
	2	Total Expenditure	24,170.42	NA
	3	Net Profit/(Loss)	750.94	NA
	4	Earnings Per Share	4.35	NA
	5	Total Assets	10,074.70	NA
	6	Total Liabilities	5,094.59	NA
	7	Net Worth	4,980.11	NA
	8	Any other financial item(s) (as felt appropriate by the management)	-	NA

II. Audit Qualification (each audit qualification separately):

a Details of Audit Qualification:

The Company's internal financial controls over employee database maintenance and payroll processing were not operating effectively which could potentially result in the Company incorrectly recognising employee costs.

b Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion

c Frequency of qualification: Whether appeared first time / repetitive / since how long continuing

d For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

The Auditors' qualification is in relation to internal control over employee data base maintenance and pay-roll processing. Hence, quantification of the same cannot be possible

e For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

The said qualification is specifically related to internal controls and financial reporting over employee data base maintenance and pay-roll processing. The management is of the view that corrective measures with regard remediation of above controls has been initiated from first quarter of the financial year 2018-19 and assurance is given to get the same corrected in due course.

(ii) If management is unable to estimate the impact, reasons for the same:

Refer comments mentioned above



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 Tel.: +91 (22) 2492 6570 • Fax : +91 (22) 2492 6549 • CIN No.: L28920MH199IPLCO62542.

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(iii) Auditors' Comments on (i) or (ii) above:

Pursuant to the requirement of Standards on Auditing SA 600, and the Guidance Note on Audit of Consolidated Financial Statements, we have reproduced the qualified opinion on the internal financial controls over financial reporting of Onward e Services Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated May 9, 2018 in the Consolidated Internal financial control over financial report for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Neeraj Sharma

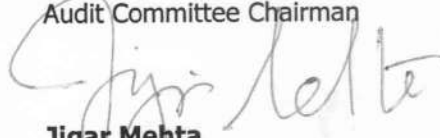
Partner

Membership No.: 108391

For Onward Technologies Limited


MVSS Narayanacharyulu
Chief Financial Officer

Pranay Vakil
Audit Committee Chairman


Jigar Mehta
Managing Director

Place : Mumbai

Date : May 11, 2018