

Your trusted Outsourcing Partner

2020-
21 ANNUAL
REPORT

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Standalone

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Forward-looking statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



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

Corporate Information

Board of Directors

Harish Mehta

Founder & Executive Chairman

Jigar Mehta

Managing Director

Prachi Mehta

Director

Parish Meghani

Director

Rahul Rathi

Director

Subrata Kumar Mitra

Director

Jay Sonawala

Director

Statutory Auditors

Price Waterhouse Chartered Accountants LLP

Internal Auditors

Ahuja Valecha & Associates LLP

Secretarial Auditors

Nilesh A. Pradhan and Co., LLP

Registered Office

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

Corporate Identity Number

L28920MH1991PLC062542

Website

www.onwardgroup.com

Investor Relations

investors@onwardgroup.com
+91 22 2492 6570

Registrar and Transfer Agents

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

Bankers

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

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

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

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

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

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

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

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

Your trusted Outsourcing Partner



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

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

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

2,000+

Full-time Employees

200+

Global Customers

12

Offices & Operations across
4 Countries



30 years of delivering excellence

▶ 1991-2000

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

▶ 2001-2010

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

▶ 2011-2020

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

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

Key Strengths



DEEP EXPERTISE AND EXECUTION CAPABILITIES

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



FLEXIBLE BUSINESS AND ENGAGEMENT MODEL

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



MARQUEE CLIENTELE

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



SKILLED TEAM

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



ROBUST FINANCIALS AND BALANCE SHEET STRENGTH

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

Providing Technology Services competencies that drive positive business outcomes for clients

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



Engineering Research & Development (ER&D)

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



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

Mechanical Engineering

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

Embedded & Electronics

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

Digital Transformation

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



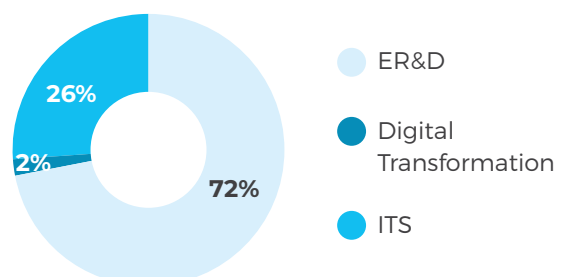
Solutions offered

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

IT Services (ITS)

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

FY 2020-21 Segmental Revenue (%)



Domain Expertise across Multiple Industries provides the Consulting Depth

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

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

Industry Groups we serve

Transportation & Mobility



Automotive

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

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

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



Rail Transportation

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

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

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

