

The Cover depicts the dynamic combination of the different elements of nature.

The combination is extremely transient and hence the only constant factor is "Change". It is amazing that elements of nature bring about intense and drastic changes and yet they still strike the balance, that's Life. No wonder then, that life is full of change. The world is witnessing phenomenal and all encompassing changes due to information technology. The elements of nature continue to balance the life.

We, at Onward, draw an inspiration from basic elements of nature. We learn the harmony, the strength and orchestration of super power of these elements.

The element of Water. That cosmic force that drives the organisation to keep on bettering itself, and growing. The force of Human Resource Development that constantly urges, challenges, motivates and inspires every person to do better than his best.

The element of Ether. Symbolic of the awesome power of infinity. Full of an ever increasing potential - vast and sublime. Translated into the power of technology. Infinite in its potential, ever expanding in its scope.

The element of Air. The essence of growth. Ever changing, ever giving. With no limits, no boundaries. Where the organisation adapts like the air, to the environment around it.

The element of Fire. The intense energy of creativity and innovation. A fire that burns within every person at Onward. That burning desire to excel, to take on new challenges and come out on top.

The element of Earth. Stable, solid, reliable. The solid Indian base expanding into the new global attitude.

For Onward Technologies Ltd., these five elements and their translating power provide the strategy for survival and growth. The individual strengths are combined and balanced in a seamless manner for achieving goals moving from present position to a new global reach.

BOARD OF DIRECTORS

Harish Mehta
(Chairman & Managing Director)

Shaila Mehta

Arun Meghani

Berjis Desai

Samir Desai
(Non-resident)

Cowsy Wadia
(Non-Resident)

Kanwal Rekhi
(Non-Resident)

A.J. V. Jayachander
(Nominee Director, U.T.I.)



Harish Mehta
(Managing Director)



Ajit Chaphalkar
(Chief Operations Officer)



Mr. Roydon Olsen
(Sr. Vice-President -
Onward Technologies Inc. USA)

AUDITORS

Kirtane & Pandit
Chartered Accountants

31, Islam Building
46, Veer Nariman Road, Fort
Mumbai - 400 023

MD		BKC	
CS		DPY	
RO		DIV	
TRA		AC	
AGM		SHI	
YE			

BANKERS

Bank of Baroda
Corporation Bank
Centurion Bank Ltd.
IDBI Bank Ltd.

REGISTERED OFFICE

Krislon House, 2nd Floor
Saki Vihar Road,
Saki Naka, Andheri (E),
Mumbai - 400 072.

**REGISTRARS AND
SHARE TRANSFER AGENTS**

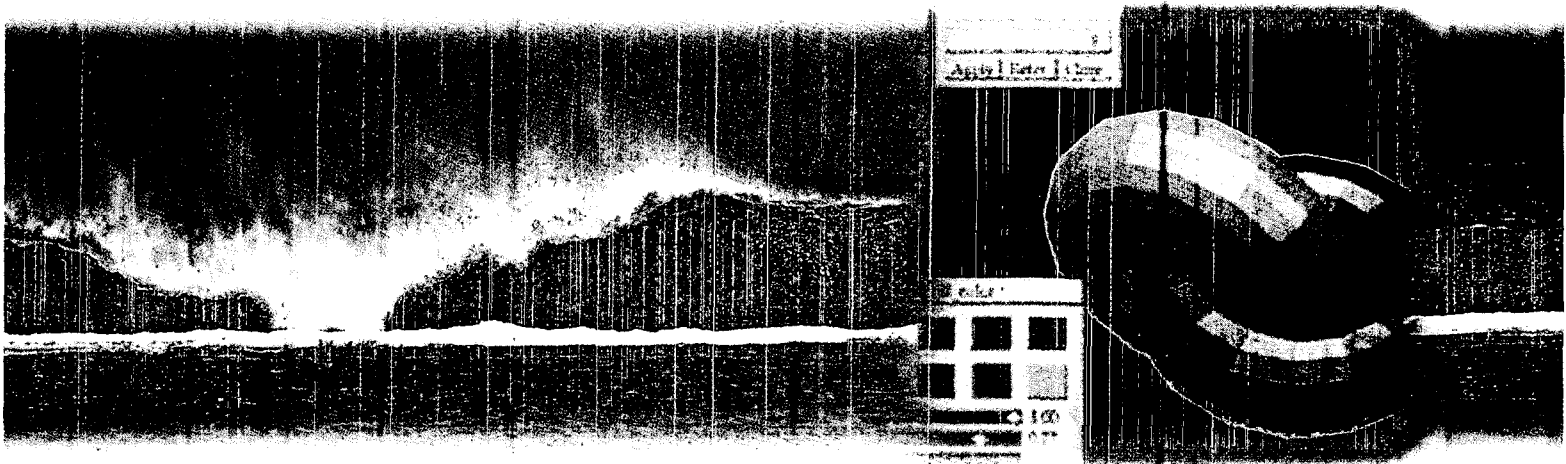
Intime Share Services Pvt. Ltd.
260-A, Shanti Industrial Estate,
Sarojini Naidu Road, Mulund (W),
Mumbai - 400 080.

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WATER

At *Onward Technologies Limited* we derive inspiration from water - that cosmic force that makes life on earth possible. The Human Resource Development cell at Onward performs this role of being the driving force that motivates and inspires the people at Onward. Another inspiration from Water is a passion of knowledge. Water is defined as life. We put life into the technologies to evolve solutions for customers problems.

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The Cosmic Force

Onward March Continues.....

Onward March has begun in 1991. In these years, we have travelled a long way reaching many milestones. By adhering steadfastly to our declared philosophy of providing platform independent total solutions, we have demonstrated a successful business model in every area of our activity. We developed expertise among our personnel to efficiently execute missions in Systems Integration, Software Services, Applications

Development, Network Integration, Value Added Distribution, Consultancy & Training to create meaningful and comprehensive IT solutions. ONWARD's commitment to transfer, in their entirety, all our multiple skillsets to our customers, reiterates our focus on total customer satisfaction.

The technological changes in the current decade are taking place at an accelerated pace which cannot be compared with any other decade in the past. Onward March has faced many challenges and every time we succeeded in maintaining the sharpness and cutting

edge through multiple skills. From here, Onward is now marching towards building a high performance global organization. We will keep evolving strategies at the corporate level and business levels. Onward will continue to march taking along with it new technologies, customer expectations and new market opportunities. We will continue to invest in skills and build value organization and learn new ways to excel. Onward is developing, learning organization and staying away from less relevant methodologies.

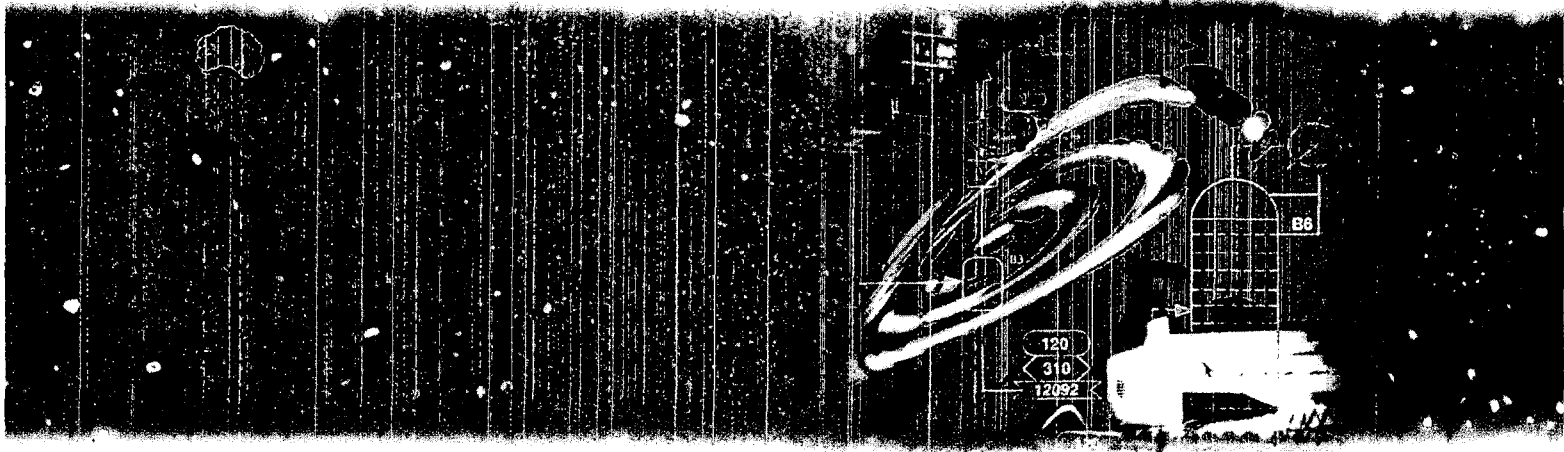
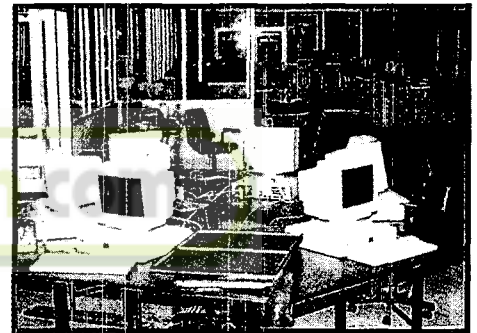
We will adapt ourselves to changing paradigm for organizational success. The journey involves moving from national to transnational, from size to speed, from inertia to flexibility, from specialization to integration and from control to innovation. We are encouraging an idea generation culture. The key to success has been and continues to be creativity, innovation, and adaptability being translated into successful business propositions. We are surrounded by innovators, pioneers, explorers, gifted entrepreneurs, visionaries, adapters and pragmatists. Some of them could be investors, partners and other collaborators, the rest of them would most surely be customer.



ETHER

Infinity is endless. Endless in scope, in power. Technology harnessed has this same power. Onward has always focussed on building up this power of technology – harnessing it and bringing its infinite power to customers. The scope for automation through technologies is endless. We draw inspiration from Ether to consider endless possibilities to evolve a solution for customers.

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Infinity

Business Activities

Onward has grown from strength to strength, and today, we have carved a niche for ourselves by becoming a provider of customised solutions. We are focussed in the area of Engineering, Banking and Novell Centric Networking Applications. Our expertise in the CAD, CAM, CAE/CACHE technologies is unmatched. We possess a wealth of expertise when it comes to offering manufacturing engineering or process



engineering solutions and services. In the area of Banking automation solution, we are way ahead. Our efforts in Research & Development have created Software products, which are widely used by many prestigious banks in India. The products such as Onconnect, Onsign, Modbanker, Bankman & Bankware etc. are serving leading Nationalised banks, Scheduled banks and Co-operative banks. Our customers in banking industry get all their solutions from a single point. Above all, they receive support services year after year in the networking solutions arena. We have alliance

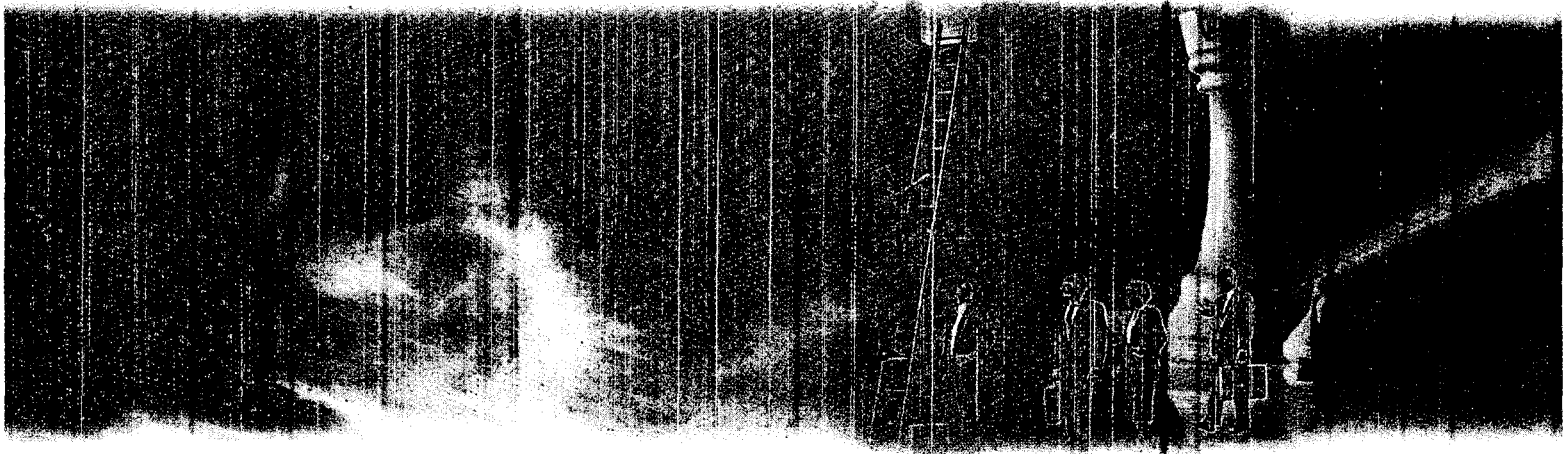
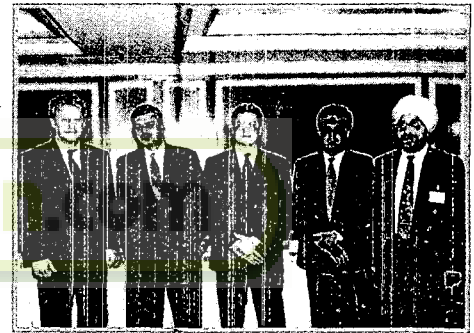
with a global player Novell Inc. Onward continues to leverage this strategic tie-up with Novell's business partners all over the world. Our expertise in Novell Centric Networking Technology opens the doors for significant opportunities all across. On the software development services front, Onward is offering state of the art technology services in the Internet era. Our services include expertise in the areas of Java based technology, Object oriented programming, Oracle based RDBMS and Intranet solutions. Onward has successfully completed prestigious project for European customer. This project was implemented with Onsite as well as Offshore method. Thus the export business has commenced with completion of prestigious and important projects in Europe as well as in USA.

The US subsidiary of Onward is already operational. The presence of Onward Technologies, Inc., has created several business opportunities in the Silicon Valley, Utah Valley and East Coast of USA. The efforts have already begun to set up a subsidiary in Europe.

AIR

Air expands to fill in volume. Onward is inspired by this attribute of air, and has always maintained its growth levels to fill in the opportunities around. We draw inspiration from Air which is never ending, ever changing and ever giving. Our growth trajectory is an impressive curve because of trustworthy relations to offer technological solutions for our customers.

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Growth

Letter of the Directors to the Shareholders

To
The Members,

Your Directors have pleasure in presenting the Sixth Annual Report and the Audited Statement of Accounts of the Company for the year ended 30th June, 1997

1. FINANCIAL RESULTS :

	For the year Ended 30.6.97 (15 months Period) (Rs. In lacs)	For the year Ended 31.3.96 (Rs. In lacs)
Sales and other Income (Net)	5189.74	3396.96
Profit before Interest and Depreciation	510.80	453.01
Interest	166.30	78.53
Depreciation	132.57	65.87
Profit before Tax	211.93	308.61
Provision for Taxation	—	27.00
Profit after Tax	211.93	281.61
Balance B/f from previous year	290.94	157.91
Less : Expenses relating to earlier years	11.61	12.12
Balance available for appropriation	491.26	427.40
Dividend (Proposed) and tax thereon	52.83	86.46
Transfer to General Reserves	50.00	50.00
Balance carried forward	388.43	290.94



The Company's revenue (on an annualised basis) during 1996-97 which was a 15 months period, has increased by 20% over the previous year. The operating Profit before interest and depreciation has however declined by 10% over the previous year (on annualised basis).

A comparative statement giving profitability projections as per the Prospectus issued by the Company and audited actuals for the year 1996-97, is given below:-

(Rs. in lacs)

Particulars	Projections 1996-97 (12 months)	Actual Performance 1996-97 (15 months)
Total Revenue	51.61	61.90
Operating Profit (EBITDA)	2.63	5.11
Cash Profit	3.91	3.45
Profit Before Tax	1.36	2.12
Profit After Tax	1.01	2.12

The current year has resulted in lower operating results due to sluggish domestic market and Software Export projects of the Company not being fully operational. However, now the infrastructure for exports is in place and the company is expected to do significantly better.

2. DIVIDEND

In view of need to conserve resources for further growth of the Company, the Directors recommend a dividend at the rate of 15 % to the shareholders for the year ended 30th June, 1997 which was a fifteen months period.

FIRE

The flames of creativity, of innovation. This fire burns within every person at Onward – creating innovative software solutions for customers across the world. The burning desire to create, to excel, to achieve. We draw inspiration from Fire which creates tremendous energy through a thermo dynamic equation. The energies never cease when it comes to implementing solution for customer which in turn adds to his excellence.



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