



23rd Annual Report 2013-2014



Your trusted
Engineering Partner

CORE VALUES



Trust



Integrity



Accountability



Confidentiality

Board of Directors

Mr. Harish Mehta	Chairman and Managing Director
Mrs. Shaila Mehta	Director (up to 20.2.2014)
Mr. Pradip Dubhashi	Director
Mr. Arun Meghani	Director
Mr. Pranay Vakil	Director
Mr. Nandkumar Pradhan	Director

Auditors

Kirtane & Pandit
Chartered Accountants
'Sangati', Bhakti Marg
Off. Law College Road
Pune – 411 004.

Registered Office

Sterling Centre, 2nd Floor
Dr. A. B. Road
Worli
Mumbai – 400 018.

Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Marg
Bhandup (West)
Mumbai – 400 078.

Corporate Website

www.onwardgroup.com

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NOTICE is hereby given that the Twenty Third Annual General Meeting of Onward Technologies Limited will be held on Friday, 1st August, 2014 at Victoria Memorial School for the Blind, 73, Tardeo Road, Mumbai 400 034 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, and Report of the Auditors and that of the Directors thereon.
2. To appoint a director in place of Mr. Arun Meghani (DIN 00153627), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if deemed fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. Kirtane & Pandit, Chartered Accountants, (Registration No. 105215W) Pune, be and are hereby reappointed as the Statutory Auditors of the Company, to hold the office for a period of 3 years from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company in the year 2017, subject to ratification by the members at every Annual General Meeting and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration.”

SPECIAL BUSINESS

4. To consider and if deemed fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Pradip Dubhashi (DIN 01445030), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of the 26th Annual General Meeting of the Company in the year 2017.”

“RESOLVED FURTHER THAT any one of the Directors of the Company or the Compliance Officer of the Company be and is hereby authorised to file such forms and documents and do such acts, deeds and things as may be necessary to give effect to the above resolutions.”

5. To consider and if deemed fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Pranay Vakil (DIN 00433379), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of the 26th Annual General Meeting of the Company in the year 2017.”

“RESOLVED FURTHER THAT any one of the Directors of the Company or the Compliance Officer of the Company be and is hereby authorised to file such forms and documents and do such acts, deeds and things as may be necessary to give effect to the above resolutions.”

6. To consider and if deemed fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Nandkumar Pradhan (DIN 01197795), Director of the Company whose period of office is liable to determination by retirement of directors

Notice (Contd.)

by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of the 26th Annual General Meeting of the Company in the year 2017.”

“RESOLVED FURTHER THAT any one of the Directors of the Company or the Compliance Officer of the Company be and is hereby authorised to file such forms and documents and do such acts, deeds and things as may be necessary to give effect to the above resolutions.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of all earlier resolutions to the effect and pursuant to provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include a Committee of the Board of Directors constituted for the purpose, if any) to borrow, from time to time, any sum or sums of monies, on such terms and conditions as the Board may deem fit, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed the aggregate, for the time being, of paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), provided that the total amount of monies so borrowed by the Board shall not at any time exceed the limit of ₹ 50 Crores (Rupees Fifty Crores Only).”

“RESOLVED FURTHER THAT any one of the Directors of the Company or the Compliance Officer of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in partial modification of the Special Resolution passed at the Annual General Meeting held on 15th July, 2011, consent of the Members of the Company be and is hereby accorded to pay a total remuneration not exceeding ₹ 8,400,000 to Mr. Harish Mehta, Managing Director of the Company (DIN 00153549), upto 31st March, 2016.”

“RESOLVED FURTHER THAT any one of the Directors of the Company or the Compliance Officer of the Company be and is hereby authorised to file such forms and documents and do such acts, deeds and things as may be necessary to give effect to the above resolutions.”

By the order of the Board of Directors

Place: Mumbai
Date: May 21, 2014

Harish Mehta
Chairman & Managing Director

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

Notice (Contd.)**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies to be effective, the instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed to this notice. The brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific fields, names of the Companies in which they hold Directorships and other details as required under Clause 49 of the Listing Agreement are also annexed to this Notice as required under the Listing Agreement.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 30th July, 2014 to 1st August, 2014 (both days inclusive).
6. Members are requested to address all correspondence pertaining to their securities mentioning either the Folio Number/Client ID and DP ID numbers as applicable including any change of address, if any, to the Registrars and Transfer Agents of the Company viz.:

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L. B. S. Marg, Bhandup, Mumbai-400078
7. Members/Proxies attending the Meeting are requested to bring their copies of Annual Report together with attendance slip at the Meeting.
8. Members seeking any information relating to Accounts are requested to write to the Company at least 10 days before the date of the Annual General Meeting to enable the Management to keep the required information ready at the Meeting.
9. The Ministry of Corporate Affairs, has come out with a circular dated 29th April 2011 which allows the companies to send documents including Annual Reports and other intimation by an email. Therefore you are requested to register your email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective Depository Participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise to the Company or Registrar and Transfer Agent.
10. A member shall be allowed to vote only by one method. Where a member has casted his vote by more than one method, the votes casted by evoting shall be considered. Where a member has not used evoting, the shares cast by assent/dissent form shall be considered.
11. The Annual Report 2013-14 of the Company circulated to the Members of the Company, will be made available on the website of the Company at www.onwardgroup.com
12. Members are requested to register their email IDs with the Company and encourage paper free Communications. The Company would sent its annual reports and other communications to the shareholders on their registered email IDs. The shareholders may register their email IDs with the Registrars and Share Transfer Agents – M/s Link Intime India Private Limited.

Notice (Contd.)

E-Voting Instructions

The instructions and process for voting electronically by the members are as under:

- A. i. If you have cast your vote earlier for EVSN of any Company, then your existing login ID and password are to be used. If Demat Account holder has forgotten the changed password then enter the user ID and click on forgot password and enter the details as prompted by the system.
- ii. Otherwise, Log on to e-voting website www.evotingindia.com.
- iii. Click on “Shareholders” tab to cast your votes.
- iv. Now, select the Electronic Voting Sequence Number [“EVSN”] along with “ONWARD TECHNOLOGIES LIMITED” from the drop down menu and click on “SUBMIT”.
- v. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
USER ID	FOR NSDL: 8 Character DP ID Followed by 8 character Client ID For CDSL: 16 digit beneficiary ID & enter the code	Folio number registered with the Company and enter code as displayed and click login.
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income tax Department when prompted by the system while e-voting [applicable for both, shareholders holding shares in demat mode and shareholders holding shares in physical mode]	
Any one of the following two:		
DOB	Enter the date of birth as recorded in your Demat Account or in the Company records for the said Demat Account or folio in dd/mm/yyyy	
OR		
Dividend Bank Details	Enter the Dividend Bank details as recorded in your Demat Account or in the Company records for the said Demat Account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number for physical shareholder and client ID for demat account shareholder in the PAN field.

In case the physical folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio no. 1 then enter RA00000001 in the PAN field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Members holding shares in physical form will then directly reach the EVSN selection screen. However, members holding shares in demat form will now reach “Password Creation” menu wherein they are requested to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case [A-Z], one lower case [a-z], one numeric value [0-9] and a special character [@ # \$ % & *]. Kindly note that this password is to be also used by the Demat Account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. Click on the relevant EVSN on which you choose to vote.

Notice (Contd.)

- ix. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired.
The option YES implies that you assent to the resolution and option NO implies you dissent to the resolution.
 - x. Click on the “Resolutions File Link” if you wish to view all the resolutions.
 - xi. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- B. Institutional shareholders [i.e. other than individuals, HUF, NRI, etc.] are requested to log on to <https://www.evotingindia.co.in> and register themselves as Corporate. After receiving the login details they have to link their account(s) which they wish to vote and then cast their vote. They should upload a scanned copy of the Board Resolution/Power of Attorney (POA) which they have issued in favour of the Custodian, in PDF format in the system for the scrutinizer to verify the same.
- C. The e-voting period commences on 24th July, 2014 [9:00 a.m.] and ends on 25th July, 2014 [5:00 p.m.]. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- E. Nilesh A. Pradhan and Co., Practicing Company Secretary [Membership No. FCS 5445; CP No. 3659] [Address: B-201, Pratik Industrial Estate, Mulund Goregaon Link Road, Next to Fortis Hospital, Nahur West, Mumbai] has been appointed as the scrutinizer to scrutinize the e-voting process.
- F. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions [“FAQs”] and e-voting manual available at www.evotingindia.co.in under help section.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.**ITEM 2**

As required under Clause 49 VI of the listing agreement, given below are the details of the director proposed for re-appointment of Mr. Arun Meghani (DIN: 00153627).

Mr. Arun Meghani is a business entrepreneur and an industrialist and holds a degree in Business Administration from USA.

Directorship in other Companies:

Onward eServices Limited

Onward Software Private Limited

ITEM 4, 5 and 6

Mr. Pradip Dubhashi, Mr. Pranay Vakil and Mr. Nandkumar Pradhan are Independent Directors of the Company and have held the positions of Independent Directors of the Company. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company. It is proposed to appoint Mr. Pradip Dubhashi, Mr. Pranay Vakil and Mr. Nandkumar Pradhan as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 3 (three) consecutive years for a term up to the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2017.

Notice (Contd.)

The aforesaid Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from members proposing the candidatures of Mr. Pradip Dubhashi, Mr. Pranay Vakil and Mr. Nandkumar Pradhan for the office of Directors of the Company.

The Company has also received declaration from Mr. Pradip Dubhashi, Mr. Pranay Vakil and Mr. Nandkumar Pradhan that they satisfy the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, the said Directors fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Their brief bio data and description of their profile is as follows:

Mr. Pradip Dubhashi: He is a practicing Management Consultant since the year '91. His competence lies in the areas of Strategy, Business Planning and Diagnostics, Valuations, raising of long term capital and finance. Before starting his consulting practice, he worked in the Mahindra Group for 15 years and held senior positions including as Corporate Planning Manager of the flagship Company and as Chief Executive of a group Company in engineering plastics business. He also had an earlier short stint with SICOM, a premier development bank of 70s. In his consulting practice, he has worked with companies in multifarious businesses such as engineering, cement, automotive components, power electronics and defense electronics, specialty chemicals et al. He also works with and mentors technology start ups.

Mr. Dubhashi has a BE in Electrical Engineering from College of Engineering (CoEP) Pune and a PGDBM from XLRI School of Management, Jamshedpur. He has attended several short term and topical courses conducted by IIMA, NCST, IEEE, ASCI and others in the area of management and technology. He is on the boards of other listed and private companies and chairs important committees of some. He is also a founder member of the Pune International Centre.

He holds directorship in the following companies:

Directorships in other Companies

Onward eServices Ltd.
Prime Securities Ltd
Microline India Pvt. Ltd.
Roop Automotives Ltd.
Divgi Metalwares Pvt. Ltd.

Member of Audit Committee

Prime Securities Ltd.
Onward eServices Ltd.

Mr. Pranay Vakil: He has been involved in property business for over 25 years with basic education and training in Accountancy (CA) and Law (LLB). Presently, he is the Founder Chairman of Praron Consultancy (India) Pvt. Ltd., a consulting organization, involved in Real Estate.

Earlier, he was the founder Chairman of Knight Frank in India, having set up the joint venture in 1995 with Knight Frank UK, a leading international property consulting firm. He retired on September 30, 2012.

Earlier he worked as Executive Director of Raychem in India (California based Fortune 500 Company) and with various TATA Group companies including Tata Textiles, TCS and Tata Sons, for over 15 years. Also a short stint as Managing Director of GESCO Corporation Ltd., a Company formed on demerger of The Great Eastern Shipping Co. Ltd.

He is an Independent Director of one of the largest listed companies engaged in property development, Godrej Properties Ltd., a Company engaged in fertilizers and chemicals, Deepak Fertilizers & Petrochemicals Ltd., and associated with three Real Estate Funds.

Notice (Contd.)

Presently he is the Co-Chairman of Housing & Real Estate Committee for 2014-15 with Indian Merchants Chamber (IMC). Jury member for industry awards and on advisory panels connected with industry awards, rating and media. He is amongst the first few in India to be honored with Fellowship of Royal Institute of Chartered Surveyors (RICS), the highest professional Real Estate Body. He is also on RICS Advisory Board in India and on the World Governing Council of RICS.

He is a visiting faculty/speaker at seminars, schools/universities, both within and outside of India.

He is associated as a Trustee with organizations connected with setting up of old age homes (Dignity), a school for integrated education (Rites) and medical dispensaries (Prakash Charities).

He holds directorship in the following companies:

Godrej Properties Ltd.

Deepak Fertilisers and Petrochemicals Corp. Ltd.

Usha Breco Ltd.

Praron Consultancy (India) Private Limited

Mr. Nandkumar Pradhan: He has 34 yrs of industry experience of which 27 years has been in the Indian IT Industry, holding leadership position in leading global companies like Onward Novell, Patni Computers, Microsoft and Red Hat Inc. He has worked in Crompton Greaves and Tata Exports before joining the IT industry.

Mr. Nandkumar Pradhan is the founder of Onama offering business consultancy and mentoring to start ups and early stage companies. He is also the co-founder of Pocketside LLC USA developing software products for the mobility industry.

He is an Electrical Engineer from CoEP, Pune University and MBA from JBIMS, Bombay University. He has also completed Advance Leadership program from Babsons School of executive education USA.

Mr. Nandkumar Pradhan was the former President and Managing Director of Red Hat India Ltd (Global leader in Open Source) since 2006 to Jan 2011. He was responsible for the business in the Indian Subcontinent and managing the Global Development and Services Center in India. He restructured and grew the India development center, which is one of the four global centers of Red Hat, making major contribution to the Linux operating system.

Mr. Pradhan was instrumental in starting open source business units in leading Global SI's like TCS, Wipro, IBM and HP. He has worked very closely with the Open source developer community making India a leading global contributor to the Linux Operating system.

As the Vice President APAC at Patni from Feb 2004 to Oct 2005 he managed the IT services and outsourced product development (OPD) business in Australia, Korea and ASEAN.

Prior to Patni he was one of the key members involved in the formation of the Onward Group and Onward Novell India, the joint venture between Novell Inc USA and Onward Technologies. Mr. Nandkumar Pradhan was the Executive Director for Onward Novell India for 12 years from 1991 to 2003. He has successfully managed the business in India making India one of the fastest growing region for Novell Inc. He was also instrumental in setting up the India development center for Novell Inc.

As General Manager of Hinditron Computers (Rated amongst the Top 5 IT companies by Dataquest) from 1985 to 1991, Mr. Pradhan led the Company's hardware and software business in India.

He has closely worked with the Indian Government and Industry associations like NASSCOM, CII on various policy issues.

He is Charter member of TiE.

He holds directorship in the following Company:

Onward eServices Ltd.

Green Tee Technologies Private Limited.