

## Corporate information

### Board of Directors

Shri Nrupender Rao (Chairman)  
 Shri Sridhar Chelikani  
 Shri Clive Menhinick  
 Shri R S Sampath  
 Wg. Cdr. (Retd.) A B Bhushan  
 Shri Murty Gudipati (Executive Director)

### Company Secretary

Ms. Ansu Elezabeth Thomas

### Auditors

Rambabu & Co.,  
 Chartered Accountants  
 31, Pancom Chambers,  
 6-3-1090/1/A, Rajbhavan Road,  
 Somajiguda, Hyderabad - 500 082

### Bankers

IndusInd Bank Limited  
 Andhra Bank

### Registered Office

No.302, My Home Sarovar Plaza,  
 5-9-22, Secretariat Road,  
 Hyderabad - 500 063.

### U.S. Subsidiary

Saven Technologies Inc.,  
 1051 Perimeter Drive,  
 Suite 1175, Schaumburg,  
 IL 60173, USA

### Registrar and Share Transfer Agents

XL Softech Systems Ltd.  
 # 3, Sagar Society, Road No.2,  
 Banjara Hills, Hyderabad - 500 034.

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Eighteenth Annual General Meeting of Saven Technologies Limited will be held on Monday, the 26th day of September, 2011, at 11.00 A.M at the Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended March 31, 2011 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon;
2. To appoint a Director in place of Mr. Sridhar Chelikani, who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Mr. R S Sampath, who retires by rotation and being eligible, offers himself for re-appointment;
4. To re-appoint Rambabu & Co., a firm of Chartered Accountants, as Statutory Auditors of the Company for the period commencing from the conclusion of this meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors plus out-of-pocket expenses;

**SPECIAL BUSINESS**

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution;

"Resolved that Mr. Nrupender Rao who was appointed as an Additional Director of the Company on December 22, 2010 and who, in terms of section 260 of the Companies Act, 1956 read with Articles 107 and 108 of the Articles of Association of the Company, holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 257 of the Companies Act 1956 proposing his candidature for the office of the Director, along with a deposit

of Rs 500/-, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution;

"RESOLVED that pursuant to the provisions of section 163 and other applicable provisions, if any, of the Companies Act, 1956, the Register of members and index of members, in respect of Shares/Securities issued by the Company, be kept at the office of the Registrar and Share Transfer Agents."

By Order of the Board  
for Saven Technologies Limited

Place : Hyderabad                      Ansu Elezabeth Thomas  
Date : August 11, 2011                      Company Secretary  
Notes

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll, instead of him-self and the proxy need not be a Member. The proxy form is enclosed which should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting.
2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2011 to September 24, 2011, both days inclusive.
4. Members / Proxies are requested to bring to the meeting their copies of the Annual Report and the Attendance Slip duly filled in for attending the meeting.
5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
6. Members desirous of obtaining any information concerning the Accounts and Operations of the

Company are requested to send their queries to the Company at least seven days before the date of the meeting so that the information required by them may be made available at the meeting.

7. Shareholders are requested to intimate immediately any change in the address registered with the Company. Members holding shares in dematerialized form are requested to notify any change in address to their respective Depository Participants (DPs).
8. Trading in the equity shares of the Company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the Company's equity shares is INE 856B 01015.
9. In compliance of the SEBI circular no.MRD/DOP/ Cir-05/2009 dated May 20, 2009, the shareholders/transferees (including joint holders) holding shares in physical form are requested to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
10. Members are requested to send all communications relating to shares to the Company's Share Transfer Agents (Physical and Depository) at the following address:

XL Softech Systems Limited  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad - 500 034.
11. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued Circular on April 21, 2011 stating that the service of documents can be made through electronic mode. In view of the circular issued by MCA, the Company proposes to henceforth deliver documents like the Notice calling the Annual General Meeting/Audited Annual Accounts/Report of the Auditors/Report of the Directors etc, in electronic form to email address provided by the shareholders and made available to us by the Depositories.
12. Shareholders are requested to furnish their e-mail addresses to enable the Company to forward all the requisite information in electronic mode. In case of shareholders holding shares in demat form, the email addresses of the shareholders registered with the DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.

#### **EXPLANATORY STATEMENT (pursuant to Section 173(2) of the Companies Act, 1956)**

Item No. 5

Mr. Nrupender Rao was appointed as the Additional Director in the Board meeting held on December 22, 2010 and holds office till the commencement of the ensuing Annual General meeting. The Company has received a Notice under section 257 of the Companies Act, 1956 proposing his candidature as a Director along with the requisite deposit.

Mr. Nrupender Rao has B. Tech from IIT Kharagpur and M. S. Operations Research & Industrial Engineering, Purdue University, USA, 1966-67. He has thirty eight years of experience in various disciplines in organizations like National Cash Register, USA, Union Carbide India, Nagarjuna Steels Limited and PIL. He earlier co-promoted ITW Signode (then Nagarjuna Signode) in 1980 along with Nagarjuna Steels Limited and Signode Corporation of USA. Mr. Rao is a past National President of the Indo American Chamber of Commerce and a past president of the Hyderabad Management Association. He received the Dr. Nayudamma gold medal for his contribution to Industrial Development in the state of Andhra Pradesh and "Entrepreneur of the year" Award by the Hyderabad Management Association. He is also the Managing Trustee of Sri. Ramakrishna Vivekananda Service Foundation and Sri J.V. Narsing Rao Memorial Foundation, both of which are involved in social service and education.

No Director of the Company other than Mr. Nrupender Rao is concerned or interested in the Resolution.

Item No. 6

As per Section 163(1) of the Companies Act, 1956 certain Registers and Documents which are normally required to be kept at the Registered Office of the

Company could be kept at a place other than the Registered Office of the Company, provided such other place has been approved by the Members by way of a Special Resolution.

With a view to enabling the Registrars and Share Transfer Agents to carry out their duties expeditiously

it is considered desirable to keep the Register of members and index of members, in respect of Shares/ Securities issued by the Company, at the office of the Registrars and Share Transfer Agents appointed by the Board of Directors from time to time.

**ADDITIONAL INFORMATION ON DIRECTORS' SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING (Pursuant to Clause 49 VI(A) of Listing Agreement with Stock Exchange)**

Particulars	Mr. Nrupender Rao	Mr. Sridhar Chelikani	Mr. R S Sampath
Date of birth	June 23, 1945	August 17, 1970	February 24, 1946
Date of appointment	December 22, 2010	April 11, 1999	February 02, 2007
Qualification	B. Tech IIT Kharagpur, M. S. Operations Research & Industrial Engineering, Purdue University, USA,	B.Tech (Mechanical Engineering), M.S (Mechanical Engineering), M.B.A	FCA, B.com
Expertise	Expertise in various fields of management	Vast experience in information technology industry	Rich and diverse experience in Finance, Accounts, Administration and General Management
List of Companies in which outside directorship held on August 11, 2011	Pennar Industries Limited Pennar Engineered Building Systems Limited Pennar Chemical Limited Pennar Logistics Limited Pennar Building Systems Private Limited Pennar Aluminium Company Limited Pennar Management Services Limited Thapati Trading Pvt Limited Palguna Consultants Pvt Limited	Saven Technologies Limited (UK)	Pennar Chemical Limited
Chairman / Member of the Committee of other Companies on which he is a director as on August 11, 2011	Pennar Aluminium Company Limited	Nil	Nil
No of Shares held by them in the Company as on August 11, 2011	Nil	12,77,128	3,170

By Order of the Board  
for Saven Technologies Limited

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
Company Secretary

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their 18th Annual Report on the operations of your Company for the year ended March 31, 2011.

**Financial Results**

The total revenue of the Company for the year ended March 31, 2011 was Rs. 36.58 Million compared to Rs. 25.74 Million for the previous year. Software development and services by the offshore development center of the Company recorded an increase of 43% from Rs. 24.46 Million to Rs. 34.90 Million despite a sluggish growth in the US economy. The net profit for the year was Rs. 3.87 Million as against Rs. 2.54 Million for the previous year.

The consolidated income of your Company and its subsidiary, Saven Technologies Inc., was Rs. 512.69 Million as compared to Rs. 504.10 Million for the previous year. The consolidated profit before tax was Rs. 4.90 Million as against a loss of Rs. 6.35 Million for the previous year. However, the net consolidated profit was Rs. 2.03 Million as against loss of Rs. 6.57 Million for the previous year. After adjustment of minority interest, the net consolidated profit was Rs. 2.75 Million as against loss of Rs. 3.20 Million for the previous year.

**Business Overview:**

Your Company is developing applications predominantly for the financial services sector and had gained experience in developing real time execution and trading systems for World Trade Exchanges. The Company is building market data portals for the financial institutions and brokerage firms in US and across the globe. The Company has started building Advanced Product Quality Planning tools for a leading US manufacturing company. Your Company has also commenced an additional business focus in the area of ERP Solutions and is in the final stage of signing Channel Partnership Agreements with enterprise solution software development vendors.

Your Company has plans to increase the number of consultants/developers and has already taken additional space for its expansion plans. Saven is reasonably optimistic of withstanding the adverse effect of the present economic uncertainty.

**Subsidiary Company:****Saven Technologies Incorporated - US**

Despite a sluggish growth of the US economy, the subsidiary [Saven US] could achieve a total income of USD 11.52 Million [Rs 510.16 Million] as against USD

10.53 Million [Rs. 500.00 Million] for the previous year, an increase of 9.5% in terms of dollar revenue. Despite the adverse effect of the global slowdown, Saven US was able to sustain its operation and could contain the cost of increase in the visa charges and higher salaries by increasing the billing rates. As a result, with a marginal increase in the revenue, Saven US could achieve a net operating income of USD 21 thousand [Rs 0.95 Million] as against operating loss of USD 236 thousand [Rs.11.15 Million] for the previous year.

With the consulting market improving, Saven US has plans to increase the number of consultants by 20%. Having established its presence in the US market, Saven US has already started signing as a direct vendor for new US clients and has added additional clients during the current financial year. With more opportunities emanating from the manufacturing sector, your subsidiary is optimistic of improved performance during the year.

**Joint Venture**

Penrillian Limited, a joint venture of your Company in UK, is in the business of software development for wireless information devices to provide high end technical solutions to leading mobile Companies. Your Joint Venture was able to sustain its operations despite unprecedented contraction in the global economic growth particularly in the European countries including UK. While the total revenue of the Joint Venture would be around GBP One Million for the year ended June 30, 2011, it is optimistic of improved performance during the current year.

**Consolidated Financial Statements**

In conformity with Clause 32 of the Listing Agreement with the Stock Exchange and as required by Accounting Standard 21 issued by The Institute of Chartered Accountants of India (ICAI), the Consolidated Financial Statements of your Company and its Subsidiary are published in the Annual Report in addition to their individual financial statements.

**Dividend**

In the absence of distributable profits, your Directors are not recommending any dividend for the year under review.

**Fixed Deposits**

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

**Management Discussion & Analysis and Corporate Governance**

The "Management Discussion and Analysis Report" highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this Directors' Report.

As per the requirements of the Listing Agreement with Stock Exchanges, a Report on Corporate Governance duly audited is annexed for information of the Members.

#### **Directors**

Mr. Nrupender Rao was appointed as an Additional Director and Chairman of the Board of Directors of the Company with effect from December 22, 2010 and would hold office upto the conclusion of the ensuing Annual General Meeting. It is proposed to appoint Mr. Nrupender Rao as a Director of the Company.

Mr. Simon Mathews has resigned as the Director of the Company with effect from April 26, 2011. The Board of Directors place on record their appreciation of the valuable services rendered by Mr. Simon Mathews during his tenure as Director and Chairman of the Board.

Pursuant to Article 125 of the Articles of Association of your Company, read with Section 256 of the Companies Act, 1956, Mr. Sridhar Chelikani and Mr. R S Sampath retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

For perusal of the shareholders, a brief resume of the Directors being appointed / re-appointed along with other necessary particulars are given in the Explanatory Statement to the Notice. The Board of Directors commend their appointment / re-appointment.

#### **Auditors**

The Auditors, Rambabu & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed.

#### **Directors' Responsibility Statement**

In terms of Section 217(2AA) of the Companies Act 1956, your Directors would like to state that:

In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended

March 31, 2011 and the profit of the Company for that financial year;

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

The Directors have prepared the Annual Accounts on a going concern basis;

#### **Disclosure as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988**

In terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 your Directors furnish the required details below:

#### **Conservation of Energy:**

The nature of the Company's operations requires a very low level of energy consumption.

#### **Research and Development (R&D):**

The Company continues to look at opportunities in the areas of research and development in its present range of activities.

#### **Technology Absorption:**

The Company has not imported any technology during the year.

#### **Foreign Exchange Earnings and Outgo:**

During the year under review, your Company earned Foreign Exchange aggregating to Rs. 33.36 Million. The Foreign Exchange outgo during the year was Rs. 0.37 Million.

#### **Particulars of Employees**

During the year under review, none of the employees of the Company have drawn remuneration as specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

#### **Acknowledgments**

Your Directors thank the investors, bankers, clients and vendors for their continued support. Your Directors place on record their appreciation of the valuable contribution made by the employees at all levels.

For and on behalf of the Board

Place : Hyderabad

Nrupender Rao

Date : August 11, 2011

Chairman

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (forming part of Directors' Report)****a. Industry Structure and Developments**

The global economy, post the unprecedented economic down turn in 2008-09 has shown signs of steady recovery. Based on the increased demand from the corporate sector and return of discretionary spending, there was a surge in IT spending across markets. IT services spend is expected to increase from USD 566 Billion in 2009 to USD 684 Billion by 2014 at a CAGR of 3.9%. IT services offshored are expected to grow from USD 31.1 Billion in 2009 to USD 42.8 Billion in 2014 at a CAGR of 6.6%.

The unprecedented downgrade of the US credit rating on August, 2011, has triggered concerns about the fall out on the USD 60 Billion Indian IT Industry, which garners over 60% of revenues from the North America's biggest market. According to Nasscom "although the global economic environment is a cause for concern, it is not likely to impact the Indian IT industry in the mid-term future"; however Nasscom maintained a cautious outlook for going forward.

**b. Opportunities, Threats, Risks and Concerns**

IT services segment was the fastest growing segment, growing by 22.7 percent over Financial Year 2010 and aggregating export revenues of USD 33.5 Billion, accounting for 57 percent of total exports. Indian IT service offerings have evolved from application development and maintenance to emerge as full service players providing testing services, infrastructure services, consulting and system integration. Companies are increasingly turning to offshore technology service providers in order to meet their need for high-quality, cost-competitive technology solutions. Financial markets witnessed improved growth through the year, as equity prices rose and credit spreads lightened in major advanced economies.

While new business from customers seeking to outsource non-core IT work will continue to grow, the growth is coming at a lower rate. With a view to restore profits amid rising oil prices and weak consumer demand, the Indian firms are asked to do more work with less billing rates for back office and software development.

The downgrade of the US rating has further fuelled uncertainty in an already weak global environment threatened by the possibility of defaults in Europe. Although it is unlikely for US to plunge into a double dip recession, the industry needs to wait and watch the situation.

However, your Company including the US subsidiary is closely monitoring the developments and will continue

to regularly monitor risk levels on various parameters and evolve strategies to mitigate the risk.

**c. Outlook**

Technology consulting market has considerably improved during the year under review. This trend is expected to continue and your subsidiary has already added additional clients during the current year. Although there is shortage of skilled manpower, Saven US has been able to recruit additional consultants and bill at attractive rates. Saven US has plans to increase the number of billable consultants by 20%. The Company has also commenced direct billing to customers and have been successful in increasing the billing rates.

Your Company is predominantly developing applications for the financial sector and has started building market data portals for financial institutions and brokerage firms in US and across the globe. Besides financial services sector, your Company is also engaged in building tools for a leading manufacturing company for advanced Product Quality Planning. The Company has also commenced additional business in the area of ERP Solutions and is in the process of completing a couple of channel partnership agreements with enterprise solution software development vendors.

Your Company is of the opinion that the present turmoil with the US economy around sovereign debt will not affect the Company's projections.

**d. Internal Control Systems and their adequacy**

There are adequate internal control procedures and internal audit systems commensurate with the size of the Company and the nature of its business. The Management periodically reviews the internal control systems for further improvement.

**e. Discussion on financial performance with respect to operational performance**

The financial statements have been prepared under the historical cost convention, on the basis of a going concern.

**Financial condition****Sources of funds****1. Share Capital**

The Company has an authorized Share Capital of Rs.16 Crores comprising 1.6 Crore Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-up Capital as at March 31, 2011 was 10,878,748 Equity Shares of Rs.10/- each.

**2. Reserves and Surplus****A. Share Premium**

There has not been any change in the Share Premium amount during the year and the same stands at Rs.18.95 Million.

**B. Capital Reserve**

There has not been any change in the Capital Reserve and the same stands at Rs.4.68 Million.

**3. Fixed Assets**

The Company incurred a capital expenditure of Rs.2.49 Million (Rs.1.96 Million in the previous year) comprising additions to computer equipment and software of Rs.1.79 Million, furniture & fixtures, air conditioners of Rs.0.70 Million. The entire capital expenditure was funded out of internal accruals.

**4. Investments**

The Company had, during the previous years, made strategic investments aggregating to Rs.19.48 Million in its Subsidiaries / Joint Venture.

**5. Sundry Debtors**

Sundry debtors amounted to Rs.28.01 Million as at March 31, 2011, compared to Rs.25.59 Million as at March 31, 2010. These debts are considered good and realizable.

**6. Cash and Bank Balances**

Cash and bank balances have increased from Rs.11.60 Million to Rs.12.90 Million, an increase of Rs.1.30 Million. The surplus amount of Rs.12.68 Million is kept in Fixed Deposits in Scheduled banks. During the year the Company has earned an interest income of Rs.0.75 Million from these deposits.

**7. Loans and advances**

Loans and advances have decreased from Rs.4.61 Million to Rs.4.01 Million.

**8. Net Current Assets**

The net current assets of the Company have increased to Rs.43.38 Million as on March 31, 2011 from Rs.39.71 Million the previous year. The current ratio as on March 31, 2011 was 29 : 1.

**9. Results of Operations**

The total revenue for the year ended March 31, 2011 was Rs.36.58 Million as compared to Rs.25.74 Million

for the previous year. The Operating Profit for the year under review, before depreciation, was Rs.6.16 Million, as compared to Rs.4.59 Million for the previous year. After considering depreciation of Rs.2.29 Million the Net Profit was Rs.3.87 Million, as compared to Rs.2.54 Million for the previous year.

The Offshore Development & Services income for the year ended March 31, 2011 was Rs.34.90 Million as compared to Rs.24.46 Million for the previous year.

The other income includes Fixed deposit interest income for the year ended March 31, 2011 which was Rs.0.75 Million as compared to Rs.0.61 Million for the previous year.

**f. Material developments in Human Resources / Industrial Relations front, including number of people employed**

Being engaged in a people-oriented business, it has always been the Company's endeavor to create and encourage talent by providing a good working environment, need based training, career growth plans and a fairly competitive remuneration package.

Saven Employees Foundation Trust continues to hold 200,000 equity shares of Rs.10/- each, for grant of stock options to the Company's employees. The Company has introduced ESOP 2008 plan with the approval of the Shareholders at the Annual General Meeting held on September 22, 2008. Under this scheme, employees will be granted auction to acquire certain number of Equity Shares at a price of Rs.10/- per Equity Share, subject to adjustments by corporate actions. An ESOP Compensation Committee has been constituted for the administration and superintendence of the ESOP.

**FORWARD-LOOKING STATEMENTS**

Some of the statements contained in the above discussion are of a forward-looking nature and it will be appreciated that the Company cannot guarantee that these expectations will be realized. Actual results and outcome may, despite efforts on the part of the Company, differ materially from those discussed.

for and on behalf of the Board

Place : Hyderabad  
Date : August 11, 2011

Nrupender Rao  
Chairman



**COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 of Listing Agreement with Stock Exchange, your Directors present below a detailed Compliance Report on Corporate Governance.

**1. Company's Philosophy**

Your Company is committed to good Corporate Governance and the Company's philosophy is aimed at conducting business ethically and efficiently in a transparent manner and

establishing enduring relationship with all its stakeholders and optimize growth.

**2. Board of Directors***a. Composition*

The Company's Board comprises six Directors including an Independent Executive Director. The Company has as many as three Independent Non- Executive Directors and Non-Executive Chairman.

*b. Attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) and details of other Directorships, etc.*

Name of the Director	Category of Directorship	No. of Board meetings held during his Directorship	No. of meetings attended	Attendance at the last AGM (Yes / No)	No. of other Companies in which Director	No. of Committees (other than those constituted by the Company in which Member /Chairman)
Simon Mathews*	Independent, Non-executive Chairman	5	3	Yes	1	1
Nrupender Rao**	Additional, Director Non-executive Chairman	2	2	NA	9	1
Sridhar Chelikani	Promoter, Non-executive	5	2	No	1	Nil
R S Sampath	Independent, Non-executive	5	5	Yes	1	Nil
Clive Menhinick	Independent, Non-executive	5	Nil	No	4	Nil
A B Bhushan	Independent, Non-executive	4	4	No	1	Nil
Murty Gudipati	Executive Director	5	5	Yes	1	Nil

Note: Date of last Annual General Meeting (AGM) - September 15, 2010.

\*Mr Simon Mathews stepped down as Chairman with effect from December 22, 2010 and resigned as Director with effect from April 26, 2011.

\*\* Mr Nrupender Rao was appointed as Additional Director and Chairman with effect from December 22, 2010.

c. *Number of Board Meetings held during the financial year and the dates of the Board Meetings*

Five Board Meetings were held during the financial year 2010-11. The gap between any two Board Meetings did not exceed four months.

The dates on which the Meetings were held are as follows:

May 20, 2010, August 13, 2010, November 12, 2010, December 22, 2010, February 04, 2011.

d. *The Company's Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.*

**3. Audit Committee**

a. *Brief description of terms of reference*

The terms of reference of the Audit Committee are in conformity with the provisions of Sub-clause II of Clause 49 of the Listing Agreement entered with Bombay Stock Exchange Limited.

b. *Composition, Names of members and Chairperson*

The Company has a qualified and an independent Audit Committee consisting of Mr. R S Sampath (Chairman), Mr. Simon Mathews\*, Wg. Cdr. (Retd.) A B Bhushan and Mr. Nrupender Rao\*\*, all being

**4. Remuneration Committee**

a. *Brief description of terms of reference*

To formulate the remuneration policy and approve the remuneration or revision in the remuneration payable to Executive Directors / Whole-time Directors.

b. *Composition, Names of members and Chairperson*

The Company has a Remuneration Committee consisting of three members, all being Non-Executive, independent Directors.

The Committee consisted of:

1. Mr. Simon Mathews\* (Ceased to be the Chairman with effect from December 22, 2010 and as member with effect from April 26, 2011).
2. Wg. Cdr. (Retd.) A B Bhushan (Appointed as Chairman with effect from December 22, 2010).
3. Mr. Nrupender Rao\*\*
4. Mr. R S Sampath

The Chairman of the Remuneration Committee was present at the last Annual General Meeting.

c. *Remuneration to Directors*

Mr. Murty Gudipati was appointed as an Executive Director for a period of two years with effect from August 13, 2010 with the approval of the members at the Annual General Meeting held on September 15, 2010.

At present, all the Non-Executive Directors receive remuneration only by way of sitting fees for attending the meetings of the Board and Committee thereof.

The details of remuneration paid to all the Director's for 2010-11 is given below:

Non-Executive Directors and Mr. Murty Gudipati an Executive Director. Company Secretary is the Secretary of the Committee. The Assistant General Manager - Finance & Accounts is required to attend by invitation to the Meeting.

There were four meetings of the Audit Committee during 2010-11. The dates on which the said meetings were held are as follows.

May 20, 2010, August 13, 2010, November 12, 2010 and February 04, 2011.

The attendance of each Member of the Committee is given below:-

Sl. No.	Name of the Director	No. of Committee Meetings held during the directorship	No. of Meetings attended
1	R S Sampath	4	4
2	Simon Mathews*	4	2
3	A B Bhushan	3	3
4	Nrupender Rao**	1	1
5	Murty Gudipati	4	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

Name of the Director	Designation	Salary	Commission	Provident fund, Superannuation fund and other perquisites (Rs)	Sitting Fee	Total
Simon Mathews*	Independent, Non-Executive Chairman	-	-	-	9,000	9,000
Sridhar Chelikani	Promoter, Non-Executive	-	-	-	4,000	4,000
R S Sampath	Independent, Non-Executive	-	-	-	15,000	15,000
Clive Menhinick	Independent, Non-Executive	-	-	-	-	-
A B Bhushan	Independent, Non-Executive	-	-	-	12,000	12,000
Nrupender Rao**	Additional Director, Non-Executive Chairman	-	-	-	5,000	5,000
Murty Gudipati	Executive Director	790,323	-	1,407,958	-	2,198,281

d. Details of number of shares held by the Non- Executive/Independent Directors as on March 31, 2011

Name of the Director	Designation	No. of shares held
Simon Mathews*	Independent, Non-Executive Chairman	400
Sridhar Chelikani	Promoter, Non-Executive	1,277,128
R S Sampath	Independent, Non-Executive	3,170
Clive Menhinick	Independent, Non-Executive	-
A B Bhushan	Independent, Non-Executive	17
Nrupender Rao**	Additional Director, Non-Executive Chairman	-

##### 5. Shareholders' / Investors' Grievances Committee

The Company has an Investors' Grievances Committee to specifically look into the redressal of shareholders' / investors' complaints and to strengthen investor relations.

As there was no investor complaint, no formal meeting of the Investors' Grievances Committee was held during the year under review.

a. Name of Non-Executive Director heading the Committee

The Committee consisted of:

1. Mr. Simon Mathews\* (Ceased to be the Chairman with effect from December 22, 2010 and as member with effect from April 26, 2011).
2. Mr. Nrupender Rao\*\* (Appointed as Chairman with effect from December 22, 2010).
3. Mr. R S Sampath (Non-Executive, Independent Director).
4. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director).

b. Name and designation of Compliance Officer

Ms. Ansu Elezabeth Thomas, Company Secretary

c. Status of investor complaints received during the financial year

No complaints were received during the financial year under review.

**6. Share Allotment Committee**

As no allotment had to be made, no meeting of the Share Allotment Committee was held during the financial year.

The Committee consisted of:

1. Mr. Simon Mathews\* (Ceased to be the Chairman with effect from December 22, 2010 and as member with effect from April 26, 2011)
2. Mr. Nrupender Rao\*\* (Appointed as Chairman with effect from December 22, 2010)
3. Mr. R S Sampath (Non-Executive, Independent Director)
4. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director)

**7. Share Transfer Committee**

As no Share Transfer was received by the

Company during the financial year, no meeting of the Share Transfer Committee was held.

The Committee consisted of:

1. Mr. Simon Mathews\* (Ceased to be the Chairman with effect from December 22, 2010 and as member with effect from April 26, 2011)
  2. Mr. Nrupender Rao\*\* (Appointed as Chairman with effect from December 22, 2010)
  3. Mr. R S Sampath (Non-Executive, Independent Director)
  4. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director)
- a. Number of pending share transfers

There was no share transfer pending as at the end of the financial year.

**8. General Body Meetings**

a. *Details of the location and time of the last three Annual General Meetings (AGMs) of the Company*

The details in respect of the last three Annual General Meetings (AGMs) of the Company are as follows:

Date	Year	Type	Venue	Time
22.09.2008	2007-08	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	10:30 A.M.
24.09.2009	2008-09	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	04:00 P.M.
15.09.2010	2009-10	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	10:30 A.M.

b. Special resolutions

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. The following are the special resolutions passed at the previous General meetings held in the last three years:

AGM / EGM Held on	Whether special resolution passed	Summary of the resolution
22.09.2008	Yes	1. To consider the Company's ESOP Plan 2008 2. Authorisation to extend the ESOP Plan 2008 to Employees of the US Subsidiary
24.09.2009	Yes	To appoint Mr. Murty Gudipati as an Executive Director and approve the Remuneration payable to him.
15.09.2010	Yes	To appoint Mr. Murty Gudipati as an Executive Director and approve the Remuneration payable to him.

c. Information on Directors seeking appointment/re-appointment as required under Clause 49VI(A) of the Listing Agreement with Stock Exchange

This information is provided in the Notes appended to the Notice of the Annual General Meeting under the heading "Additional information on Directors seeking appointment/re-appointment at the ensuing Annual General Meeting".

d. Postal Ballot

No Postal Ballot had to be conducted during the year under review.

**9. Disclosures**

## a. CEO

Mr. Murty Gudipati, Executive Director and Mr. S Mohan Rao, AGM- Finance & Accounts, has given a Certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

## b. Related Party Transactions

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large.

Transactions with the Related Parties are disclosed in Note No.4 of Schedule 13 to the Accounts in the Annual Report.

## c. Compliance

A Statement of Compliance with all applicable Laws and Regulations as certified by the Executive Director and AGM - Finance & Accounts is placed at periodic intervals for review by the Board.

## d. Disclosure of Accounting Treatment:

The Company has followed the accounting standards notified under Companies (Accounting Standards) Rules, 2006 in the preparation of its financial statements.

## e. Code of Conduct

The Board of Directors has laid-down a "Code of Conduct" (Code) for all the Board Members and the Senior Management of the Company and this code is posted on the website of the Company. Annual declaration is obtained from every person covered by the code.

## f. Risk Management

The Board regularly discusses the significant business risks identified by the Management and the mitigation process being taken

## g. Details of non-compliance etc

During the last three years, there were no strictures or penalties imposed on the Company by Stock Exchange or Securities and Exchange Board of India or any statutory authority for non-compliance on any matter related to Capital markets.

## h. Whistle Blower Policy:

The Company has not established a whistle blower policy. We further affirm that during the year 2010-11 no personnel have been denied access to the Audit Committee.

## i. Proceeds from public issues, rights issues, preferential issues etc.,

During the financial year ended March 31, 2011, there were no proceeds from public issues, rights issues, preferential issues etc.

## j. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement.

**Compliance with Non-Mandatory requirements:**

We comply with the following non-mandatory requirements:-

## a. The Board -

Chairman of the Board

A Non-Executive Chairman should be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

For reasons of economy, a separate office has not been provided in the Company's premises. However suitable accommodation is provided whenever the Chairman visits the office.

We ensure that the persons who are being appointed as an independent director has the requisite qualifications and experience which would be of use to the Company and contribute effectively to the Company.

## b. Shareholder Rights

The half-yearly declaration of financial performance including summary of the significant events in last six months, should be sent to each household of shareholders.

As the Company's financial results are published in major Newspapers (including regional language newspaper) having wide circulation and the same are posted on the Company's web-site [www.saventech.co.in](http://www.saventech.co.in), it is not considered necessary at this stage to send the same to the shareholders. The Company's official press releases are also posted on the said web-site.

## c. Postal Ballot

No resolution requiring the approval of Members by means of Postal Ballot is proposed to be placed before the ensuing Annual General Meeting.

## d. Audit qualifications - During the period under review, there is no audit qualification in Company's financial statements. The Company continues to adopt best practices to ensure un-qualified financial statements.

- e. Training of Board Members - The Company is yet to evolve a plan to train the Board members.
- f. Mechanism for evaluating non-executive Board Members - Yet to evolve  
As regards other non-mandatory requirements, the Board has taken cognizance of the same and may consider adopting them as and when deemed appropriate.  
The Company has not yet adopted the "CORPORATE GOVERNANCE VOLUNTARY GUIDELINES, 2009". The Board will adopt the same as and when deemed appropriate.
- 10. Means of Communication**
- a. Quarterly Results of the Company are published in Financial Express and Andhra Prabha (Hyderabad Edition). The results are also posted on the Company's Website [www.saventech.co.in](http://www.saventech.co.in).
- b. Management Discussion & Analysis is annexed to the Directors' Report and forms part of the Annual Report.
- c. No Presentations were made to analysts during the financial year 2010-11.
- 11. General Shareholder Information**
- a. *Date, time and venue of Annual General Meeting*  
September 26, 2011 at 11.00 A.M at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004.
- b. *Dates of book closure*  
September 22, 2011 to September 24, 2011 (both days inclusive)
- c. *Dividend payment date*  
Not applicable
- d. *Listing on Stock Exchange*  
Bombay Stock Exchange Limited
- e. *Listing fee*  
Paid Annual Listing Fee to BSE for the year 2011-12.
- f. *Electronic connectivity*  
National Securities Depository Limited  
Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
- Central Depository Services (India) Ltd.  
Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 023.
- g. *Registered Office (Address for correspondence)*  
No.302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad - 500 063.  
Tel. Nos: +91-40-2323 3358, 2323 7303/04  
Fax No. +91-40-2323 7306  
email : [info@saventech.com](mailto:info@saventech.com)  
Website : [www.saventech.co.in](http://www.saventech.co.in)
- h. *Company's stock code on Stock Exchange:*  
Bombay Stock Exchange Ltd,  
532404 / 7TEC  
ISIN for (shares) of NSDL & CDSL  
INE 856B 01015
- i. *Communication regarding share transfers and other related correspondence*  
Registrar & Transfer Agent  
(Physical and Depository)  
XI Softech Systems Ltd.  
Plot No. 3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad - 500 034  
Tel.No. 040-2354 5913 Fax: 040-2355 3214  
E-mail : [xlfield@rediffmail.com](mailto:xlfield@rediffmail.com)
- j. *Share Transfer System*  
Shares lodged for physical transfer are processed and approved by the share transfer committee. For this purpose, the Committee meets as required. In compliance of the SEBI circular, the shareholders/ transferee (including joint holders) holding shares in physical form are requested to furnish a copy of their PAN Card to the Company/ RTA for register of transfer of shares.
- k. *Dematerialisation of Shares and Liquidity*  
85.62% of the shareholding has been dematerialized as on 31.03.2011.

## i. Distribution of Shareholding as on March 31, 2011

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	1,276	58.48	2,77,097	2.54
501-1000	426	19.52	3,51,007	3.23
1001-2000	196	8.98	3,19,188	2.93
2001-3000	72	3.30	1,83,687	1.69
3001-4000	38	1.74	1,42,201	1.31
4001-5000	42	1.93	2,01,389	1.85
5001-10000	49	2.25	3,77,243	3.47
10001 and above	83	3.80	90,26,936	82.98
<b>Total</b>	<b>2,182</b>	<b>100.00</b>	<b>10,878,748</b>	<b>100.00</b>

## m. Outstanding GDRs / ADRs / Warrants or any other convertible instruments' conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments so far.

## n. Plant locations : Not applicable

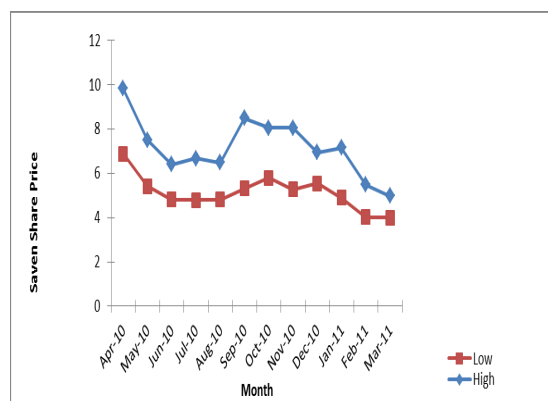
## o. Market Price Data

Monthly high and low quotations and volume of shares traded on Bombay Stock Exchange Limited, Mumbai, (BSE) for the financial year 2010-11:

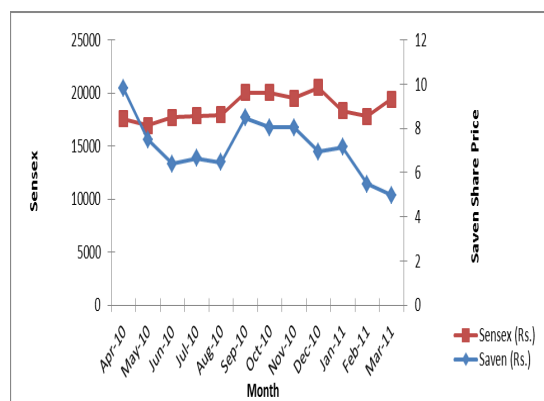
Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)
April '10	9.81	6.87	10,78,574
May	7.5	5.42	81,172
June	6.4	4.81	84,587
July	6.66	4.79	1,68,374
August	6.47	4.81	1,44,802
September	8.49	5.32	4,18,392
October	8.05	5.8	1,84,290
November	8.05	5.26	2,62,611
December	6.94	5.53	1,14,823
January '11	7.15	4.9	1,11,625
February	5.48	4.02	55,137
March	4.98	4	71,873
<b>Total</b>			<b>2,776,260</b>

(Source : www.bseindia.com)

Share price at BSE



Performance in comparison to broad based indices such as BSE Sensex:



Comparison is done between the Share price- High and Sensex index close price

p. Shareholding Pattern as on March 31, 2011

Category	No. of shareholders	% of shareholders	No. of shares held	Voting strength (%)
Resident individuals	2,071	94.91	36,01,345	33.10
Bodies corporate	89	4.08	13,71,698	12.61
NRI'S/OCBS/Foreign Nationals	16	0.73	10,94,036	10.06
Trust	1	0.05	200,000	1.84
Promoter and Promoter Group	5	0.23	4,611,669	42.39
<b>Total</b>	<b>2,182</b>	<b>100.00</b>	<b>10,878,748</b>	<b>100.00</b>

q. Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending June 30, 2011	By August 11, 2011
Financial reporting for the second quarter ending September 30, 2011	By November 15, 2011
Financial reporting for the third quarter ending December 31, 2011	By February 15, 2012
Financial results for the year ending March 31, 2012	By May 30, 2012
Annual General Meeting for the year ending March 31, 2012	August/September, 2012



- r. Investors' correspondence may be addressed to:*  
Ms. Ansu Elezabeth Thomas  
Company Secretary  
Saven Technologies Limited,  
No.302, My Home Sarovar Plaza,  
5-9-22, Secretariat Road,  
Hyderabad - 500 063.  
Tel : 040 - 2323 3358,  
040 - 2323 7303 / 04,  
Fax : 040 - 2323 7306  
Email: ansu@saventech.com
- s. Queries relating to the financial statements of the Company may be sent to:*  
Mr. S Mohan Rao  
AGM - Finance & Accounts  
Saven Technologies Limited,  
No.302, My Home Sarovar Plaza,  
5-9-22, Secretariat Road,  
Hyderabad - 500 063.  
Tel : 040-2323 3358, 2323 7303 / 04,  
Fax : 040-2323 7306
- Place : Hyderabad  
Date : August 11, 2011
- Nrupender Rao  
Chairman

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### **Declaration on Code of Conduct**

The Board of Directors of Saven Technologies Limited have on January 4, 2006 adopted the Code of Conduct for the Directors and also for the Senior Management Personnel of the Company, which have been posted on the website of the Company.

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance of the aforesaid Code of Conduct as on 31st March, 2011 and the confirmation to that effect have been given by each of them.

Place : Hyderabad  
Date : August 11, 2011

Murty Gudipati  
Executive Director

**AUDITORS' CERTIFICATE**

To

The Members

SAVEN TECHNOLOGIES LIMITED

HYDERABAD.

We have examined the compliance of provisions of Corporate Governance by SAVEN TECHNOLOGIES LIMITED for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges.

The compliance of provisions of Corporate Governance is the responsibility of the management. Our examination has been in the manner prescribed in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the provisions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, we certify that the Company has complied with the provisions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the shareholders / investor's grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for RAMBABU & Co.,  
Chartered Accountants  
Firm Reg. No: 002976S

RAVI RAMBABU  
Partner  
M.No.18541

Place : Hyderabad

Date : August 11, 2011

**AUDITORS' REPORT**

To  
The Members of  
SAVEN TECHNOLOGIES LIMITED,  
HYDERABAD

We have audited the attached Balance Sheet of SAVEN TECHNOLOGIES LIMITED, HYDERABAD, as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date which we signed in reference to this Report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 above, we report that :
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) In our opinion and based on written representations received from Directors, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
  - a) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
  - b) in so far as it relates to Profit and Loss Account, of the profit of the Company for the year ended on that date; and
  - c) in so far as it relates to Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For RAMBABU & CO.,  
Chartered Accountants  
Firm Reg. No: 002976S

Place: Hyderabad  
Date : August 11, 2011

RAVI RAMBABU  
Partner  
M.No. 18541

**Annexure to the Auditors' Report**

Annexure to the Auditors' Report:

Referred to as in paragraph 1 of our Report of even date.

1. In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including details and situation of Fixed Assets.
- (b) As explained to us, all the Fixed Assets have not been physically verified by the Management during the year but there is a program of verification in phased periodical manner at regular intervals, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) During the year, the Company has not disposed off substantial part of the assets. According to the information and explanations given to us, we are of the opinion that no transactions are affected involving disposal of assets so as to affect going concern status of the Company.

2. In respect of its Inventories:

As explained to us, the Company does not hold any inventories and, hence, the question of physical verification, procedures followed for verification and discrepancies thereof does not arise.

3. In respect of loans secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:

- (a) During the year, the Company has not taken / granted loans from / to parties covered in the Register maintained under Section 301 of the Companies Act 1956 and accordingly paragraph 4(iii)(b)(c) and (d) of the order does not arise.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its

business, for purchase of fixed assets, office equipment and for rendering of services. During the course of our audit, based on our audit procedures applied, we have not observed any continuing failure to correct major weaknesses in internal controls.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956:

- (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 with parties covered above, during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from public to which the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed there under apply.

7. In our opinion, the Company has an independent internal audit system commensurate with its size and the nature of its business.

8. We are informed and according to the information and explanations given to us, that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for the activities of the Company.

9. In respect of statutory dues:

- (a) According to the records of the Company and as per the information and explanations given to us, the Company is generally regular in depositing

- with appropriate authorities undisputed statutory dues including provident fund, Employees state insurance, Income tax, investor education and protection fund, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no disputed amounts payable in respect of Wealth tax, Income tax, Sales tax, Customs duty, Excise duty and Cess were outstanding, as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, Customs duty, Wealth tax, Excise duty and Cess, which have not been deposited on account of any dispute.
10. In our opinion, the Company has accumulated losses at the end of the year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. As per the records of the Company and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities and debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. In our opinion, during the year, the Company has not taken any fresh term loans.
17. In our opinion, according to the information and explanations given to us and on an overall examination of statements and records of the Company, that the funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
18. In our opinion and according to the information and explanations given to us, the Company has not issued debentures during the year.
19. In our opinion, the Company has not raised money by way of public issue for any specific purpose during the year.
20. In our opinion, the Company has not made any preferential allotment of shares/securities during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
21. In our opinion, the Company is not required to create / register / modify any security (Charge) as the Company is not holding / issued any debentures.
22. According to the information and explanations given to us and based on audit procedures performed, no fraud on or by the Company has been noticed during the year.

for Rambabu & Co.,  
Chartered Accountants  
Firm Reg. No: 002976S

Ravi Rambabu  
Partner  
M.No.18541

Place : Hyderabad  
Date : August 11, 2011

**BALANCE SHEET AS AT MARCH 31, 2011**

(Amount in Rs.)

Particulars	Schedule	As at March 31, 2011	As at March 31, 2010
<b>I. SOURCES OF FUNDS</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	<b>108,787,480</b>	108,787,480
(b) Reserves and Surplus	2	<b>23,633,280</b>	23,633,280
<b>TOTAL</b>		<b>132,420,760</b>	132,420,760
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
(a) Gross Block	3	<b>43,835,605</b>	41,348,910
(b) Less: Depreciation		<b>31,249,254</b>	28,958,624
(c) Net Block		<b>12,586,351</b>	12,390,286
<b>2. Investments</b>			
	4	<b>19,480,072</b>	19,480,072
<b>3. Current Assets, Loans &amp; Advances</b>			
(a) Sundry Debtors	5	<b>28,010,834</b>	25,589,877
(b) Cash and Bank balances	6	<b>12,905,604</b>	11,605,397
(c) Loans and Advances	7	<b>4,019,352</b>	4,611,675
		<b>44,935,790</b>	41,806,949
Less: Current Liabilities and Provisions	8	<b>1,549,710</b>	2,100,057
Net Current Assets		<b>43,386,080</b>	39,706,892
<b>4. Profit &amp; Loss Account</b>			
		<b>56,968,257</b>	60,843,510
<b>TOTAL</b>		<b>132,420,760</b>	132,420,760
Notes on Accounts	13		

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg. No: 002976S

for and on behalf of the Board

Murty Gudipati  
*Executive Director*

R S Sampath  
*Director*

Ravi Rambabu  
Partner  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

**Saven Technologies Limited**

**18<sup>th</sup> Annual Report**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

(Amount in Rs.)

Particulars	Schedule	For the year ended March 31, 2011	For the year ended March 31, 2010
<b>INCOME</b>			
Services - Overseas		<b>34,909,440</b>	24,456,154
Domestic		<b>866,068</b>	657,600
Other Income	9	<b>806,783</b>	623,694
<b>TOTAL</b>		<b>36,582,291</b>	25,737,448
<b>EXPENDITURE</b>			
Personnel Expenses	10	<b>20,975,321</b>	13,518,412
Operating and Administrative Expenses	11	<b>9,380,440</b>	7,566,738
Financial Expenses	12	<b>60,647</b>	58,656
Depreciation	3	<b>2,290,630</b>	1,980,890
<b>TOTAL</b>		<b>32,707,038</b>	23,124,696
Profit / (Loss) Before Taxation and Non-recurring items		<b>3,875,253</b>	2,612,752
Provision for Taxation		--	--
Profit / (Loss) After Taxation and Before Non-recurring items		<b>3,875,253</b>	2,612,752
Provision for Investments		--	67,622
Profit / (Loss) After Taxation and Non-recurring items		<b>3,875,253</b>	2,545,130
Profit and Loss Account brought forward		<b>(60,843,510)</b>	(63,388,640)
Balance carried to Balance Sheet		<b>(56,968,257)</b>	(60,843,510)
Earnings Per Share (Rs. per Equity Share of Rs. 10 each)			
Basic and Diluted		<b>0.36</b>	0.23
No. of shares used in computing Earnings per share			
Basic and Diluted		<b>10,878,748</b>	10,878,748
Notes on Accounts	13		

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg. No: 002976S

for and on behalf of the Board

Murty Gudipati  
*Executive Director*

R S Sampath  
*Director*

Ravi Rambabu  
Partner  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

**SCHEDULES TO THE BALANCE SHEET**

(Amount in Rs.)

Particulars	As at March 31, 2011	As at March 31, 2010
<b>1. SHARE CAPITAL</b>		
<b>Authorised</b>		
1,60,00,000 Equity Shares of Rs 10/- each	<u>160,000,000</u>	<u>160,000,000</u>
<b>Issued, Subscribed and Paid-up</b>		
1,08,78,748 (1,08,78,748) Equity Shares of Rs 10/- each	<b>108,787,480</b>	108,787,480
(Of the above 17,76,810 fully paid-up equity shares have been issued as bonus shares by capitalisation of the Profits)		
<b>TOTAL</b>	<b>108,787,480</b>	108,787,480
<b>2. RESERVES AND SURPLUS</b>		
Share Premium	<b>18,947,380</b>	18,947,380
Capital Reserve	<b>4,685,900</b>	4,685,900
<b>TOTAL</b>	<b>23,633,280</b>	23,633,280



**SCHEDULES TO THE BALANCE SHEET****3. FIXED ASSETS**

(Amount in Rs.)

Assets	Gross Block		Depreciation		Net Block	
	Cost as at 01.04.10	Cost Additions during the year	Up to 01.04.10 the year	Deletions during the year	As at 31.03.11	As at 31.03.10
Hardware	13,497,080	799,454	12,255,899	-	1,640,317	1,241,181
Software	3,718,672	989,566	3,264,084	-	1,217,793	454,588
Air Conditioners	2,663,810	55,650	2,040,004	-	489,950	623,806
Furniture and fixtures	13,944,636	505,025	8,033,400	-	5,525,419	5,911,236
Electrical Fittings	3,522,290	105,100	1,990,636	-	1,385,884	1,531,654
Vehicles	2,456,262	-	366,652	-	1,856,265	2,089,610
Other Assets	1,546,160	31,900	1,007,949	-	470,723	538,211
<b>Total</b>	<b>41,348,910</b>	<b>2,486,695</b>	<b>28,958,624</b>	<b>-</b>	<b>12,586,351</b>	<b>12,390,286</b>
Previous Year	39,389,078	1,959,832	26,977,734	-	12,390,286	12,411,344

**SCHEDULES TO THE BALANCE SHEET**

(Amount in Rs.)		
Particulars	As at March 31, 2011	As at March 31, 2010
<b>4. INVESTMENTS</b>		
Trade (Unquoted) - at cost		
Long-term		
Saven Technologies Inc.-USA (Subsidiary Company) 4,20,000 (4,20,000) Common Stock USD 1.00 each, fully paid-up, par value USD 1.00 each	<b>19,469,130</b>	19,469,130
Penrilian Limited, UK,  161 (161) ordinary shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each	<b>10,942</b>	10,942
<b>TOTAL</b>	<b>19,480,072</b>	19,480,072
<b>5. SUNDRY DEBTORS (Unsecured)</b>		
Debts outstanding for a period exceeding six months:		
Considered Good *	<b>7,055,210</b>	11,767,527
Considered Doubtful **	<b>17,403,493</b>	19,408,533
Other debts:		
Considered good ***	<b>20,955,624</b>	13,822,350
	<b>45,414,327</b>	44,998,410
Less: Provision for doubtful debts **	<b>17,403,493</b>	19,408,533
<b>TOTAL</b>	<b>28,010,834</b>	25,589,877
* due from subsidiary - Saven Technologies Inc., USA	<b>7,055,210</b>	11,767,527
** Includes due from subsidiary - Saven Technologies Inc., USA	<b>6,137,961</b>	6,137,961
*** Includes due from subsidiary - Saven Technologies Inc., USA	<b>20,916,412</b>	13,783,138

**SCHEDULES TO THE BALANCE SHEET**

(Amount in Rs.)

Particulars	As at March 31, 2011	As at March 31, 2010
<b>6. CASH AND BANK BALANCES</b>		
Cash on hand	21,540	15,246
Balances with Scheduled Banks in Current Accounts	201,624	3,360,016
Fixed Deposits in Scheduled Banks	12,682,440	8,230,135
<b>TOTAL</b>	<b>12,905,604</b>	11,605,397
<b>7. LOANS AND ADVANCES</b>		
(Unsecured, considered good Advances recoverable in cash or in kind or for value to be received)		
TDS Recoverable	341,157	669,535
ESOP Trust	2,005,000	2,005,000
Other Advances	145,000	495,452
Deposits	1,318,383	1,330,863
Interest Receivables	89,745	--
Service Tax Input Credit	120,067	110,825
<b>TOTAL</b>	<b>4,019,352</b>	4,611,675
<b>8. CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Other Liabilities	1,272,956	1,845,201
Liabilities for expenses	276,754	254,856
<b>TOTAL</b>	<b>1,549,710</b>	2,100,057

**SCHEDULES TO THE PROFIT AND LOSS ACCOUNT**

(Amount in Rs.)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
<b>9. Other Income:</b>		
Interest Income	800,303	613,553
Misc. Income	6,480	10,141
<b>TOTAL</b>	<b>806,783</b>	623,694
<b>10. PERSONNEL EXPENSES</b>		
Salaries	19,934,269	12,967,860
Contribution to Provident Fund & Other Funds	873,334	476,146
Staff Welfare Expenses	167,718	74,406
<b>TOTAL</b>	<b>20,975,321</b>	13,518,412
<b>11. OPERATING AND ADMINISTRATIVE EXPENSES</b>		
Managerial Remuneration	2,198,281	1,817,000
Rent	1,773,900	1,773,900
Travelling and Conveyance	988,264	623,419
Communication	545,481	516,766
Prof. and service charges	1,025,000	645,000
Electricity Charges	847,352	612,313
Office Expenses & Maintenance	1,247,338	864,674
Rates & Taxes	155,659	218,417
Other Miscellaneous Expenses	437,348	350,233
Advertisement & Promotion Expenses	71,817	55,016
Auditors Remuneration	90,000	90,000
<b>TOTAL</b>	<b>9,380,440</b>	7,566,738
<b>12. FINANCIAL EXPENSES</b>		
Interest on Other Loans	55,011	52,536
Bank Charges	5,636	6,120
<b>TOTAL</b>	<b>60,647</b>	58,656

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011

## SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

**I Significant Accounting Policies****1. Accounting Convention:**

The Accounts have been prepared under the historical cost convention, on the basis of a going concern, with revenue recognized and expenses accounted on their accrual, including provisions / adjustments for committed obligations and amounts, determined as payable or receivable during the year.

**2. Fixed Assets:**

Fixed assets are capitalized at acquisition cost inclusive of freight, installation cost and other incidental expenses incurred during the year.

**3. Depreciation:**

The Company provides depreciation on the basis of Straight Line Method as per Section 205(2)(b) of the Companies Act, 1956 at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

**4. Revenue Recognition:**

Revenues from software related services are accounted for on the basis of services rendered on Cost plus method, as per terms of contract.

Revenues from BPO services are based on the performance of specific criteria at contracted rates.

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income is recognized on time proportion basis.

**5. Investments:**

Investments are classified into current investments and long-term investments. Current investments are carried at the lower of cost or fair market value. Any reduction in carrying amount and any reversals of such reduction are charged or credited to the profit and loss account. Long-term investments are carried at cost less provision made to recognize any decline, other than temporary, in the value of such investments.

**6. Earnings per share:**

The earnings considered in ascertaining the

company's EPS comprises the net profit / loss after tax (And includes the post tax effect of any extraordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

**7. Employee Benefits:****(i) Provident Fund:**

Contributions in respect of Employees Provident Fund and Pension Fund are made to a fund administered and managed by the Government of India and are charged as incurred on accrual basis.

**(ii) Gratuity:**

The Company also provides for other employee benefits in the form of gratuity. The Company's Contributions to Gratuity scheme are determined by actuarial valuation and have been made to an approved Fund and the same is charged as expenditure to Profit & Loss account. The gratuity fund is managed by the Life Insurance Corporation of India (LIC).

**(iii) Leave Encashment:**

The Company provides for leave encashment based on actual calculations as at the Balance Sheet date.

**8. Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the Profit and Loss Account. The long term investments of the Company in the subsidiary in the USA and in the Joint venture in the UK, are recorded at the foreign exchange prevailing on the date of investments.

**II. Notes on accounts:****1. Taxes on Income:**

In the absence of convincing evidence regarding availability of sufficient taxable income in near future against which the deferred tax asset / liability can be adjusted, the company has not recognized the deferred tax asset / liability arising due to tax effect of timing difference at present.

**2. Foreign Currency Transactions:**

The long term monetary assets in foreign

currency holding, for more than one year are translated into reporting currency without considering the exchange fluctuation during the year.

**3. Auditors' Remuneration:**

	31.03.2011	31.03.2010
Statutory Audit Fee	70,000	70,000
Taxation and other statutory matters	20,000	20,000

**4. Related Party Transactions:****A. Related Parties and their Relationship****I. Associate or Joint Venture:**

- Saven Technologies Inc., USA, a Subsidiary of the Company.
- Penrillian Limited, a Joint Venture Company in the U.K.
- Pennar Industries Limited - Common Director.
- Pennar Engineered Building Systems Limited - Common Director.
- Pennar Chemical Limited - Common Director.

**II. Key Management Person:**

Mr. Murty Gudipati - Executive Director

**B. Summary of the Transactions with the above Related Parties are as follows:**

Nature of Transactions	Associates/ Joint Ventures Transactions for year ended		Key Management Person Transactions for year ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Revenue	35,864,713	24,456,154	--	--
Director - Remuneration	--	--	2,198,281	1,817,000
Balances (Revenues)	34,148,795	31,688,626	--	--
Investments	19,480,072	19,480,072	--	--
Provision for Doubtful Debts	6,137,961	6,137,961	--	--

**5. Quantitative details:**

The Company is engaged in the Development of Computer Software and IT Enabled Services (ITES). The sale and production of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under Paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

**6. Other Liabilities:**

Other Liabilities includes an amount of Rs.3.54 Lakhs relating to Hire Purchase of cars excluding Hire charges, and the said loan was secured by hypothecation of the said cars.

(Rs.in Lakhs)

Particulars	Total MLP's Outstanding as on 31-03-2011	Future Interest on Outstanding Lease Payments on 31-03-2011	Present Value of MLP's as on 31-03-2011
Not Later than One year	2.34	0.29	2.05
Later then One year and not later than Five years	1.55	0.06	1.49
Total	3.89	0.35	3.54

**7. Earnings per Share:**

	<b>31.03.2011</b>	31.03.2010
Net Profit / (Loss) for basic EPS (Rs.)	<b>3,875,253</b>	2,545,130
No. of shares used in computing EPS	<b>10,878,748</b>	10,878,748
Basic and Diluted EPS	<b>0.36</b>	0.23

**8. Segment-wise / Product-wise performance**

Business Segments of the Company are primarily Software Development Services in respect of offshore projects working in India and IT-Enabled Services. Geographical revenues are segregated based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognized.

**i. Business Segments****Year ended March 31, 2011**

(Amount in Rs.)

Particulars	Software Development & Services	IT-Enabled Services	Total
Revenues	<b>34,971,540</b>	<b>803,968</b>	<b>35,775,508</b>
Identifiable operating expenses	<b>20,495,321</b>	<b>480,000</b>	<b>20,975,321</b>
Allocated expenses	<b>9,152,076</b>	<b>234,000</b>	<b>9,386,076</b>
Segmental operating income / (loss)	<b>5,324,143</b>	<b>89,968</b>	<b>5,414,111</b>
Unallocable expenses			<b>2,290,630</b>
Operating income / (loss)			<b>3,123,481</b>
Extra-ordinary Items			--
Other income (expenses), net			<b>751,772</b>
Net profit / (loss) before taxes			<b>3,875,253</b>
Income taxes			--
Net profit / (loss) after taxes			<b>3,875,253</b>

**Saven Technologies Limited**
**18<sup>th</sup> Annual Report**

Year ended March 31, 2010			(Amount in Rs.)
Particulars	Software Development & Services	IT-Enabled Services	Total
Revenues	24,456,154	657,600	25,113,754
Identifiable operating expenses	13,158,412	360,000	13,518,412
Allocated expenses	7,332,858	240,000	7,572,858
Segmental operating income / (loss)	3,964,884	57,600	4,022,484
Unallocable expenses			1,980,890
Operating income / (loss)			2,041,594
Extra-ordinary Items			(67,622)
Other income (expenses), net			571,158
Net profit / (loss) before taxes			2,545,130
Income taxes			--
Net profit / (loss) after taxes			2,545,130

**ii. Geographic Segments**

**Year ended March 31, 2011** (Amount in Rs.)

Particulars	North America	India	Total
Revenues	<b>34,909,440</b>	<b>866,068</b>	<b>35,775,508</b>
Identifiable operating expenses	<b>20,445,321</b>	<b>530,000</b>	<b>20,975,321</b>
Allocated expenses	<b>9,152,076</b>	<b>234,000</b>	<b>9,386,076</b>
Segmental operating income / (loss)	<b>5,312,043</b>	<b>102,068</b>	<b>5,414,111</b>
Unallocable expenses			<b>2,290,630</b>
Operating income / (loss)			<b>3,123,481</b>
Other income (expenses), net			<b>751,772</b>
Net profit / (loss) before taxes			<b>3,875,253</b>
Income taxes			--
Net profit / (loss) after taxes			<b>3,875,253</b>

Year ended March 31, 2010 (Amount in Rs.)

Particulars	North America	India	Total
Revenues	24,456,154	657,600	25,113,754
Identifiable operating expenses	13,158,412	360,000	13,518,412
Allocated expenses	7,332,858	240,000	7,572,858
Segmental operating income / (loss)	3,964,884	57,600	4,022,484
Unallocable expenses			1,980,890
Operating income / (loss)			2,041,594
Extra-ordinary Items			(67,622)
Other income (expenses), net			571,158
Net profit / (loss) before taxes			2,545,130
Income taxes			--
Net profit / (loss) after taxes			2,545,130



## Saven Technologies Limited

## 18<sup>th</sup> Annual Report

<b>9. (i) Foreign exchange In flows (on receipt basis):</b>		(in Rs.)
	<b>31.03.2011</b>	31.03.2010
Income from Software Development Services and, Technology Consultancy Services	<b>33,369,450</b>	26,404,706
<b>(ii) Expenditure in foreign currency (on payment basis):</b>	<b>373,631</b>	Nil
<b>(iii) Net foreign currency (on receipt and payment basis):</b>		
Net foreign exchange	<b>32,995,819</b>	26,404,706

### 10. Dues to Micro, Small and Medium Enterprises:

The amount due to Micro, Small and Medium Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 " has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosures relating to Micro, Small and Medium Enterprises as on 31.03.2011 are as under -

S.No	Description	Year Ending on	
		31.03.2011	31.03.2010
1.	The principal amount remaining unpaid to suppliers as at the end of the year (included in item "a" Sundry Creditors Schedule 11)	--	--
2.	Interest due thereon remaining unpaid to the Supplier as at the end of the year	--	--
3.	The amount of interest paid in terms of Section 16 along with the payment made to the supplier beyond the appointed day during 2010-11	--	--
4.	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	--	--
5.	Interest accrued during the year and remaining Unpaid at the end of the accounting year (included in item "b" Other Liabilities Schedule 11)	--	--

### 11. Sundry Debtors:

Sundry Debtors include an amount of Rs.34,109,583/- due from Saven Technologies Inc., a subsidiary in USA, (out of which an amount of Rs. 61.38 Lakhs has been provided for provision for doubtful debts) which has been provided in full as provision for doubtful debts in the books of accounts.

During the year, an amount of Rs.40,93,000/- has been written off against the provision of the same amount, due from Saven Technologies (UK) Limited made during the earlier years, towards sundry debtors amounting to Rs.2,005,040/- advances amounting to Rs.1,411,742/- and investments amounting to Rs.6,76,218/- pursuant to the approval of Reserve Bank of India for dissolution of the wholly-owned subsidiary.

### 12. Reclassification:

The previous year's figures have been recast, regrouped, rearranged wherever necessary, to conform to the current year's classification.

Schedules 1 to 13 form part of the Balance Sheet and have been authenticated.

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg.No:002976S

Murty Gudipati  
*Executive Director*

for and on behalf of the Board  
R S Sampath  
*Director*

Ravi Rambabu  
Partner  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

(Amount in Rs.)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
<b>A Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax and after Non-recurring items	<b>3,875,253</b>	2,545,130
<b>Adjustments for</b>		
Depreciation	<b>2,290,630</b>	1,980,890
Miscellaneous Expenditure written-off	<b>Nil</b>	Nil
Provision for Investments	<b>Nil</b>	67,622
Profit / Loss on Sale of Fixed Assets	<b>Nil</b>	Nil
Interest Income	<b>(800,303)</b>	(613,553)
Interest Expense	<b>55,011</b>	52,536
<i>Operating Profit / (Loss) before working Capital Changes</i>	<b>5,420,591</b>	4,032,625
Increase / Decrease in Sundry Debtors	<b>(2,420,957)</b>	2,169,329
Increase / Decrease in Loans & Advances	<b>592,323</b>	2,146,721
Increase / Decrease in Current Liabilities & Other Provisions	<b>(550,347)</b>	(2,523,871)
Cash generated from operations	<b>3,041,610</b>	5,824,804
Income Taxes Paid	<b>Nil</b>	Nil
<b>Net Cash from Operating Activities</b>	<b>3,041,610</b>	5,824,804
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	<b>(2,486,695)</b>	(1,959,832)
Proceeds from sale of Fixed Assets	<b>Nil</b>	Nil
Miscellaneous Expenditure	<b>Nil</b>	Nil
Investments	<b>Nil</b>	Nil
Interest paid	<b>(55,011)</b>	(52,536)
Interest Received	<b>800,303</b>	613,553
<b>Net Cash used in Investing Activities</b>	<b>(1,741,403)</b>	(1,398,815)
<b>C. Cash flow from Financing Activities</b>		
Proceeds from Issuance of Share capital	<b>Nil</b>	Nil
Proceeds from Loans	<b>Nil</b>	Nil
Repayment of Loans	<b>Nil</b>	Nil
Interest paid	<b>Nil</b>	Nil
Dividends paid (including Dividend tax)	<b>Nil</b>	Nil
<b>Net Cash from Financing Activities</b>	<b>Nil</b>	Nil
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,300,207</b>	4,425,989
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	<b>11,605,397</b>	7,179,408
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>12,905,604</b>	11,605,397

As per our report of even date  
for Rambabu & Co.,Chartered Accountants  
Reg.No. 002976SRavi Rambabu  
Partner  
M.No. 18541  
Place : Hyderabad  
Date : August 11, 2011

for and on behalf of the Board

Murty Gudipati  
Executive DirectorR S Sampath  
DirectorAnsu Elezabeth Thomas  
Company Secretary

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****Registration Details**

Registration No.	15737
State Code	01
Balance Sheet Date	March 31, 2011

(Amount in Rs.)

**Capital raised during the year**

Public Issue	—
Rights Issue	—
Bonus Issue	—
Private Placement	—
Preferential offer of shares under Employee Stock Option Plan	—
Preferential offer of Share Warrant - Application Money	—

**Position of Mobilisation and Deployment of Funds**

Total Liabilities	132,420,760
Total Assets	132,420,760

**Sources of Funds**

Paid-up Capital	108,787,480
Reserves and Surplus	23,633,280
Secured Loans	—
Unsecured Loans	—

**Application of Funds**

Net Fixed Assets	12,586,351
Investments	19,480,072
Net Current Assets	43,386,080
Miscellaneous Expenditure	—
Accumulated Losses	56,968,257

**Performance of the Company**

Turnover	36,582,291
Total Expenditure	32,707,038
Profit / (Loss) before tax	3,875,253
Provision for Taxation	—
Extraordinary Items	—
Profit / (Loss) after tax and extraordinary items	3,875,253
Earnings per share (in Rs.) (Basic & Diluted)	0.36
Dividend rate (%)	—
Generic Names of Principal Products / Services of the Company	
Item Code No. (ITC Code)	85249009.10
Product Description	Computer Software

for and on behalf of the Board

Murty Gudipati  
Executive Director

R S Sampath  
Director

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
Company Secretary

**Saven Technologies Limited****18<sup>th</sup> Annual Report****STATEMENT PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT, 1956**

1	Name of the Subsidiary Company	Saven Technologies, Inc.
2	Financial year of the Subsidiary ended on	<b>March 31, 2011</b>
3	Shares of Subsidiary Company held on the above date and extent of holding	
	(i) Number of shares held	<b>420,000</b>
	(ii) Extent of holding	<b>61%</b>
4	Net aggregate amount of profits / (losses) of the Subsidiary for the above financial year so far as they concern members of Saven Technologies Limited:	
	(i) dealt with in the Accounts of Saven Technologies Limited	<b>Nil</b>
	(ii) not dealt with in the Accounts of Saven Technologies Limited	<b>Loss : USD 41,689 (Rs.1,845,155)</b>
5	Net aggregate amount of profits / (losses) for previous financial years of the Subsidiary so far as they concern members of Saven Technologies Limited:	
	(i) dealt with in the Accounts of Saven Technologies Limited	<b>Nil</b>
	(ii) not dealt with in the Accounts of Saven Technologies Limited	<b>Profit : USD 769,689 (Rs. 36,552,530)</b>

*Note: Saven Technologies, Inc. became a Subsidiary of the Company with effect from May 31, 2001.*

for and on behalf of the Board

Murty Gudipati  
*Executive Director*

R S Sampath  
*Director*

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

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**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their report together with audited financial statements for the year ended March 31, 2011.

Your Directors are pleased to inform that your Company could not only withstand the financial turmoil in the US but also achieve revenue of \$11.52 Million for the year ended March 31, 2011 as against \$10.53 Million for the previous year, an increase of 9.5% in terms of revenue. Despite the adverse effect of the global slowdown, the company was able to sustain its operation and could contain the cost of increase in the visa charges and higher salaries by increasing the billing rates. The Company achieved an operating margin of \$ 0.86 Million as against \$ 0.45 Million for the previous year. The profit before income tax and depreciation was \$ 0.13 Million as against loss of \$ 0.19 Million. The net loss after income tax and depreciation was \$ 0.05 Million against loss of \$ 0.21 Million for the previous year.

Technology consulting market has considerably improved during the year under review. This trend is expected to continue and your company has already added additional clients during the current year. Although there is shortage of skilled manpower, the Company has been able to recruit additional consultants and has plans to increase the number by 20% and bill at attractive rates. The Company has also commenced direct billing to customers and has been successful in increasing the billing rates. The company is also examining various opportunities available to it for entering into onshore project work.

The offshore development center in India is predominantly developing applications for the financial sector and has started building market data portals for financial institutions and brokerage firms in US and across the globe. Besides financial services sector, it is also engaged in building tools for a leading manufacturing company for advanced Product Quality Planning. The company has plans to further improve the offshore business.

With a view to conserving the resources for the growth of the Company, no dividend is proposed to be declared.

The Company continues to be a subsidiary of Saven Technologies Limited, India. Your Directors are of the opinion that this association will be helpful for further growth.

For Saven Technologies, Inc.

Sridhar Chelikani  
Director & President

May 24, 2011

**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors,  
Saven Technologies, Inc.  
Schaumburg, Illinois  
USA

We have audited the accompanying statement of financial condition of Saven Technologies, Inc. as of March 31, 2011, and the related statements of income, members' equity (deficit), and cash flows for the year then ended. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saven Technologies, Inc., as of March 31, 2011, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Johnson & Dutt, Inc.  
Elmhurst, Illinois  
May 24, 2011

**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

**BALANCE SHEET AS AT MARCH 31, 2011**

Particulars	As at March 31, 2011		As at March 31, 2010	
	USD	Rs.	USD	Rs.
<b>Assets</b>				
<i>Current Assets</i>				
Cash	722,854	31,805,576	838,656	37,336,965
Accounts Receivable	2,051,415	90,262,260	1,903,238	84,732,156
Notes Receivable	37,315	1,641,860	31,684	1,410,572
Prepaid Expenses	71,035	3,125,540	86,078	3,832,193
Investments	117	5,677	117	5,677
<b>Total Current Assets</b>	<b>2,882,736</b>	<b>126,840,913</b>	<b>2,859,773</b>	<b>127,317,562</b>
<i>Fixed Assets, At Cost (See Note 1)</i>				
Property and Equipment	238,033	10,473,452	238,033	10,597,229
Less: Accumulated Depreciation	208,105	9,156,620	190,260	8,470,375
<b>Total Fixed Assets</b>	<b>29,928</b>	<b>1,316,832</b>	<b>47,773</b>	<b>2,126,854</b>
<i>Other Assets</i>				
Notes Receivable	232,588	10,233,872	297,584	13,248,440
<b>Total Assets</b>	<b>3,145,252</b>	<b>138,391,617</b>	<b>3,205,130</b>	<b>142,692,856</b>
<b>Liabilities and Stockholder's Equity</b>				
<i>Current Liabilities:</i>				
Notes Payable Due within One Year	404,487	17,797,428	320,761	14,280,280
Accounts Payable	134,970	5,938,680	69,542	3,096,010
Other Accrued Expenses	395,747	17,412,868	623,869	27,774,648
<b>Total Current Liabilities</b>	<b>935,204</b>	<b>41,148,976</b>	<b>1,014,172</b>	<b>45,150,937</b>
<i>Long-term Liabilities</i>				
Due to Saven India	792,048	34,109,583	731,269	31,688,626
<b>Total Liabilities</b>	<b>1,727,252</b>	<b>75,258,559</b>	<b>1,745,441</b>	<b>76,839,563</b>
<b>Stockholder's Equity</b>				
Capital Stock 7,50,000 Shares Authorised 6,90,000 Shares Issued	690,000	31,817,550	690,000	31,817,550
Gain from foreign currency translation (net of income tax) (See Note 1)	39,332	1,730,608	28,328	1,261,163
Retained Earnings	688,668	29,584,900	741,361	32,774,580
<b>Total Stockholders' Equity</b>	<b>1,418,000</b>	<b>63,133,058</b>	<b>1,459,689</b>	<b>65,853,292</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>3,145,252</b>	<b>138,391,617</b>	<b>3,205,130</b>	<b>142,692,856</b>

**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

**STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2011**

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	USD	Rs.	USD	Rs.
Sales	11,526,447	510,160,544	10,530,295	500,083,710
Cost of Sales	10,664,056	471,991,119	10,078,770	478,640,787
Gross Profit	862,391	38,169,426	451,525	21,442,922
Operating Expenses (See Schedule A)	841,106	37,222,712	687,579	32,597,953
Net Operating Income	21,285	946,714	(236,054)	(11,155,031)
Other Income and (Expense) (See Schedule B)	(73,978)	(3,274,266)	22,926	1,088,756
Net Income Profit / (Loss)	(52,693)	(2,327,552)	(213,128)	(10,066,275)
Retained Earnings, April 01, 2010	741,361	--	954,489	--
Retained Earnings, March 31, 2011	688,668	(2,327,552)	741,361	(10,066,275)

**SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2011**

**SCHEDULE - A**

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	USD	Rs.	USD	Rs.
<b>Operating Expenses</b>				
Advertising and Promotion	13,639	603,662	12,665	601,461
Bad Debts	88,035	3,896,429	46,242	2,196,033
Bank Service charge	4,466	197,665	6,472	307,355
Depreciation	17,845	785,180	18,577	827,048
Dues and Subscription	12,108	535,900	3,830	181,887
Equipment Rent	11,928	527,933	13,032	618,890
Insurance	38,893	1,721,404	38,430	1,825,041
Licenses & Permits	3,990	176,597	3,048	144,750
Meals & entertainment	26,393	1,168,154	21,173	1,005,506
Office expenses	22,964	1,016,387	21,332	1,013,057
Professional Fees	294,091	13,016,468	265,589	12,612,822
Referral fees	15,250	674,965	3,000	142,470
Relocation expenses	122,396	5,417,247	84,417	4,008,963
Repairs & Maintenance	3,680	162,877	10,739	509,995
Rent	93,337	4,131,096	73,558	3,493,269
Telephone	30,959	1,370,245	24,353	1,156,524
Travel	36,593	1,619,606	33,970	1,613,235
Utilities	4,539	200,896	7,152	339,648
Total Operating Expenses	841,106	37,222,712	687,579	32,597,953



**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

**SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2011**

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	USD	Rs.	USD	Rs.
<b>SCHEDULE - B</b>				
Other Income & (Expense)				
Other Income				
Interest Income	3,945	174,606	10,883	516,834
Interest Expense	(17,426)	(771,275)	(11,662)	(553,828)
Other Income / Expense	4,389	194,257	26,723	1,269,075
Income Tax	(64,886)	(2,871,854)	(3,018)	(143,325)
<b>Total Other Income &amp; (Expenses)</b>	<b>(73,978)</b>	<b>(3,274,266)</b>	22,926	1,088,756

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2011**

Particulars	Year ended March 31, 2011		Year ended March 31, 2010	
	USD	Rs.	USD	Rs.
<i>Cash Flows from Operating Activities</i>				
Net Income	(52,693)	(2,327,552)	(213,128)	(10,066,275)
Adjustments to Reconcile Net Income to				
Net Cash Provided by Operating Activities:				
Depreciation and Amortization	17,845	785,180	18,577	827,048
Changes in Assets and Liabilities :				
Accounts Receivable	(148,177)	(6,519,788)	218,591	9,731,671
Accounts Payable	36,020	1,584,880	(53,322)	(2,373,895)
Accrued Expenses	(183,671)	(8,081,524)	(5,670)	(252,428)
<b>Net Cash Provided by Operating Activities</b>	<b>(330,676)</b>	<b>(14,558,804)</b>	(34,952)	(2,133,880)
Cash Flows from Investing Activities :				
Capital Contribution	--	--	--	--
Asset acquisitions	--	--	(18,425)	(820,281)
Increase/ Decrease in notes receivable	70,369	3,096,236	82,730	3,683,140
<b>Net Cash Used in Investing Activities</b>	<b>70,369</b>	<b>3,096,236</b>	64,305	2,862,859
Cash Flows from Financing Activities :				
Net Proceeds from Loans	144,505	6,358,220	6,023	268,144
<b>Net Cash Used in Financing Activities</b>	<b>144,505</b>	<b>6,358,220</b>	6,023	268,144
Net Decrease in Cash and Cash Equivalents	(115,802)	(5,104,348)	35,376	997,123
Cash and Cash Equivalents, Beginning of Year	838,656	36,909,924	803,280	36,339,842
<b>Cash and Cash Equivalents, End of Year</b>	<b>722,854</b>	<b>31,805,576</b>	838,656	37,336,965

**Saven Technologies, Incorporated** (a subsidiary of Saven Technologies Limited)

**Notes to Financial Statements for the year ended March 31, 2011**

**1. SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF BUSINESS**

*Nature of Operations*

Saven Technologies, Inc. (Company) is a service company which offers consulting and onsite contract programming. The Company grants credit to substantially all of its customers. The Company recruits the majority of their consultants from India, therefore must comply with changing US immigration policies.

*Significant Accounting Policies*

The following is a summary of the significant accounting policies consistently applied by Management in the preparation of the accompanying financial statements.

*Equity Adjustment from Foreign Currency Translation*

The Company has a note receivable with a Foreign Corporation. The functional currency for translating this note is in British Pounds. The aggregate adjustment resulting from the translation of the note from British Pounds to US Dollars increased Stockholders' equity by \$ 39,332 net of income tax effect.

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Property and Equipment*

Property and equipment are stated at cost and is depreciated using straight-line and accelerated methods over estimated useful lives of 5 to 7 years for computers and equipment.

Repairs and maintenance are charged to expense when incurred.

*Income Taxes*

The Company is a C Corporation under the Internal Revenue Code and, therefore, is subject to federal and certain state income taxes.

**2. LINE OF CREDIT**

The Company has a line of credit with LaSalle Bank maturing on June 2011. In accordance with the terms of this agreement, the Company may borrow up to \$ 400,000. Interest is payable at prime minus 1.75%, 3.25% at March 31, 2011. The balance at March 31, 2011 is \$ 398,983.

**3. BUILDING LEASE**

The Company occupies leased office space in Schaumburg, Illinois. The lease agreement requires monthly rental payment through July, 2014. In addition, the Company is responsible for insurance and maintenance of the property.

The Company also leases guesthouse in Chicago. The lease agreement requires monthly rental payment through February 2011. In addition, the Company is responsible for insurance and maintenance of the property. The Company did not renew this lease.

For the year ended March 31, 2011, rent expense was approximately \$ 93,337.

**4. RELATED PARTIES**

Saven Technologies Limited (India):

This Corporation holds a 61% interest in Saven Technologies, Inc. (USA). In August of 2000, an agreement was entered into for technical services. Saven Technologies Limited (India) provides software training of personnel and helps in recruiting consultants for US market. The amount due to Saven Technologies (India) at March 31, 2011 is \$ 792,048.

**5. PENSION PLAN**

In 2001, the Company adopted a 401(k) plan for all eligible employees. The Company, at their discretion, can match to employee's account. Matching contributions by the Company were \$ 0 for the period. The plan also allows for discretionary profit sharing contributions. There were no discretionary contributions for the year ending March 31, 2011.

*Note: Indian Rupee equivalent of figures have been arrived at by applying the year end and average exchange rate of USD 1.00 = Rs.44.00 and Rs.44.26 respectively (Previous Year: USD 1.00 = Rs.44.52 and Rs.47.49)*

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

To  
The Board of Directors,  
SAVEN TECHNOLOGIES LIMITED,  
HYDERABAD.

1. We have examined the attached Consolidated Balance Sheet of Saven Technologies Limited ("the Company") and its Subsidiary, Saven Technologies, Inc. (Collectively referred to as the Group) as at 31st March, 2011 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date. These Consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of USA Subsidiary, Saven Technologies, Inc., whose financial statements reflect total assets of Rs.138,391,617/- as at 31st March, 2011 and total revenues of Rs.511,016,444/- for the year ended on that date. These financial statements have been audited by other auditors, whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the Subsidiary, is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India, and on the basis of separate audited financial statements of the Company and its Subsidiary Company included in the consolidated financial statements.
5. In our opinion, on the basis of information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of Saven Technologies Limited and its aforesaid Subsidiary, the aforesaid Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) In so far as it relates to Consolidated Balance Sheet, of the consolidated state of affairs of Saven Technologies Limited and its Subsidiary as at 31st March, 2011;
  - (ii) In so far as it relates to Consolidated Profit and Loss Account, of the consolidated results of operations of Saven Technologies Limited and its Subsidiary for the year ended on that date; and
  - (iii) In so far as it relates to Consolidated Cash Flow Statement, of the consolidated cash flows of Saven Technologies Limited and its Subsidiary for the year ended on that date

for Rambabu & Co.,  
Chartered Accountants  
Firm Reg. No: 002976S

Place: Hyderabad  
Date : August 11, 2011

Ravi Rambabu  
Partner  
M.No.18541

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

(Amount in Rs.)

Particulars	Schedule	As at		
		March 31, 2011	March 31, 2010	
<b>I SOURCES OF FUNDS</b>				
<b>1. Shareholders' Funds</b>				
(a) Share Capital	1	108,787,480	108,787,480	
(b) Reserves and Surplus	2	23,633,280	23,633,280	
<b>2. Minority Interest</b>		<b>24,414,261</b>	25,429,052	
TOTAL		<b>156,835,021</b>	157,849,812	
<b>II APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>				
(a) Gross Block	3	54,502,584	52,015,889	
(b) Less: Depreciation		40,874,397	37,798,587	
(c) Net Block		13,628,187	14,217,302	
<b>2. Investments</b>		<b>16,619</b>	16,619	
<b>3. Current Assets, Loans and Advances</b>				
(a) Sundry Debtors	5	90,301,472	84,771,368	
(b) Cash and Bank balances	6	44,711,180	48,942,362	
(c) Loans and Advances	7	24,142,197	28,011,872	
Less: Current Liabilities and Provisions		8	159,154,849	161,725,602
			48,588,575	53,486,165
Net Current Assets			110,566,274	108,239,437
<b>4. Profit and Loss Account</b>			<b>32,623,941</b>	35,376,454
TOTAL			<b>156,835,021</b>	157,849,812
Notes on Accounts	13			

Schedules referred to above form an integral part of the Financial Statements.

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg. No: 002976S

for and on behalf of the Board

Murty Gudipati  
Executive Director

R S Sampath  
Director

Ravi Rambabu  
Partner  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
Company Secretary

**Saven Technologies Limited**
**18<sup>th</sup> Annual Report**
**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

(Amount in Rs.)

Particulars	Schedule	For the year ended March 31, 2011	For the year ended March 31, 2010
<b>INCOME</b>			
Services - Overseas		<b>510,160,544</b>	500,083,710
Domestic		<b>866,068</b>	657,600
Other Income	9	<b>1,662,683</b>	3,361,683
<b>TOTAL</b>		<b>512,689,295</b>	504,102,993
<b>EXPENDITURE</b>			
Personnel Expenses	10	<b>463,474,247</b>	471,712,008
Operating and Administrative Expenses	11	<b>40,461,372</b>	35,387,336
Financial Expenses	12	<b>771,275</b>	553,828
Depreciation	3	<b>3,075,810</b>	2,807,938
<b>TOTAL</b>		<b>507,782,704</b>	510,461,110
Profit/ (Loss) Before Taxation and Non-recurring items		<b>4,906,591</b>	(6,358,117)
Provision for Taxation		<b>2,871,854</b>	143,325
Profit/ (Loss) After Taxation and Before Non-recurring items		<b>2,034,737</b>	(6,501,442)
Provision for Investments		--	67,622
Profit/ (Loss) After Taxation and Non-recurring items		<b>2,034,737</b>	(6,569,064)
Less: Minority Interest		<b>(717,776)</b>	3,363,621
		<b>2,752,513</b>	(3,205,443)
Add: Profit and Loss Account brought forward		<b>(35,376,454)</b>	(32,171,011)
Balance carried to Balance Sheet		<b>(32,623,941)</b>	(35,376,454)
Earnings Per Share (per Equity Share of Rs. 10/- each)			
Basic & Diluted		<b>0.25</b>	(0.29)
Number of Shares used in computing Earnings per Share			
Basic & Diluted		<b>10,878,748</b>	10,878,748
Notes on Accounts	13		

Schedules referred to above form an integral part of the Financial Statements

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Firm Reg. No: 002976S

for and on behalf of the Board

Murty Gudipati  
*Executive Director*

R S Sampath  
*Director*

Ravi Rambabu  
*Partner*  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

**SCHEDULES TO THE CONSOLIDATED BALANCE SHEET**

(Amount in Rs.)

Particulars	As at March 31, 2011	As at March 31, 2010
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,60,00,000 Equity Shares of Rs 10/- each	<b>160,000,000</b>	<b>160,000,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
1,08,78,748 (1,08,78,748) Equity Shares of Rs 10/- each (Of the above, 1,776,810 fully paid-up equity shares have been issued as bonus shares by capitalisation of the Profits)	<b>108,787,480</b>	<b>108,787,480</b>
<b>TOTAL</b>	<b>108,787,480</b>	<b>108,787,480</b>
<b>2. RESERVES AND SURPLUS</b>		
Share Premium	<b>18,947,380</b>	<b>18,947,380</b>
Capital Reserve	<b>4,685,900</b>	<b>4,685,900</b>
<b>TOTAL</b>	<b>23,633,280</b>	<b>23,633,280</b>

**SCHEDULES TO THE CONSOLIDATED BALANCE SHEET**

(Amount in Rs.)

**3. FIXED ASSETS**

ASSETS	Gross Block		Depreciation		Net Block	
	Cost Additions as at 01.04.10 during the year	Deletions during the year	Up to 01.04.10 the year	For the year	As at 31.03.11	As at 31.03.10
Hardware	24,164,059	799,454	21,095,862	--	2,682,153	3,068,197
Software	3,718,672	989,566	3,264,084	--	1,217,793	454,588
Air Conditioners	2,663,810	55,650	2,040,004	--	489,950	623,806
Furniture and fixtures	13,944,636	505,025	8,033,400	--	5,525,419	5,911,236
Electrical Fittings	3,522,290	105,100	1,990,636	--	1,385,884	1,531,654
Vehicles	2,456,262	--	366,652	--	1,856,265	2,089,610
Other Assets	1,546,160	31,900	1,007,949	--	470,723	538,211
<b>Total</b>	<b>52,015,889</b>	<b>2,486,695</b>	<b>37,798,587</b>	<b>--</b>	<b>13,628,187</b>	<b>14,217,302</b>
Previous Year	49,235,776	2,780,113	34,990,649	--	14,217,302	14,245,127

## SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2011	As at March 31, 2010
<b>4. INVESTMENTS</b>		
Trade (Unquoted) - at cost		
Long-term		
Penrillian Limited, UK	16,619	16,619
230 (230) Ordinary Shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each		
<b>TOTAL</b>	<b>16,619</b>	<b>16,619</b>
<b>5. SUNDRY DEBTORS (UNSECURED)</b>		
Debts outstanding for a period exceeding six months		
Considered Doubtful	15,766,269	17,771,309
Other debts		
Considered good	90,301,472	84,771,368
	<b>106,067,741</b>	<b>102,542,677</b>
Less: Provision for doubtful debts	15,766,269	17,771,309
<b>TOTAL</b>	<b>90,301,472</b>	<b>84,771,368</b>
<b>6. CASH AND BANK BALANCES</b>		
Cash on hand	21,540	15,246
Balances with Scheduled Banks in current accounts	32,007,200	40,696,981
Fixed Deposits in Scheduled Banks	12,682,440	8,230,135
<b>TOTAL</b>	<b>44,711,180</b>	<b>48,942,362</b>
<b>7. LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received)		
TDS Recoverable	341,157	669,535
ESOP Trust	2,005,000	2,005,000
Other Advances	1,786,860	1,906,024
Loan to Penrillian Ltd	10,233,872	13,248,440
Rent and other Deposits	1,318,383	1,330,863
Prepaid Expenses	3,125,540	3,832,193
Interest Receivables	89,745	--
Service Tax Input Credit	120,067	110,825
Currency Translation Reserve	5,121,573	4,908,992
<b>TOTAL</b>	<b>24,142,197</b>	<b>28,011,872</b>
<b>8. CURRENT LIABILITIES AND PROVISIONS</b>		
<i>Current Liabilities</i>		
Other Liabilities	30,898,953	25,456,661
Liabilities for expenses	17,689,622	28,029,504
<b>TOTAL</b>	<b>48,588,575</b>	<b>53,486,165</b>



**SCHEDULES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT**

(Amount in Rs.)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
<b>9. OTHER INCOME</b>		
Interest Income	974,909	1,130,387
Miscellaneous Income	200,737	1,279,216
Exchange Fluctuations	487,037	952,080
<b>TOTAL</b>	<b>1,662,684</b>	<b>3,361,683</b>
<b>10. PERSONNEL EXPENSES</b>		
Salaries and Benefits	458,057,000	467,703,045
Staff Relocation Expenses	5,417,247	4,008,963
<b>TOTAL</b>	<b>463,474,247</b>	<b>471,712,008</b>
<b>11. OPERATING AND ADMINISTRATIVE EXPENSES</b>		
Managerial Remuneration	2,198,281	1,817,000
Rent	5,904,996	5,267,169
Travelling and Conveyance	2,607,870	2,236,654
Communication	1,915,726	1,673,290
Prof. and service charges	13,156,268	12,360,261
Electricity Charges	847,352	612,313
Office Expenses & Maintenance	7,432,452	6,503,447
Rates & Taxes	155,659	218,417
Other Miscellaneous Expenses	437,348	492,703
Advertisement & Promotion Expenses	675,479	656,477
Auditors Remuneration	975,200	987,561
Bad Debts Written Off	3,896,429	2,196,033
Interest on Other Loans	55,011	52,536
Bank Charges	203,301	313,475
<b>TOTAL</b>	<b>40,461,372</b>	<b>35,387,336</b>
<b>12. FINANCIAL EXPENSES</b>		
Interest on Other Loans	771,275	553,828
<b>TOTAL</b>	<b>771,275</b>	<b>553,828</b>

**SCHEDULE 13: CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****I Significant Accounting Policies****1. Basis of Consolidation:**

The Consolidated Financial Statements relate to Saven Technologies Limited (the Company) and its subsidiary company Saven Technologies Inc, USA (STI) where in the Company holds 61% share as on 31.03.2011.

The consolidated financial statements of the company and its subsidiary have been prepared by adding together the book values of like items of assets, liabilities, income and expenses. All intra group transactions, balances and unrealized profits/losses on transactions have been fully eliminated in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

Minority Interest's share of net loss for the year is identified and adjusted against the loss in order to arrive at the net loss attributable to the shareholders of the company.

Minority Interest's share of net assets of subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**2. Fixed Assets:**

Fixed assets are capitalised at acquisition cost inclusive of freight, installation cost and other incidental expenses incurred during the year.

**3. Depreciation:**

Depreciation has been provided on the basis of Straight Line Method.

**4. Revenue Recognition:**

Income from software related services is accounted for on the basis of services rendered and billed to clients on acceptance and / or on the basis of man-hours spent, as per the terms of contract with clients. The Company recognizes revenue from engagement services based on the number of engagements performed. Revenues from time period services are recognized based on the time incurred in providing services at contracted rates.

Revenues from BPO services are based on the performance of specific criteria at contracted rates.

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income is recognized on time proportion basis.

**5. Investments:**

Investments are classified into current investments and long-term investments. Current investments are carried at the lower of cost or fair market value. Any reduction in carrying amount and any reversals of such reduction are charged or credited to the profit and loss account. Long-term investments are carried at cost less provision made to recognize any decline, other than temporary, in the value of such investments.

**6. Earnings per Share (EPS):**

The earnings considered in ascertaining the company's EPS comprises the net profit / loss after tax (And includes the post tax effect of any extraordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

**7. Employee Benefits:**

(i) Provident Fund:

Contributions in respect of Employees Provident Fund and Pension Fund are made to a fund administered and managed by the Government of India and are charged as incurred on accrual basis.

(ii) Gratuity:

The Company also provides for other employee benefits in the form of gratuity. The Company's Contributions to Gratuity scheme are determined by actuarial valuation and have been made to an approved Fund and the same is charged as expenditure to Profit & Loss account. The gratuity fund is managed by the Life Insurance Corporation of India (LIC).

(iii) Leave Encashment:

The Company provides for leave encashment based on actual calculations as at the Balance Sheet date.

**8. Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the Profit and Loss Account.

The consolidated financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of Saven Technologies Limited, the parent company. However, the U.S. Dollar and the Great Britain Pound are the functional currencies for its subsidiaries located in the U.S. and the U.K. respectively.

For the purpose of Consolidation, as per International Accounting Standard (IAS) 21- "the effects of changes in Foreign exchange rates", Assets and Liabilities of non- Indian subsidiaries are translated at the Balance Sheet date. Income and Expenditure are translated at the average rate during the year.

**II. Notes to Consolidated Financial Statements:**1. *List of subsidiary considered for consolidation*

Sl. No.	Name of the Subsidiary Company	Country of Incorporation	Extent of Holding(%) as on March 31, 2011
1.	Saven Technologies Inc.	U S A	61 %

The reporting date of the above subsidiary is March 31, 2011.

2. Saven Technologies Inc, USA (STI) has a line of credit with LaSalle Bank maturing on June 2011. In accordance with terms of this agreement, the Company may borrow up to \$ 400,000. Interest is payable at prime plus 1.75%, 3.25% at March 31, 2011. The balance at March 31, 2011 is \$ 398,983.
3. Debit balance of the Consolidated Profit and Loss account is arrived at after adjusting the Profit and Loss account balance of subsidiary company.

4. *Auditors' Remuneration :*

	<b>31.03.2011</b>	(in Rs.) 31.03.2010
Statutory Audit Fee	<b>955,200</b>	967,561
Taxation and other statutory matters	<b>20,000</b>	20,000

5. *Related Party Transactions:*

The Company entered into transactions with the following related parties:

- a) Penrillian Limited, a Joint Venture Company in the U.K.  
b) Pennar Industries Limited - Common Director.  
c) Pennar Engineered Building Systems Limited - Common Director.  
d) Pennar Chemical Limited - Common Director.  
e) Key Management Person, Mr. Murty Gudipati - Executive Director.

Summary of the Transactions with the above Related Parties are as follows:

Nature of Transactions	Associates/ Joint Ventures Transactions for year ended		Key Management Person Transactions for year ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Revenue	955,273	--	--	--
Director - Remuneration	--	--	2,198,281	1,817,000
Balances (Revenues)	39,212	--	--	--
Balances (Investments)	16,619	16,619	--	--
Advances / Loans	3,014,568	3,416,355	--	--
Balances (Advances / Loans)	10,233,872	13,248,440	--	--

Disclosure of Intra-group transactions is not required in the Consolidated Financial Statements.

6. *Earnings per Share:*

	<b>31.03.2011</b>	31.03.2010
Net Profit / (Loss) for basic EPS (Rs.)	<b>2,752,513</b>	(3,205,443)
No. of shares used in computing EPS	<b>10,878,748</b>	10,878,748
Basic and Diluted EPS	<b>0.25</b>	(0.29)

7. *Segment-wise / Product-wise performance:*

Business segments at the Company and its subsidiary is primarily Technology Consultancy Services, Software Development Services and IT Enabled Services.  
Geographical revenues are segregated based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognized.

**Business Segments****Year ended March 31, 2011**

(Amount in Rs.)

Particulars	Technology Consultancy Services	IT-Enabled Services	Software Development & Services	Total
Revenues	475,251,104	803,968	34,971,540	511,026,612
Identifiable operating expenses	442,498,926	480,000	20,495,321	463,474,247
Allocated expenses	31,075,296	234,000	9,152,076	40,461,372
Segmental operating income / (loss)	1,676,882	89,968	5,324,143	7,090,993
Unallocable expenses				3,075,810
Operating income / (loss)				4,015,183
Other income (expenses), net				891,408
Net profit / (loss) before taxes				4,906,591
Income taxes				2,871,854
Minority Interest				(717,776)
Net profit / (loss) after taxes				2,752,513

Year ended March 31, 2010 (Amount in Rs.)

Particulars	Technology Consultancy Services	IT-Enabled Services	Software Development & Services	Total
Revenues	475,627,556	657,600	24,456,154	500,741,310
Identifiable operating expenses	458,193,596	360,000	13,158,412	471,712,008
Allocated expenses	27,814,478	240,000	7,332,858	35,387,336
Segmental operating income / (loss)	(10,380,518)	57,600	3,964,884	(6,358,034)
Unallocable expenses				2,807,938
Operating income / (loss)				(9,165,972)
Extra-ordinary Items				(67,622)
Other income (expenses), net				2,807,855
Net profit / (loss) before taxes				(6,425,739)
Income taxes				143,325
Minority Interest				3,363,621
Net Profit / (Loss) after taxes				(3,205,443)

**Geographic Segments****Year ended March 31, 2011**

(Amount in Rs.)

Particulars	North America	India	Total
Revenues	475,251,104	35,775,508	511,026,612
Identifiable operating expenses	442,498,926	20,975,321	463,474,247
Allocated expenses	31,075,296	9,386,076	40,461,372
Segmental operating Income / (loss)	1,676,882	5,414,111	7,090,993
Unallocable expenses			3,075,810
Operating Income / (loss)			4,015,183
Other Income (expenses), net			891,408
Net profit / (loss) before taxes			4,906,591
Income Taxes			2,871,854
Minority Interest			(717,776)
Net Profit / (Loss) after taxes			2,752,513

## Saven Technologies Limited

## 18<sup>th</sup> Annual Report

Year ended March 31, 2010			(Amount in Rs.)
Particulars	North America	India	Total
Revenues	475,627,556	25,113,754	500,741,310
Identifiable operating expenses	458,193,596	13,518,412	471,712,008
Allocated expenses	27,814,478	7,572,858	35,387,336
Segmental operating Income / (loss)	(10,380,518)	4,022,484	(6,358,034)
Unallocable expenses			2,807,938
Operating Income / (loss)			(9,165,972)
Extra-ordinary Items			(67,622)
Other Income (expenses), net			2,807,855
Net profit / (loss) before taxes			(6,425,739)
Income Taxes			143,325
Minority Interest			3,363,621
Net Profit / (Loss) after taxes			(3,205,443)

8. Dues to Small-Scale Industrial undertakings:

*The disclosures relating to Micro, Small and Medium Enterprises as on 31.03.2011 are as under -*

S.No	Description	Year Ending on	
		31.03.2011	31.03.2010
1.	The principal amount remaining unpaid to suppliers as at the end of the year (included in item "a" Sundry Creditors Schedule 11)	--	--
2.	Interest due thereon remaining unpaid to the Supplier as at the end of the year	--	--
3.	The amount of interest paid in terms of Section 16 along with the payment made to the supplier beyond the appointed day during 2010-11	--	--
4.	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	--	--
5.	Interest accrued during the year and remaining Unpaid at the end of the accounting year (included in item "b" Other Liabilities Schedule 11)	--	--

9. Reclassification:

The previous year's figures have been recast, regrouped, rearranged wherever necessary, to conform to the current year's classification.

Schedules 1 to 13 form part of the Balance Sheet and have been authenticated.

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg.No:002976S

Murty Gudipati  
*Executive Director*

for and on behalf of the Board

R S Sampath  
*Director*

Ravi Rambabu  
Partner  
M.No. 18541

Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
*Company Secretary*

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

(Amount in Rs.)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
<b>A Cash Flow from Operating Activities</b>		
<i>Net Profit / (Loss) before Tax and after Non-recurring items</i>	<b>4,906,591</b>	(6,425,739)
<i>Adjustments for:</i>		
Depreciation	<b>3,075,810</b>	2,807,938
Miscellaneous Expense Written-off	<b>Nil</b>	Nil
Profit / Loss on Sale of Fixed Assets	<b>Nil</b>	Nil
Interest Income	<b>(974,909)</b>	(1,130,387)
Interest Expense	<b>771,275</b>	553,828
<i>Operating Profit / (Loss) before working Capital Changes</i>	<b>7,778,767</b>	(4,194,360)
Increase / Decrease in Sundry Debtors	<b>(5,530,104)</b>	22,536,405
Increase / Decrease in Loans & Advances	<b>3,869,675</b>	1,768,726
Increase / Decrease in Current Liabilities & Other Provisions	<b>(5,194,605)</b>	(16,526,414)
<i>Cash generated from operations</i>	<b>923,733</b>	3,584,357
Income Taxes Paid	<b>2,871,854</b>	143,325
<b>Net Cash from Operating Activities</b>	<b>(1,948,121)</b>	3,441,032
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	<b>(2,486,695)</b>	(2,780,113)
Proceeds from sale of Fixed Assets	<b>Nil</b>	Nil
Miscellaneous Expenditure	<b>Nil</b>	Nil
Investments	<b>Nil</b>	Nil
Interest Received	<b>974,909</b>	1,130,387
<b>Net Cash used in Investing Activities</b>	<b>(1,511,786)</b>	(1,649,726)
<b>C. Cash flow from Financing Activities</b>		
Proceeds from Issuance of Share capital	<b>Nil</b>	Nil
Proceeds from Loans	<b>Nil</b>	Nil
Repayment of Loans	<b>Nil</b>	Nil
Interest paid	<b>(771,275)</b>	(553,828)
Dividends paid (including Dividend tax)	<b>Nil</b>	Nil
<b>Net Cash from Financing Activities</b>	<b>(771,275)</b>	(553,828)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(4,231,182)</b>	1,237,478
<b>Cash &amp; Cash equivalents at the beginning of year</b>	<b>48,942,362</b>	47,704,884
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>44,711,180</b>	48,942,362

As per our report of even date  
for Rambabu & Co.,  
Chartered Accountants  
Reg.No. 002976S

Murty Gudipati  
Executive Director

for and on behalf of the Board

R S Sampath  
Director

Ravi Rambabu  
Partner  
M.No. 18541  
Place : Hyderabad  
Date : August 11, 2011

Ansu Elezabeth Thomas  
Company Secretary

**SAVEN TECHNOLOGIES LIMITED**

Regd. Office: No.302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad - 500 063.

**ATTENDANCE SLIP**

Name & Address of the shareholder Regd. Folio No/DP No. \_\_\_\_\_

No of Shares Held:

I hereby record my presence at the Eighteenth Annual General Meeting of the Company held on Monday, the 26th day of September, 2011 at 11.00 A.M. at Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation house, 11-6-841, Red Hills, Hyderabad - 500 004.

Signature of the Shareholder or Proxy\*  
\*Strike out whichever is not applicable \_\_\_\_\_



**SAVEN TECHNOLOGIES LIMITED**

Regd. Office: No.302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad - 500 063.

**PROXY FORM**

Regd. Folio No/D.P. I.D. No. \_\_\_\_\_

I / We \_\_\_\_\_ of \_\_\_\_\_ being a member / members of Saven Technologies Limited, hereby appoint Mr/Ms \_\_\_\_\_ of \_\_\_\_\_ failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held on Monday, the 26th day of September, 2011 at 11.00 A.M. at Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation house, 11-6-841, Red Hills, Hyderabad - 500 004.

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

NOTE: The proxy form, in order to be effective, should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.