

BOARD OF DIRECTORS

Simon Mathews	Chairman
Sridhar Chelikani	Director
Clive Menhinick	Director
R.S. Sampath	Director
Wg. Cdr. (Retd.) A.B. Bhushan	Additional Director
Murty Gudipati	Executive Director

Auditors

Rambabu & Co.,
Chartered Accountants
Hyderabad - 500 082.

Bankers

IndusInd Bank Limited
Andhra Bank

**Registrar and Transfer Agent
(Physical and Depository)**

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

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

Company Secretary
Ansu Elezabeth Thomas

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventeenth Annual General Meeting of Saven Technologies Limited will be held on Wednesday, the 15th day of September, 2010, at 10.30 A.M at the 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, 2010 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. Simon Mathews, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Clive Menhinick, 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 Wg. Cdr. (Retd.) A.B. Bhushan who was appointed as an Additional Director of the Company on August 13, 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 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 in supersession of the resolution passed by the members at the Annual General Meeting held on September 24, 2009 and in accordance with the provisions of Sections 198, 269, 309, 311, 314 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the shareholders of the Company be and is hereby accorded for the change in terms of appointment and remuneration payable to Mr. Murty Gudipati, Executive Director, as recommended by the Board's Remuneration Committee for a period of two years from and including August 13, 2010 on the following basis :-

- a. Remuneration:
 - Salary: Basic salary at the rate of Rs.75,000/- per month.
- b. In addition to the above Basic Salary, he shall be entitled to the following allowances and perquisites namely:-
 - i. Other Allowances: The Company shall pay City Compensatory Allowance of Rs.40,000/- and Special Allowance at Rs.70,000/- per month.
 - ii. Medical: Reimbursement of all medical expenses incurred for self, spouse, children and dependant parents to the extent of Rs.15,000/- per annum. He will be covered under Group Hospitalization for self, spouse, children and dependant parents and Accident Insurance Scheme for self as per the Company's rules.
 - iii. Leave Travel Assistance: Leave Travel Assistance for self and family, maximum upto 1(one) month's Basic Salary, once in a year for any destination in India or, if agreed to by the Board, abroad.



- iv. Use of Vehicle(s): Company maintained vehicle(s) for use for the Company's business, (the expenditures on such vehicle(s) shall not be considered as a perquisite)
- v. Communications facility at Residence: Telephone and Communication facilities at the residence, namely, fax, E-mail, internet, etc, the expenditure on which will not be considered as a perquisite
- vi. Provident Fund: Contribution to the Provident Fund in accordance with the rules of the Company subject to a ceiling of 12% of the Basic salary, as per prevailing rules or as may be notified by the Government from time to time.
- vii. Gratuity: Payable in accordance with the rules of the Company as applicable or as may be notified by the Government from time to time
- viii. Earned/Privilege Leave: Leave with full pay and allowance, in accordance with the rules of the Company.

Minimum Remuneration

In case of loss or inadequacy of profits during the tenure of office of Mr. Murty Gudipati, the remuneration as decided by the Board from time to time shall be paid to Mr. Murty Gudipati as minimum remuneration with the approval of Central Government, if required.

FURTHER RESOLVED THAT so long as Mr. Murty Gudipati functions as the Executive Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

FURTHER RESOLVED THAT Mr. R.S. Sampath, Director, be and is hereby authorized to take all necessary steps and do all such acts, deeds and things as may be required for giving effect to the above resolution".

By Order of the Board
for Saven Technologies Limited

Place : Hyderabad Ansu Elezabeth Thomas
Date : August 13, 2010 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. The Register of Members and Share Transfer Books of the Company will remain closed from September 10, 2010 to September 15, 2010, both days inclusive.
 3. 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.
 4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
 5. 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.
 6. 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).
 7. 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.
 8. 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.



9. 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.

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

Item No. 5

Wg. Cdr. (Retd.) A.B.Bhushan was appointed as the Additional Director in the Board meeting held on August 13, 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.

Wg. Cdr. (Retd.) A.B. Bhushan is an MBA from Madras University. He has 25 years of experience in Indian Air Force. He was the President of Indo American Chamber of Commerce AP Chapter for the year 1997-98, Regional President Indo US Chamber of Commerce South India-2003-2004 and is an Executive Committee Member of the National Council and was a member of Southern Regional Council for a number of years. He was the President of the Hyderabad Management Association during 1995-96, was the Committee Member of the All India Management Association Council for a number of years and as is an accredited Management Teacher of AIMA. He was awarded the Member of the Year by the Hyderabad Management Association for his contribution to Management Education in Andhra Pradesh for the year 1994-95. He is the Vice Chairman of Zilla Sainik Welfare Board Hyderabad. Apart from the foregoing he is in the Committee of the Federation of AP Chambers and Industry for a number of years, HRD Network and other social and professional bodies.

No Director of the Company other than Wg. Cdr. (Retd.) A.B.Bhushan is concerned or interested in the Resolution.

Item No. 6

Mr. Murty Gudipati was appointed as the Executive Director of the Company for a period of two years with effect from March 13, 2009, at the Annual General Meeting held on September 24, 2009 and the remuneration payable to him was also approved at the aforesaid Annual General Meeting. Mr. Murty Gudipati has immensely contributed to the progress and development of the Company when global economic scenario was in the decline. The present term of his appointment will expire on March 12, 2011 and it is considered desirable to amend the terms of his appointment including the remuneration.

On the recommendation of the Remuneration Committee, the Board, at its meeting held on August 13, 2010, approved the revision in the terms of appointment and remuneration payable to Mr. Murty Gudipati, for a period of two years from and including August 13, 2010, subject to the approval of the shareholders.

Additional particulars of the appointee

Information about the appointee

Mr. Murty Gudipati is an Engineering Graduate (B.Tech - ECE) with M.S. in Computer Engineering from Clemson University, USA.

Mr. Murty Gudipati has more than 10 years of experience in Information Technology. Mr. Murty Gudipati worked as Software Consultant at MCI Corporation, New York, USA and Dow Jones Company, Princeton, New Jersey, USA from 1993 till 1995. He also worked as Engineering Manager at Interactive Data Corporation, New York, USA (1995 -2006).

Mr. Murty Gudipati has been the Head of the Company's Offshore Development Center for a period of two years and he has enlarged the team to about 55 members with billing of USD half a Million from India to US. In order to benefit from his experience and avail his expert advice, the Board of Directors of the Company had co-opted him on the Board as Executive Director.



Statutory Information

Saven Technologies Limited, established about 15 years ago, had commenced export of software solutions and applications for its US Subsidiary three years ago.

Owing to the setback in the US economy, the envisaged growth could not be achieved. In the absence of inadequate profits as required under sections 198 and 309 of the Companies Act, 1956, the Directors recommend remuneration for Mr. Murty Gudipati consistent with the provisions of Schedule XIII. Having regard to the present signs of improvement in US economy, it is hoped that the company would grow both in terms of revenue and profitability.

The proposed remuneration which is very low when compared to Industry Standards is approximately 33 percent more than the remuneration last drawn by Mr. Murty Gudipati. It may be added here that he does not have any pecuniary relationship directly or indirectly with the Company or any of its managerial personnel.

The revised terms of remuneration including minimum remuneration proposed to Mr. Murty Gudipati are fully set out in the resolution No. 6 herein before written. The same constitutes the abstract of the terms of appointment of Mr. Murty Gudipati as required under Section 302 of the Companies Act, 1956.

No Director of the Company other than Mr. Murty Gudipati is concerned or interested in the resolution.

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-ELECTION AT THE ENSUING ANNUAL GENERAL MEETING (Pursuant to Clause 49 VI(A) of Listing Agreement with Stock Exchange)

Mr. Simon Mathews

Mr. Simon Mathews, aged 76, received his B. Com, M.A. and L.L.B. from the Calcutta University. He is a member of the Institute of Chartered Secretaries & Administrators, London, and The Institute of Company Secretaries of India, New Delhi. Mr. Simon Mathews is

an Advocate and Corporate Counsel and has been advising a number of Companies. Before setting up independent practice, he was associated with MNCs and Indian Companies for nearly three decades.

Mr. Simon Mathews is a Director and a member of the Remuneration Committee and the Audit Committee of Vijayanagar Biotech Limited.

He is a member of the Audit Committee and Remuneration Committee and Chairman of the Investors' Grievances Committee of the Board of Saven Technologies Limited.

Mr. Clive Menhinick

Mr. Clive Menhinick, aged 57, has been on the Company's Board since February, 2001. He serves as a Director on the Boards of Tri Reme International Limited, UK, Penrillian Limited, UK, Multi Channel Commerce Limited, UK and Onperson International Limited, UK. Mr. Clive Menhinick received B.Sc Honors Degree in Physics from the University of Liverpool and a Diploma in Company Direction from the University of Bradford. He is Fellow Member of the Institute of Directors, UK.

With over 20 years of professional experience in CAD Consultancy, Advanced Software Development Consultancy and Training, Mr. Clive Menhinick possesses expert knowledge in the areas of Business Development, Sales and Accounting. Mr. Clive Menhinick has been involved in latest developments in certain software techniques.

Mr. Clive Menhinick is not a member of any Committee within the meaning of Clause 49 of the Listing Agreement with Stock Exchange.

By Order of the Board
for Saven Technologies Limited

Place : Hyderabad
Date : August 13, 2010

Ansu Elezabeth Thomas
Company Secretary



DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 17th Annual Report on the business and operations of your Company for the year ended March 31, 2010.

Financial Results

The Financial year 2009-10 was a very challenging year for the industry, particularly to a small sized Companies. A weak demand and pricing environment made it difficult for IT Companies to sustain growth and margins.

The total Revenue of the Company for the financial year ended March 31, 2010 was Rs.25.74 Million as against Rs.38.81 Million for the previous year. The Company had discontinued the operations of Technology Consultancy Services from January, 2009; hence the shortfall in the revenue as compared to that of the previous year. Software development and services had recorded an increase of 18% to Rs.24.46 Million, despite an unprecedented economic slowdown in the US. The Profit for the year was Rs.2.54 Million as compared to Rs. 3.09 Million for the previous year.

The consolidated income of your Company and its Subsidiary, Saven Technologies Inc. was Rs.504.10 Million as compared to Rs.594.78 Million for the previous year. Even though the recessionary trend in the US turned positive from the 3rd Quarter, the growth was very sluggish. As a result the consolidated loss for the year was Rs.6.57 Million as compared to Rs.19.94 Million for the previous year. After adjustment of minority interest the net consolidated loss was Rs.3.20 Million as against Rs.10.29 Million.

Business Overview:

Your Company is developing applications predominantly for the financial sectors and had gained a reasonable insights into developing real time execution & trading systems for World Trading Exchanges such as NYSE, NASDAQ, BATS etc. The Company foresees a good demand in this area of low-latency, high frequency trading systems known as Algorithmic Trading Systems and hence continue to focus developing systems in these areas. Your Company has also commenced night shift operations to collect ETF & MF data from US and Exchanges elsewhere for a key client; significant growth in this area is seen as we have started

expanding ETF & MF Universe and develop analytics on top of the collected raw data. The challenge for the Company is to enhance the investment to grow the business given the uncertainty in the global environment. The Company is hiring aggressively campus recruits for training them on various technologies and stock market data domain. The Company is also investing in R & D on Android application development in mobile space. While the concerns about economic recovery continue to weigh on investors, the Company has plans to get CMMI level 2 Certificate to improve the market reach. Saven being relatively small-sized entity, it is seeking a modest share of the business and the Company is reasonably optimistic of withstanding the adverse effect of the slowdown.

Subsidiary Companies:**Saven Technologies, Incorporated - US**

With US struggling with recessionary trends, your subsidiary could achieve a revenue of \$ 10.53 Million (Rs.500.00 Million) as against \$ 13.14 Million (Rs.592.22 Million) a reduction of 20% in terms of dollar revenue. However, the Subsidiary's Net loss was contained at \$ 0.21 Million (Rs.1 Million) as against \$ 0.36 Million (Rs.1.63 Million) for the previous year. Saven's on-site consultants use proven methods and tools to rapidly implement and customize enterprise applications to fit client's business processes; cost effectively enhance and upgrade their systems to keep pace with application changes and enhancements. Despite the uncertainty, the consulting market had improved during the current financial year. A number of business opportunities are opening in the financial sector where the exposure is predominant. The key factor is to identify and hire the right talent. It is proposed to increase rapidly the strength of billable staff to capture the emerging markets, despite time consuming process and costs involved in the immigration.

Saven Technologies (UK) Limited

Pursuant to application filed by the Company, Reserve Bank of India has noted dissolution of Saven Technologies (UK) Limited, Company's wholly owned Subsidiary in UK.

The Annual Report of Saven Technologies Inc., the US Subsidiary is annexed to this Report as required under Section 212 of the Companies Act, 1956.



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 not only able to sustain its operations but also excel in its performance despite unprecedented contraction in the global economic growth particularly in the European countries including UK. The total revenue of the Joint Venture would be around £ 1.3 Million, an increase of about 30% compared to that of the previous 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 Subsidiaries are published in the Annual Report in addition to their individual financial statements.

Dividend

In the absence of distributable profits, your Directors regret their inability to recommend 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. T.N.J. Raman, Director expired on May 19, 2010. Mr.T.N.J.Raman had been on the Board of the Company since February, 1996, i.e. almost since the inception of the Company and with his vast experience and knowledge had been of immense value to the Company.

The Board placed on record the valuable contribution made by Mr. T.N.J. Raman during his tenure as a Director of the Company.

Wg. Cdr. (Retd.) A.B. Bhushan was appointed as an Additional Director of the Company with effect from August 13, 2010 and would hold office upto the conclusion of the ensuing Annual General Meeting. It is proposed to appoint Wg. Cdr. (Retd.) A.B. Bhushan as a Director of the Company.

Mr. Murty Gudipati was at the Annual General Meeting of the Company held on September 24, 2009 appointed as the Executive Director of the Company for a period of two years with effect from March 13, 2009 and the remuneration payable to him was also approved at the aforesaid Annual General Meeting. Mr. Murty Gudipati has immensely contributed to the progress and development of the Company when global economic scenario was on the decline. Having regard to the contribution made by him and the remuneration presently paid to comparable Directors in other Companies, it is considered desirable to amend the terms of his appointment including the remuneration. The Resolution for amending the terms of his appointment and remuneration has been included in the Notice for the ensuing Annual General Meeting.

Pursuant to Article 125 of the Articles of Association of your Company, read with Section 256 of the Companies Act, 1956, Mr. Simon Mathews and Mr. Clive Menhinick 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, 2010 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 require 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. 26.40 Million. The Foreign Exchange outgo during the year was NIL.

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

Date : August 13, 2010

Simon Mathews

Chairman



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

The market for software and IT services has not, like many other sectors, escaped the effects of the global economic crisis. However, prompt action by Governments across the world and stimulus packages helped to contain the downfall and make the way for revival by end of 2009. However, the industry's growth was affected by recessionary headwinds as the clients cut their IT budgets, cancelled deals, delayed payments and deals, went bankrupt while others renegotiated pricing, looking for severe pricing cuts.

According to the NASSCOM Strategic Review Report 2010, export revenues are estimated to gross USD 50.1 Billion in Financial Year 2010, growing by 5.4 percent over Financial Year 2009, and contributing 69 percent of the total IT-BPO revenues. Several key factors contribute to the growth of IT and IT-enabled services (ITES) in India including availability of quality talent at cost effective rates, rapidly developing infrastructure, an enabling innovation environment, supportive regulatory policies, and a positive overall business environment - all central pillars of India's value proposition.

b. Opportunities, Threats, Risks and Concerns

Global Companies are increasingly turning to offshore technology service providers in order to meet their need for high quality, cost competitive technology solutions. As a de-risking strategy, Companies have moved from giving large orders to breaking up of deals to get better price advantage. The IMF after annual consultations with US authorities raised its US Growth forecasts to 3.3% for 2010 and 2.9% for 2011 but said unemployment would remain above 9% for both years. While the global economic environment remains uncertain, greater demand for services from the existing clients are seen. However, growth is coming at lower rates as clients out-source more work to fewer suppliers and at lesser rates.

Larger Companies could see higher growth and we move to a supply oriented environment where larger providers will be able to meet the requirements better. The ability to recruit matters a lot and that will play out.

While the decreasing IT spends, drop in volumes and margin pressure will mean trouble for several small and mid-tier IT Companies, the bigger IT Companies with diverse services, quality control and strong Balance Sheets are better placed to weather out the current head winds.

In a dynamic Industry such as Information Technology, risk is an inherent aspect of business. The volatility in the foreign exchange rate can adversely affect our revenue and margins. In an economic slowdown, reduction in IT spending or postponement may further impact the business. The political concerns on the issue of outsourcing and protectionism could create uncertainty in the business developments. The market for IT services is highly competitive. Hiring and retaining the staff to address the renewed demand is worrisome. Competition from emerging low cost destinations like China, Philippines, Brazil, Romania, etc. will also fix additional problems.

However, your Company including its US Subsidiary is closely monitoring the developments in the Industry and will continue to regularly monitor risk levels on various parameters and evolve strategies to mitigate the risk.

c. Outlook

General consulting market has considerably improved from the beginning of the current financial year. Demand for qualified consultants from financial services Companies has gone up. The strategy lies in recruiting consultants having the right talent. Saven US has plans to increase the number of billable consultants by 20%. The significant increase in the cost of H1B work permits announced recently may erode cost arbitrage and cause a change in the operational model which in our opinion may turn out to be favourable to Companies like Saven Technologies Inc.

The increase in H1B visa cost and tightening of INS scrutiny, would also open up more outsourcing opportunities. Your Company predominantly developing applications for the financial sector foresees a good demand in Algorithmic Trading Systems. Your Company has recently signed a maintenance contract for a period of two years for a client to support and to make enhancements to their PMO Project Portal System and Order and Bug Tracking systems. The Company foresees a good number of projects to be outsourced for reducing the onsite consulting costs. The Company has also commenced night shift operations to collect ETF & MF data from US and Exchanges elsewhere for a key client; significant growth in this area is seen as we have started expanding ETF & MF Universe and develop analytics on top of the collected raw data. The challenge for the Company is to enhance the investment to grow the business given the uncertainty in the global environment. A growth of 50% increase in the staff strength is projected and has plans to



aggressively recruit in a staggered manner; in addition Company has plans to secure CMMI Level 2 certification to service to medium sized business enterprise.

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, 2010 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.1.96 Million (Rs.0.71 Million in the previous year) comprising additions to computer equipment and software of Rs.0.48 Million, furniture & fixtures, air conditioners of Rs.0.16 Million and vehicles of Rs.1.32 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.20.16 Million in its Subsidiaries / Joint Venture. The Company's investment in the wholly owned subsidiary in UK amounting to Rs.0.67 Million has been written off as

there was no operation in the Subsidiary since 2001-02.

5. Sundry Debtors

Sundry debtors amounted to Rs.25.59 Million as at March 31, 2010, compared to Rs.27.76 Million as at March 31, 2009. These debts are considered good and realizable.

6. Cash and Bank Balances

Cash and bank balances have increased from Rs.7.18 Million to Rs.11.60 Million, an increase of Rs.4.42 Million. The surplus amount of Rs.8.23 Million is kept in Fixed Deposits in Scheduled banks. During the year the Company has earned an interest income of Rs.0.61 Million from these deposits.

7. Loans and advances

Loans and advances have decreased from Rs.6.76 Million to Rs.4.61 Million. During the year refundable security deposit of Rs.2.70 Million was received.

8. Net Current Assets

The net current assets of the Company have increased to Rs.39.71 Million as on March 31, 2010 from Rs.37.07 Million the previous year. The current ratio as on March 31, 2010 was 20:1.

9. Results of Operations

The total revenue for the year ended March 31, 2010 was Rs.25.74 Million as compared to Rs.38.81 Million for the previous year. The Operating Profit for the year under review, before depreciation, was Rs.4.59 Million, as compared to Rs.6.27 Million for the previous year. After considering depreciation of Rs.1.98 Million and provision for investments of Rs.0.06 Million for the year under review, the Net Profit was Rs.2.55 Million, as compared Rs.3.09 Million for the previous year.

The Offshore Development & Services income for the year ended March 31, 2010 was Rs.24.46 Million as compared to Rs.20.80 Million for the previous year. As the Technology Consultancy Services were discontinued with effect from January 01, 2009, the income under this segment for the year ended March 31, 2010 was NIL as compared to Rs.14.99 Million for the previous year.

The other income includes Fixed deposit interest income for the year ended March 31, 2010 which was Rs.0.61 Million as compared to Rs.0.48 Million and favourable foreign exchange variance of Rs.1.75 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 endeavour 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.

As at the end of the year, the Company had 47 employees on its rolls. The Company recruits the required personnel depending on its requirements from time to time.

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 13, 2010

Simon Mathews
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 of the Board**

The Company's Board comprises six Directors including an Independent Executive Director. The Company has as many as four Independent Non-Executive Directors including the 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	Attendance		No. of other Companies in which Director	No. of Committees (other than those constituted by the Company in which Member /Chairman)
		Board Meeting	Last AGM		
Simon Mathews	Independent, Non-executive Chairman	6	Yes	1	1
T N J Raman*	Independent, Non-executive	6	Yes	1	1
Sridhar Chelikani	Promoter, Non-executive	2	No	2	Nil
R S Sampath	Independent, Non-executive	6	Yes	2	Nil
Clive Menhinick	Independent, Non-executive	Nil	No	4	Nil
A B Bhushan**	Additional, Director	NA	NA	1	Nil
Murty Gudipati	Independent, Executive	6	Yes	1	Nil

Note: Date of last Annual General Meeting (AGM) - September 24, 2009.

* T N J Raman expired on May 19, 2010

** Wg. Cdr. (Retd.) A.B. Bhushan was appointed as an Additional Director with effect from August 13, 2010.



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

Six Board Meetings were held during the financial year 2009-10. The gap between any two Board Meetings did not exceed four months.

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

June 19, 2009, July 28, 2009, August 12, 2009, August 31, 2009, October 27, 2009 and January 29, 2010.

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, Mr.T.N.J.Raman*, Wg. Cdr. (Retd.) A.B. Bhushan**, all being 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 the year 2009-10. The dates on which the said Meetings were held are as follows:

June 19, 2009, July 28, 2009, October 27, 2009 and January 29, 2010

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

Sl. No.	Name of the Director	No. of Committee Meetings held during the year 2009-10	No.of Meetings attended during the year 2009-10
1	R S Sampath	4	4
2	Simon Mathews	4	4
3	T N J Raman*	4	4
4	A. B. Bhushan**	NA	NA
5	Murty Gudipati	4	4

4. Remuneration of Directors

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 / Wholetime Directors

b. *Remuneration to Executive Director*

Mr. Murty Gudipati was appointed as an Executive Director for a period of two years with effect from March 13, 2009 with the approval of the members at the Annual General Meeting held on September 24, 2009.

The details of remuneration paid to Mr. Murty Gudipati as the Executive Director per annum is as follows

Salary	Rs. 600,000/-
Provident Fund	Rs. 72,000/-
Perquisites	Rs. 65,000/-
Others	Rs.1,080,000/-

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 functions under the Chairmanship of Mr. Simon Mathews, a Non-Executive, independent Director. The other members of the Committee are Mr. T N J Raman*, Mr.R.S.Sampath and Wg. Cdr. (Retd.) A.B. Bhushan** all being Non-Executive, independent Directors.

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



- d. Number of pending share transfers
There was no share transfer pending as at the end of the financial year.

Mr. R S Sampath and Wg. Cdr. (Retd.) A.B. Bhushan**

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 consists of:

Mr. Simon Mathews(Chairman), Mr. T N J Raman*,

7. Share Transfer Committee

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

The Committee consists of:

Mr. Simon Mathews(Chairman), Mr.T N J Raman*, Mr. R S Sampath and Wg. Cdr. (Retd.) A.B. Bhushan**.

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
20.09.2007	2006-07	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	10:30 A.M.
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.

- 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
20.09.2007	Yes	1. to issue and allot not more than 23,00,000 convertible warrants 2. voluntary delisting of shares from the Hyderabad Stock Exchange Limited
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 of the Remuneration payable to him.

- c. Information on Directors seeking 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 infor-

mation on Directors seeking re-election at the ensuing Annual General Meeting".

- d. Postal Ballot

No Postal Ballot had to be conducted during the year.



9. Disclosures

a. CEO

Executive Director under Sec 269 & 316 of the Companies Act, 1956, 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

At every Board Meeting a Statement of Compliance with all applicable Laws and Regulations as certified by the Director is placed for review the same and gives appropriate directions where necessary.

d. Code of Conduct

The Board of Directors have 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.

e. Risk Management

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

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.

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.

b. Management Discussion & Analysis is annexed to the Directors' Report and forms part of the Annual Report.

11. General Shareholder Information

a. *Date, time and venue of Annual General Meeting*
September 15, 2010 at 10.30 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 10, 2010 to September 15, 2010 (both days inclusive)

c. *Dividend payment date*

Not applicable

d. *Listing on Stock Exchanges*

Bombay Stock Exchange Limited

e. *Listing fee*

Paid Annual Listing Fee to BSE for the year 2010-11.

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

Website : www.saventech.co.in

h. *Company's stock code on Stock Exchange:*

Bombay Stock Exchange Ltd,
532404 / SAVEN TECHNO
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 : xfield@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 often 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*
78.01% of the shareholding has been dematerialized as on 31.03.2010

- i. Distribution of Shareholding as on March 31, 2010

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	1216	57.30	274,799	2.53
501-1000	433	20.41	353,792	3.25
1001-5000	344	16.21	838,554	7.71
5001-10000	45	2.12	359,139	3.30
10001 and above	84	3.96	9,052,464	83.21
Total	2,122	100.00	10,878,748	100.00

- 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 2009-10:

Month	BSE		Volume (Nos.)
	High (Rs.)	Low (Rs.)	
April '09	2.85	2.30	9,035
May	4.81	2.71	59,353
June	5.50	3.56	143,654
July	5.11	4.00	32,175
August	4.85	3.69	147,444
September	4.68	3.61	277,629
October	6.19	4.40	360,497
November	6.90	4.93	149,302
December	7.65	5.69	236,664
January '10	7.45	4.70	130,559
February	5.68	4.50	42,676
March	7.16	3.77	377,373
Total			1,966,361

(Source : www.bseindia.com)



p. Shareholding Pattern as on March 31, 2010

Category	No. of shareholders	% of shareholders	No. of shares held	Voting strength (%)
Resident individuals	2,001	94.29	3,699,757	34.01
Bodies corporate	97	4.57	1,247,493	11.47
NRI'S/OCBS/Foreign Nationals	18	0.85	1,119,829	10.29
Trust	1	0.05	200,000	1.84
Promoters and Promoters Group	5	0.24	4,611,669	42.39
Total	2,122	100.00	10,878,748	100.00

q. Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending June 30, 2010	By August 13, 2010
Financial reporting for the second quarter ending September 30, 2010	By October 31, 2010
Financial reporting for the third quarter ending December 31, 2010	By January 31, 2011
Financial results for the year ending March 31, 2011	By May 30, 2011
Annual General Meeting for the year ending March 31, 2011	August/ September, 2011

r. *Investors' correspondence may be addressed to:*

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, 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:*

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

12. Non-Mandatory Requirementsa. *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.

b. Remuneration Committee

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

The Committee consisted of:

1. Mr. T N J Raman (Chairman)*
2. Mr. Simon Mathews - Appointed as Chairman on August 13, 2010,
3. Mr. R S Sampath, and
4. Wg. Cdr. (Retd.) A.B. Bhushan**- Appointed as an Additional Director and member of the Committee on August 13, 2010

c. 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 <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.

d. 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.

Place : Hyderabad
Date : August 13, 2010

Simon Mathews
Chairman



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 March 31, 2010 and the confirmation to that effect have been given by each of them.

Place : Hyderabad
Date : August 13, 2010

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, 2010 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

Place : Hyderabad
Date : May 20, 2010

RAVI RAMBABU
Partner
M.No.18541



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, 2010 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) Attention is invited to Point No (C) of Note No.4 to Notes on Accounts of Schedule 13 regarding that, the Company has made application in the month of March, 2010 to the Reserve Bank of India seeking its approval for writing off of the investment made in and dues receivable from Saven Technologies (UK) Limited, a Wholly-Owned Subsidiary of the Company, on dissolution of Saven Technologies (UK) Limited.
- vi) 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, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vii) Subject to paragraphs (v) above, 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, 2010;
 - 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

RAVI RAMBABU
Partner
M.No. 18541

Place: Hyderabad
Date : May 20, 2010



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, 2010 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 : May 20, 2010



Saven Technologies Limited

17th Annual Report

BALANCE SHEET AS AT MARCH 31, 2010

(Amount in Rs.)

Particulars	Schedule	As at March 31, 2010	As at March 31, 2009
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
(a) Share Capital	1	108,787,480	108,787,480
(b) Reserves and Surplus	2	23,633,280	23,633,280
TOTAL		132,420,760	132,420,760
II. APPLICATION OF FUNDS			
1. Fixed Assets			
(a) Gross Block	3	41,348,910	39,389,078
(b) Less: Depreciation		28,958,624	26,977,734
(c) Net Block		12,390,286	12,411,344
2. Investments			
	4	19,480,072	19,547,694
3. Current Assets, Loans & Advances			
(a) Sundry Debtors	5	25,589,877	27,759,206
(b) Cash and Bank balances	6	11,605,397	7,179,408
(c) Loans and Advances	7	4,611,675	6,758,396
		41,806,949	41,697,010
Less: Current Liabilities and Provisions	8	2,100,057	4,623,928
Net Current Assets		39,706,892	37,073,082
4. Profit & Loss Account			
		60,843,510	63,388,640
TOTAL		132,420,760	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 : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



Saven Technologies Limited

17th Annual Report

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Amount in Rs.)

Particulars	Schedule	For the year ended March 31, 2010	For the year ended March 31, 2009
INCOME			
Services - Overseas		24,456,154	35,795,275
Domestic		657,600	671,400
Other Income	9	623,694	2,352,376
TOTAL		25,737,448	38,819,051
EXPENDITURE			
Personnel Expenses	10	13,518,412	26,754,915
Operating and Administrative Expenses	11	7,566,738	5,735,216
Financial Expenses	12	58,656	58,965
Depreciation	3	1,980,890	3,104,247
TOTAL		23,124,696	35,653,343
Profit / (Loss) Before Taxation and Non-recurring items		2,612,752	3,165,708
Provision for Taxation (FBT)		--	72,330
Profit / (Loss) After Taxation			
and Before Non-recurring items		2,612,752	3,093,378
Provision for Investments		67,622	--
Profit / (Loss) After Taxation and Non-recurring items		2,545,130	3,093,378
Profit and Loss Account brought forward		(63,388,640)	(66,482,018)
Balance carried to Balance Sheet		(60,843,510)	(63,388,640)
Earnings Per Share (Rs. per Equity Share of Rs. 10 each)			
Basic and Diluted		0.23	0.28
No. of shares used in computing Earnings per share			
Basic and Diluted		10,878,748	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 : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
1. SHARE CAPITAL		
Authorised		
1,60,00,000 Equity Shares of Rs 10/- each	160,000,000	160,000,000
Issued, Subscribed and Paid-up		
1,08,78,748 (1,08,78,748) Equity Shares of Rs 10/- each	108,787,480	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)		
TOTAL	108,787,480	108,787,480
2. RESERVES AND SURPLUS		
Share Premium	18,947,380	18,947,380
Capital Reserve	4,685,900	4,685,900
TOTAL	23,633,280	23,633,280



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

(Amount in Rs.)

Assets	Gross Block		Depreciation			Net Block	
	Cost as at 01.04.09	Additions during the year	Deletions during the year	Up to 01.04.09	For the year	As at 31.03.10	As at 31.03.09
Hardware	13,108,616	388,464	--	11,948,094	307,805	1,241,181	1,160,522
Software	3,618,059	100,613	--	3,153,998	110,086	454,588	464,061
Air Conditioners	2,613,835	49,975	--	1,853,296	186,708	623,806	760,539
Furniture and fixtures	13,837,936	106,700	--	7,155,609	877,791	5,911,236	6,682,327
Electrical Fittings	3,522,290	--	--	1,741,610	249,026	1,531,654	1,780,680
Vehicles	1,142,182	1,314,080	--	215,050	151,602	2,089,610	927,132
Other Assets	1,546,160	--	--	910,077	97,872	538,211	636,083
Total	39,389,078	1,959,832	--	26,977,734	1,980,890	12,390,286	12,411,344
Previous Year	38,674,294	714,784	--	23,873,487	3,104,247	12,411,344	14,800,807

SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
4. INVESTMENTS		
Trade (Unquoted) - at cost		
Long-term		
Saven Technologies Inc.-USA (A Subsidiary Company) 4,20,000 (4,20,000) Common Stock USD 1.00 each, fully paid-up, par value USD 1.00 each	19,469,130	19,469,130
Saven Technologies (UK) Limited (A Wholly-owned Subsidiary Company) 10,000 (10,000) ordinary shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each	676,218	676,218
Penrilian Limited, UK, 161 (161) ordinary shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each	10,942	10,942
	20,156,290	20,156,290
Less : Provision for investments	676,218	608,596
TOTAL	19,480,072	19,547,694
5. SUNDRY DEBTORS (Unsecured)		
Debts outstanding for a period exceeding six months:		
Considered Good *	11,767,527	14,708,883
Considered Doubtful **	19,408,533	19,408,533
Other debts:		
Considered good ***	13,822,350	13,050,323
	44,998,410	47,167,739
Less: Provision for doubtful debts **	19,408,533	19,408,533
TOTAL	25,589,877	27,759,206
* due from subsidiary - Saven Technologies Inc., USA	11,767,527	14,708,883
** Includes due from subsidiary - Saven Technologies (UK) Ltd	2,005,040	2,005,040
** Includes due from subsidiary - Saven Technologies Inc., USA	6,137,961	6,137,961
*** Includes due from subsidiary - Saven Technologies Inc., USA	13,783,138	12,788,823



SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
6. CASH AND BANK BALANCES		
Cash on hand	15,246	13,930
Balances with Scheduled Banks in Current Accounts	3,360,016	1,355,604
Fixed Deposits in Scheduled Bank	8,230,135	5,809,874
TOTAL	11,605,397	7,179,408
7. LOANS AND ADVANCES		
(Unsecured, considered good Advances recoverable in cash or in kind or for value to be received)		
TDS Recoverable	669,535	555,289
ESOP Trust	2,005,000	2,005,000
Other Advances	495,452	30,000
Deposits	1,330,863	4,036,003
Interest Receivables	--	48,946
Service Tax Input Credit	110,825	83,158
TOTAL	4,611,675	6,758,396
8. CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Other Liabilities	1,845,201	4,175,927
Liabilities for expenses	254,856	448,001
TOTAL	2,100,057	4,623,928



SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
9. Other Income:		
Interest Income	613,553	480,047
Misc. Income	10,141	2,670
Rental Income (Net)	--	113,824
Exchange Fluctuations	--	1,755,835
TOTAL	623,694	2,352,376
10. PERSONNEL EXPENSES		
Salaries	12,967,860	25,780,757
Contribution to Provident Fund & Other Funds	476,146	462,989
Staff Welfare Expenses	74,406	147,379
Staff Relocation Expenses	--	363,790
TOTAL	13,518,412	26,754,915
11. OPERATING AND ADMINISTRATIVE EXPENSES		
Managerial Remuneration	1,817,000	--
Rent	1,773,900	1,773,900
Travelling and Conveyance	623,419	284,173
Communication	516,766	735,215
Prof. and service charges	645,000	665,000
Electricity Charges	612,313	631,198
Office Expenses & Maintenance	864,674	907,202
Rates & Taxes	218,417	263,987
Other Miscellaneous Expenses	350,233	373,190
Advertisement & Promotion Expenses	55,016	56,351
Auditors Remuneration	90,000	45,000
TOTAL	7,566,738	5,735,216
12. FINANCIAL EXPENSES		
Interest on Other Loans	52,536	53,493
Bank Charges	6,120	5,472
TOTAL	58,656	58,965



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010**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.

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. Retirement Benefits:

(i) The Company's Contributions to Provident Fund have been paid to Government's provident fund and charged as expenditure to Profit & Loss account.

(ii) 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.

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.

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



Saven Technologies Limited**17th Annual Report****3. Auditors' Remuneration:**

	31.03.2010	31.03.2009
Statutory Audit Fee	70,000	30,000
Taxation and other statutory matters	20,000	15,000

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.
- 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	Year ended March 31,	
	2010	2009
Revenue - Saven Technologies Inc.,	24,456,154	35,795,275
Executive Director - Remuneration	1,817,000	1,429,970

C. Balances with Related Parties

Nature of Transactions	As at March 31,	
	2010	2009
Receivables - Saven Technologies Inc.,	31,688,626	33,635,667
Investments - Saven Technologies Inc.,	19,469,130	19,469,130
Penrillian Ltd	10,942	10,942
Provision for doubtful debts - Saven Technologies Inc.,	6,137,961	6,137,961

The Company has made application in the month of March, 2010 to Reserve Bank of India seeking its approval for writing-off of the investment made in and dues receivable from Saven Technologies (UK) Limited, a Wholly-Owned Subsidiary of the Company on dissolution of Saven Technologies (UK) Limited.

Accordingly, the Company has not disclosed in the related party transaction the amount towards Provision for Investment, Receivables and Others are:

- Provision for Investments to the extent of 90% of Rs.608,596/- already made. During the year balance 10% of Rs.67,622/- taken provision.
- Provision for Receivables of Rs.2,005,040/- already made.
- Provision for Other Advances of Rs.14,11,742/- already made.

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.6.26 Lakhs relating to Hire Purchase of cars excluding Hire charges, and the said loan was secured by hypothecation of the said cars.



Saven Technologies Limited
17th Annual Report

Particulars	Total MLP's Outstanding as on 31-03-2010	Future Interest on Outstanding Lease Payments on 31-03-2010	Present Value of MLP's as on 31-03-2010
Not Later than One year	3.26	0.55	2.71
Later then One year and not later than Five years	3.90	0.35	3.55
Total	7.16	0.90	6.26

7. Earnings per Share:

	31.03.2010	31.03.2009
Net Profit / (Loss) for basic EPS (Rs.)	2,545,130	3,093,378
No. of shares used in computing EPS	10,878,748	10,878,748
Basic and Diluted EPS	0.23	0.28

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, 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

Year ended March 31, 2009

(Amount in Rs.)

Particulars	Technology Consultancy Services	IT-Enabled Services	Software Development & Services	Total
Revenues	14,992,786	671,400	20,802,489	36,466,675
Identifiable operating expenses	14,270,631	360,000	12,124,284	26,754,915
Allocated expenses	--	101,000	5,639,688	5,740,688
Segmental operating income / (loss)	722,155	210,400	3,038,517	3,971,072
Unallocable expenses				3,104,247
Operating income / (loss)				866,825
Other income (expenses), net				2,298,883
Net profit / (loss) before taxes				3,165,708
Income taxes				72,330
Net profit / (loss) after taxes				3,093,378



ii. Geographic Segments

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	--	13,518,412	13,518,412
Allocated expenses	--	7,572,858	7,572,858
Segmental operating income / (loss)	24,456,154	(20,433,670)	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

Year ended March 31, 2009

(Amount in Rs.)

Particulars	North America	India	Total
Revenues	14,992,786	21,473,889	36,466,675
Identifiable operating expenses	14,270,631	12,484,284	26,754,915
Allocated expenses	--	5,740,688	5,740,688
Segmental operating income / (loss)	722,155	3,248,917	3,971,072
Unallocable expenses			3,104,247
Operating income / (loss)			866,825
Other income (expenses), net			2,298,883
Net profit / (loss) before taxes			3,165,708
Income taxes			72,330
Net profit / (loss) after taxes			3,093,378

9. (i) Foreign exchange In flows (on receipt basis):

(in Rs.)

31.03.2010 31.03.2009

Income from Software Development Services and, Technology Consultancy Services	26,404,706	16,055,285
---	------------	------------

(ii) Expenditure in foreign currency (on payment basis):

Nil Nil

(iii) Net foreign currency (on receipt and payment basis):

Net foreign exchange	26,404,706	16,055,285
----------------------	------------	------------

10. Dues to Micro, Small and Medium Enterprises:

As of March 31, 2010, the Company had no outstanding dues to Micro, Small and Medium Enterprises (As of March 31, 2009- Rs. Nil)



11. Sundry Debtors:

Sundry Debtors include an amount of Rs.31,688,626/- 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.

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

for and on behalf of the Board

Murty Gudipati
Executive Director

R S Sampath
Director

Ravi Rambabu
Partner
M.No. 18541

Place : Hyderabad
Date : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

(Amount in Rs.)

Particulars	Year ended March 31, 2010	Year ended March 31, 2009
A Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax and after Non-recurring items	2,545,130	3,165,708
Adjustments for		
Depreciation	1,980,890	3,104,247
Miscellaneous Expenditure written-off	Nil	Nil
Provision for Investments	67,622	Nil
Profit / Loss on Sale of Fixed Assets	Nil	Nil
Interest Income	(613,553)	(480,047)
Interest Expense	52,536	53,493
<i>Operating Profit / (Loss) before working Capital Changes</i>	4,032,625	5,843,401
Increase / Decrease in Sundry Debtors	2,169,329	(7,452,674)
Increase / Decrease in Loans & Advances	2,146,721	(3,001,385)
Increase / Decrease in Current Liabilities & Other Provisions	(2,523,871)	3,378,726
Cash generated from operations	5,824,804	(1,231,932)
Income Taxes Paid	Nil	72,330
Net Cash from Operating Activities	5,824,804	(1,304,262)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,959,832)	(714,784)
Proceeds from sale of Fixed Assets	Nil	Nil
Miscellaneous Expenditure	Nil	Nil
Investments	Nil	Nil
Interest Received	613,553	480,047
Net Cash used in Investing Activities	(1,346,279)	(234,737)
C. Cash flow from Financing Activities		
Proceeds from Issuance of Share capital	Nil	Nil
Proceeds from Loans	Nil	Nil
Repayment of Loans	Nil	Nil
Interest paid	(52,536)	(53,493)
Dividends paid (including Dividend tax)	Nil	Nil
Net Cash from Financing Activities	(52,536)	(53,493)
Net Increase / (Decrease) in Cash and Cash Equivalents	4,425,989	(1,592,492)
Cash & Cash equivalents at the beginning of the year	7,179,408	8,771,900
Cash & Cash equivalents at the end of the year	11,605,397	7,179,408

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 : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



Saven Technologies Limited**17th Annual Report****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****Registration Details**

Registration No.	15737
State Code	01
Balance Sheet Date	March 31, 2010

(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	12,390,286
Investments	19,480,072
Net Current Assets	39,706,892
Miscellaneous Expenditure	—
Accumulated Losses	60,843,510

Performance of the Company

Turnover	25,737,448
Total Expenditure	23,124,696
Profit / (Loss) before tax	2,612,752
Provision for Taxation	—
Extraordinary Items	67,622
Profit / (Loss) after tax and extraordinary items	2,545,130
Earnings per share (in Rs.) (Basic & Diluted)	0.23
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 : May 20, 2010Ansu Elezabeth Thomas
Company Secretary

Saven Technologies Limited**17th 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	March 31, 2010
3	Shares of Subsidiary Company held on the above date and extent of holding	
	(i) Number of shares held	420,000
	(ii) Extent of holding	61%
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	Nil
	(ii) not dealt with in the Accounts of Saven Technologies Limited	Loss : USD 193,080 (Rs.9,169,369)
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	Nil
	(ii) not dealt with in the Accounts of Saven Technologies Limited	Profit : USD 962,769 (Rs. 43,391,998)

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 13, 2010

Ansu Elezabeth Thomas
Company Secretary



DIRECTORS' REPORT

Your Directors are pleased to present their report together with audited financial statements for the ended March 31, 2010.

The US economy has started stabilizing during 2009 after a worst ever Global crisis in living memory. Prompt action by US Government and the stimulus packages not only helped to contain the contraction but also paved the way for revival by end of 2009. However, the pace of recovery has been weaker than expected.

Your Directors are pleased to inform that your Company could not only withstand the crisis but also achieve revenue of \$ 10.53 Million for the year ended March 31, 2010 as against \$ 13.14 Million for the previous year, a reduction of 20% only. The Operating Margin was however impacted due to increase in personnel cost, in terms of revenue and pricing pressure from the clients. The Company achieved an operating margin of USD 0.45 Million as against USD 0.59 Million for the previous year. With various cost cutting measures in place, the net loss was contained at USD 0.21 Million as against USD 0.36 Million for the previous year.

Outlook

Although overall growth has been sluggish general consulting market has considerably improved from the beginning of the current financial year. Demand for qualified consultants from financial services Companies has gone up. The strategy lies in recruiting consultants

having the right talent. Company has plans to increase the number of billable consultants by 20% from the present of about 100 Nos. The significant increase in the cost of H1B work permits announced recently may erode cost arbitrage and cause a change in the operational model which in our opinion may turnout to be favourable to Companies like yours in the US.

The increase in H1B visa cost and tightening of INS scrutiny may also open up more outsourcing opportunities. The applications developed by your Offshore Development Center for the financial sector have been well accepted and your Company sees a good demand in Algorithmic Trading Systems for trading exchanges such as NYSE, NASDAQ, BATS, etc. The Offshore Development Center has plans to get CMMI Level 2 Certificate to improve the market reach; your Company has plans to strengthen the marketing for securing more business for your Development Center.

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

Your 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

August 13, 2010

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, 2010, 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, 2010, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Johson & Dutt, Ltd,
Elmhurst, Illinois
May 20, 2010



BALANCE SHEET AS AT MARCH 31, 2010

Particulars	As at March 31, 2010		As at March 31, 2009	
	USD	Rs.	USD	Rs.
Assets				
<i>Current Assets</i>				
Cash	838,656	37,336,965	803,280	40,525,476
Accounts Receivable	1,903,238	84,732,156	2,121,829	107,046,273
Notes Receivable	31,684	1,410,572	61,627	3,109,082
Prepaid Expenses	86,078	3,832,193	64,387	3,248,324
Investments	117	5,677	117	5,677
Total Current Assets	2,859,773	127,317,562	3,051,240	153,934,832
<i>Fixed Assets, At Cost (See Note 1)</i>				
Property and Equipment	238,033	10,597,229	219,608	11,079,224
Less: Accumulated Depreciation	190,260	8,470,375	171,683	8,661,407
Total Fixed Assets	47,773	2,126,854	47,925	2,417,816
<i>Other Assets</i>				
Notes Receivable	297,584	13,248,440	330,323	16,664,795
Total Assets	3,205,130	142,692,856	3,429,488	173,017,444
Liabilities and Stockholder's Equity				
<i>Current Liabilities:</i>				
Notes Payable Due within One Year	320,761	14,280,280	314,738	15,878,532
Accounts Payable	69,542	3,096,010	122,864	6,198,489
Other Accrued Expenses	623,869	27,774,648	599,956	30,267,780
Total Current Liabilities	1,014,172	45,150,937	1,037,558	52,344,801
<i>Long-term Liabilities</i>				
Due to Saven India	731,269	31,688,626	739,161	33,635,667
Total Liabilities	1,745,441	76,839,563	1,776,719	85,980,468
Stockholder's Equity				
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)	28,328	1,261,163	8,280	417,726
Retained Earnings	741,361	32,774,580	954,489	54,801,700
Total Stockholders' Equity	1,459,689	65,853,292	1,652,769	87,036,976
Total Liabilities and Stockholders' Equity	3,205,130	142,692,856	3,429,488	173,017,444



STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2010

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	USD	Rs.	USD	Rs.
Sales	10,530,295	500,083,710	13,140,223	592,229,851
Cost of Sales	10,078,770	478,640,787	12,547,717	565,525,605
Gross Profit	451,525	21,442,922	592,506	26,704,245
Operating Expenses (See Schedule A)	687,579	32,597,953	938,859	42,638,203
Net Operating Income	(236,054)	(11,155,031)	(346,353)	(15,933,957)
Other Income and (Expense) (See Schedule B)	22,926	1,088,756	(10,092)	(454,846)
Net Income Profit / (Loss)	(213,128)	(10,066,275)	(356,445)	(16,388,804)
Retained Earnings, April 01, 2009	954,489	--	1,310,934	--
Retained Earnings, March 31, 2010	741,361	(10,066,275)	954,489	(16,388,804)

SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2010

SCHEDULE - A

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	USD	Rs.	USD	Rs.
Operating Expenses				
Advertising and Promotion	12,665	601,461	8,442	380,481
Bad Debts	46,242	2,196,033	34,928	1,574,205
Bank Service charge	6,472	307,355	5,119	230,713
Depreciation	18,577	827,048	60,191	3,036,636
Dues and Subscription	3,830	181,887	7,082	319,186
Equipment Rent	13,032	618,890	8,316	374,802
Insurance	38,430	1,825,041	44,742	2,016,522
Licenses & Permits	3,048	144,750	5,770	260,054
Meals & entertainment	21,173	1,005,506	9,864	444,570
Office expenses	21,332	1,013,057	18,006	811,530
Professional Fees	265,589	12,612,822	317,522	14,310,717
Referral fees	3,000	142,470	1,000	45,070
Relocation expenses	84,417	4,008,963	223,268	10,062,689
Repairs & Maintenance	10,739	509,995	8,338	375,794
Rent	73,558	3,493,269	102,552	4,622,019
Seminars	--	--	27,709	1,248,845
Telephone	24,353	1,156,524	29,501	1,329,610
Travel	33,970	1,613,235	19,616	884,093
Utilities	7,152	339,648	6,893	310,668
Total Operating Expenses	687,579	32,597,953	938,859	42,638,203



SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2010

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	USD	Rs.	USD	Rs.
SCHEDULE - B				
Other Income & (Expense)				
Other Income				
Interest Income	10,883	516,834	28,430	1,281,340
Interest Expense	(11,662)	(553,828)	(18,376)	(828,206)
Other Income / Expense	26,723	1,269,075	(13,255)	(597,403)
Income Tax	(3,018)	(143,325)	(6,891)	(310,577)
Total Other Income & (Expenses)	22,926	1,088,756	(10,092)	(454,846)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2010

Particulars	Year ended March 31, 2010		Year ended March 31, 2009	
	USD	Rs.	USD	Rs.
<i>Cash Flows from Operating Activities</i>				
Net Income	(213,128)	(10,066,275)	(356,445)	(16,388,804)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	18,577	827,048	60,191	3,036,636
Changes in Assets and Liabilities :				
Accounts Receivable	218,591	9,731,671	75,009	3,784,204
Accounts Payable	(53,322)	(2,373,895)	199,863	10,083,088
Accrued Expenses	(5,670)	(252,428)	(124,907)	(6,301,558)
Net Cash Provided by Operating Activities	(34,952)	(2,133,880)	(146,289)	(5,786,434)
<i>Cash Flows from Investing Activities :</i>				
Capital Contribution	--	--	15,000	756,750
Asset acquisitions	(18,425)	(820,281)	(33,938)	(1,712,172)
Increase/ Decrease in notes receivable	82,730	3,683,140	50,204	2,532,792
Net Cash Used in Investing Activities	64,305	2,862,859	31,266	1,577,370
<i>Cash Flows from Financing Activities :</i>				
Net Proceeds from Loans	6,023	268,144	27,115	1,367,952
Net Cash Used in Financing Activities	6,023	268,144	27,115	1,367,952
Net Decrease in Cash and Cash Equivalents	35,376	997,123	(87,908)	(2,841,112)
Cash and Cash Equivalents, Beginning of Year	803,280	36,339,842	891,188	43,366,588
Cash and Cash Equivalents, End of Year	838,656	37,336,965	803,280	40,525,476



Notes to Financial Statements for the year ended March 31, 2010

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 \$ 28,328 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%, 2.50% at March 31, 2010. The balance at March 31, 2010 is \$ 299,983.

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.

For the year ended March 31, 2010, rent expense was approximately \$ 73,558.

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, 2010 is \$ 731,269.

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, 2010.

Note: Indian Rupee equivalent of figures have been arrived at by applying the year end and average exchange rate of USD 1.00 = Rs.44.52 and Rs.47.49 respectively (Previous Year: USD 1.00 = Rs.50.45 and Rs.45.07)



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, 2010 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.142,692,856/- as at 31st March, 2010 and total revenues of Rs.502,821,698 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. Attention is invited to Note No.2 to Notes on Accounts of Schedule 13 regarding that, the Company has made application in the month of March, 2010 to the Reserve Bank of India seeking its approval for writing off of the investment made in and dues receivable from Saven Technologies (UK) Limited, a Wholly-Owned Subsidiary of the Company, on dissolution of Saven Technologies (UK) Limited.
6. Subject to para 5 above, 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, in our opinion, 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, 2010;
 - (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
Reg. No: 002976S

Place: Hyderabad
Date : May 20, 2010

Ravi Rambabu
Partner
M.No.18541



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

(Amount in Rs.)

Particulars	Schedule	As at	As at
		March 31, 2010	March 31, 2009
I SOURCES OF FUNDS			
1. Shareholders' Funds			
(a) Share Capital	1	108,787,480	108,787,480
(b) Reserves and Surplus	2	23,633,280	23,633,280
2. Minority Interest		25,429,052	32,627,816
TOTAL		157,849,812	165,048,576
II APPLICATION OF FUNDS			
1. Fixed Assets			
(a) Gross Block	3	52,015,889	49,235,776
(b) Less: Depreciation		37,798,587	34,990,649
(c) Net Block		14,217,302	14,245,127
2. Investments		16,619	16,619
3. Current Assets, Loans and Advances			
(a) Sundry Debtors	5	84,771,368	107,307,773
(b) Cash and Bank balances	6	48,942,362	47,704,884
(c) Loans and Advances	7	28,011,872	29,780,598
Less: Current Liabilities and Provisions		53,486,165	66,177,436
Net Current Assets		108,239,437	118,615,819
4. Profit and Loss Account		35,376,454	32,171,011
TOTAL		157,849,812	165,048,576
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 : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



Saven Technologies Limited

17th Annual Report

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Amount in Rs.)

Particulars	Schedule	For the year ended March 31, 2010	For the year ended March 31, 2009
INCOME			
Services - Overseas		500,083,710	592,229,851
Domestic		657,600	671,400
Other Income	9	3,361,683	1,877,881
TOTAL		504,102,993	594,779,132
EXPENDITURE			
Personnel Expenses	10	471,712,008	567,270,089
Operating and Administrative Expenses	11	35,387,336	40,093,264
Financial Expenses	12	553,828	828,206
Depreciation	3	2,807,938	6,140,883
TOTAL		510,461,110	614,332,442
Profit/ (Loss) Before Taxation and Non-recurring items		(6,358,117)	(19,553,310)
Provision for Taxation		143,325	382,907
Profit/ (Loss) After Taxation and Before Non-recurring items		(6,501,442)	(19,936,217)
Provision for Investments		67,622	--
Profit/ (Loss) After Taxation and Non-recurring items		(6,569,064)	(19,936,217)
Less: Minority Interest		3,363,621	9,644,279
		(3,205,443)	(10,291,938)
Add: Profit and Loss Account brought forward		(32,171,011)	(21,879,073)
Balance carried to Balance Sheet		(35,376,454)	(32,171,011)
Earnings Per Share (per Equity Share of Rs. 10/- each)			
Basic & Diluted		(0.29)	(0.95)
Number of Shares used in computing Earnings per Share			
Basic & Diluted		10,878,748	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

Ravi Rambabu
Partner
M.No. 18541

Murty Gudipati
Executive Director

R S Sampath
Director

Place : Hyderabad
Date : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
1. SHARE CAPITAL		
AUTHORISED		
1,60,00,000 Equity Shares of Rs 10/- each	<u>160,000,000</u>	<u>160,000,000</u>
ISSUED, SUBSCRIBED AND PAID-UP		
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)	108,787,480	108,787,480
TOTAL	108,787,480	108,787,480
2. RESERVES AND SURPLUS		
Share Premium	18,947,380	18,947,380
Capital Reserve	4,685,900	4,685,900
TOTAL	23,633,280	23,633,280



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

(Amount in Rs.)

ASSETS	Gross Block			Depreciation			Net Block			
	Cost as at 01.04.09	Additions during the year	Deletions during the year	Total as at 31.03.10	Up to 01.04.09	Deletions during the year	For the year	As at 31.03.10	As at 31.03.09	
Hardware	22,955,314	1,208,745	--	24,164,059	19,961,009	--	1,134,853	21,095,862	3,068,197	2,994,305
Software	3,618,059	100,613	--	3,718,672	3,153,998	--	110,086	3,264,084	454,588	464,061
Air Conditioners	2,613,835	49,975	--	2,663,810	1,853,296	--	186,708	2,040,004	623,806	760,539
Furniture and fixtures	13,837,936	106,700	--	13,944,636	7,155,609	--	877,791	8,033,400	5,911,236	6,682,327
Electrical Fittings	3,522,290	--	--	3,522,290	1,741,610	--	249,026	1,990,636	1,531,654	1,780,680
Vehicles	1,142,182	1,314,080	--	2,456,262	215,050	--	151,602	366,652	2,089,610	927,132
Other Assets	1,546,160	--	--	1,546,160	910,077	--	97,872	1,007,949	538,211	636,083
Total	49,235,776	2,780,113	--	52,015,889	34,990,649	--	2,807,938	37,798,587	14,217,302	14,245,127
Previous Year	46,808,820	2,426,956	--	49,235,776	28,849,766	--	6,140,883	34,990,649	14,245,127	17,959,054

SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

(Amount in Rs.)

Particulars	As at March 31, 2010	As at March 31, 2009
4. INVESTMENTS		
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		
TOTAL	16,619	16,619
5. SUNDRY DEBTORS (UNSECURED)		
Debts outstanding for a period exceeding six months		
Considered Doubtful	17,771,309	17,771,309
Other debts		
Considered good	84,771,368	107,307,773
	102,542,677	125,079,082
Less: Provision for doubtful debts	17,771,309	17,771,309
TOTAL	84,771,368	107,307,773
6. CASH AND BANK BALANCES		
Cash on hand	15,246	13,930
Balances with Scheduled Banks in current accounts	40,696,981	41,881,080
Fixed Deposits in Scheduled Bank	8,230,135	5,809,874
TOTAL	48,942,362	47,704,884
7. LOANS AND ADVANCES		
(Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received)		
TDS Recoverable	669,535	555,289
ESOP Trust	2,005,000	2,005,000
Other Advances	1,906,024	3,139,082
Loan to Penrillian Ltd	13,248,440	16,664,795
Rent and other Deposits	1,330,863	4,036,003
Prepaid Expenses	3,832,193	3,248,325
Interest Receivables	--	48,946
Service Tax Input Credit	110,825	83,158
Currency Translation Reserve	4,908,992	--
TOTAL	28,011,872	29,780,598
8. CURRENT LIABILITIES AND PROVISIONS		
<i>Current Liabilities</i>		
Other Liabilities	25,456,661	32,390,910
Liabilities for expenses	28,029,504	30,715,781
Currency Translation Reserve	--	3,070,745
TOTAL	53,486,165	66,177,436



SCHEDULES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT

(Amount in Rs.)

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
9. OTHER INCOME		
Interest Income	1,130,387	1,761,387
Miscellaneous Income	1,279,216	2,670
Rental Income (Net)	--	113,824
Exchange Fluctuations	952,080	--
TOTAL	3,361,683	1,877,881
10. PERSONNEL EXPENSES		
Salaries and Benefits	467,703,045	557,207,400
Staff Relocation Expenses	4,008,963	10,062,689
TOTAL	471,712,008	567,270,089
11. OPERATING AND ADMINISTRATIVE EXPENSES		
Managerial Remuneration	1,817,000	--
Rent	5,267,169	6,395,919
Travelling and Conveyance	2,236,654	1,168,266
Communication	1,673,290	2,064,825
Prof. and service charges	12,360,261	14,344,737
Electricity Charges	612,313	631,198
Office Expenses & Maintenance	6,503,447	7,062,412
Rates & Taxes	218,417	263,987
Other Miscellaneous Expenses	492,703	977,353
Advertisement & Promotion Expenses	656,477	436,832
Auditors Remuneration	987,561	721,050
Bad Debts Written Off	2,196,033	1,574,205
Interest on Other Loans	52,536	53,493
Bank Charges	313,475	236,185
Exchange Fluctuations	--	4,162,802
TOTAL	35,387,336	40,093,264
12. FINANCIAL EXPENSES		
Interest on Other Loans	553,828	828,206
TOTAL	553,828	828,206



**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 31.03.2010

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.

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. Retirement Benefits:

(i) The Company's Contributions to Provident Fund have been paid to Government's provident fund and charged as expenditure in Profit & Loss account.

(ii) 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.

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 is the functional

currency for its subsidiary located in the U.S.

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, 2010
1.	Saven Technologies Inc.	U S A	61 %

The reporting date of the above subsidiary is March 31, 2010.fp

- The Company has made application in the month of March, 2010 to Reserve Bank of India seeking its approval for writing-off of the investment made in and the dues receivable from the Saven Technologies (UK) Limited, a Wholly-Owned Subsidiary of the Company, on dissolution of Saven Technologies (UK) Limited.
- 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 \$ 4,00,000. Interest is payable at prime plus 1.75%, 2.5% at March 31, 2010. The balance at March 31, 2010 is \$ 2,99,983.
- Debit balance of the Consolidated Profit and Loss account is arrived at after adjusting the Profit and Loss account balances of subsidiary companies.
- Auditors' Remuneration :*

	31.03.2010	(in Rs.) 31.03.2009
Statutory Audit Fee	967,561	706,050
Taxation and other statutory matters	20,000	15,000

6. Related Party Transactions:

The Company entered into transactions with the following related parties:

- Penrillian Limited, a Joint Venture Company in the U.K.
- Key Management Person, Mr. Murty Gudipati - Executive Director.

Nature of Transactions	Transactions for the Year ended March 31		Balance As at March 31	
	2010	2009	2010	2009
Investments	Nil	Nil	16,619	16,619
Advances / Loans	3,416,355	3,768,461	13,248,440	16,664,795
Executive Director - Remuneration	1,817,000	1,429,970	Nil	Nil

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



7. Earnings per Share:

	31.03.2010	31.03.2009
Net Profit / (Loss) for basic EPS (Rs.)	(3,205,443)	(10,291,938)
No. of shares used in computing EPS	10,878,748	10,878,748
Basic and Diluted EPS	(0.29)	(0.95)

8. Dues to Small-Scale Industrial undertakings:

As of March 31, 2010 the Company had no outstanding dues to small-scale industrial undertakings (As of March 31, 2009- Rs. Nil)

9. Segment-wise / Product-wise performance:

Business segments at the Company and its subsidiaries are 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, 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)

Year ended March 31, 2009

(Amount in Rs.)

Particulars	Technology Consultancy Services	IT-Enabled Services	Software Development & Services	Total
Revenues	571,427,362	671,400	20,802,489	592,901,251
Identifiable operating expenses	554,785,805	360,000	12,124,284	567,270,089
Allocated expenses	34,352,576	101,000	5,639,688	40,093,264
Segmental operating income / (loss)	(17,711,019)	210,400	3,038,517	(14,462,102)
Unallocable expenses				6,140,883
Operating income / (loss)				(20,602,985)
Other income (expenses), net				1,049,675
Net profit / (loss) before taxes				(19,553,310)
Income taxes				382,907
Minority Interest				9,644,279
Net Profit / (Loss) after taxes				(10,291,938)



Saven Technologies Limited

17th Annual Report

Geographic Segments

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)

Year ended March 31, 2009

(Amount in Rs.)

Particulars	North America	India	Total
Revenues	571,427,362	21,473,889	592,901,251
Identifiable operating expenses	554,785,805	12,484,284	567,270,089
Allocated expenses	34,352,576	5,740,688	40,093,264
Segmental operating Income / (loss)	(17,711,019)	3,248,917	(14,462,102)
Unallocable expenses			6,140,883
Operating Income / (loss)			(20,602,985)
Other Income (expenses), net			1,049,675
Net profit / (loss) before taxes			(19,553,310)
Income Taxes			382,907
Minority Interest			9,644,279
Net Profit / (Loss) after taxes			(10,291,938)

10. 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

for and on behalf of the Board

Murthy Gudipati
Executive Director

R S Sampath
Director

Ravi Rambabu
Partner
M.No. 18541

Place : Hyderabad
Date : May 20, 2010

Ansu Elezabeth Thomas
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

Particulars	(Amount in Rs.)	
	Year ended March 31, 2010	Year ended March 31, 2009
A Cash Flow from Operating Activities		
<i>Net Profit / (Loss) before Tax and after Non-recurring items</i>	(6,425,739)	(19,553,310)
<i>Adjustments for:</i>		
Depreciation	2,807,938	6,140,883
Miscellaneous Expense Written-off	Nil	Nil
Profit / Loss on Sale of Fixed Assets	Nil	Nil
Interest Income	(1,130,387)	(1,761,387)
Interest Expense	553,828	828,206
<i>Operating Profit/(Loss) before working Capital Changes</i>	(4,194,360)	(14,345,608)
Increase / Decrease in Sundry Debtors	22,536,405	(20,105,966)
Increase / Decrease in Loans & Advances	1,768,726	9,451,033
Increase / Decrease in Current Liabilities & Other Provisions	(16,526,414)	30,447,867
<i>Cash generated from operations</i>	3,584,357	5,447,326
Income Taxes Paid	143,325	382,907
Net Cash from Operating Activities	3,441,032	5,064,419
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2,780,113)	(2,426,956)
Proceeds from sale of Fixed Assets	Nil	Nil
Miscellaneous Expenditure	Nil	Nil
Investments	Nil	Nil
Interest Received	1,130,387	1,761,387
Net Cash used in Investing Activities	(1,649,726)	(665,569)
C. Cash flow from Financing Activities		
Proceeds from Issuance of Share capital	Nil	Nil
Proceeds from Loans	Nil	Nil
Repayment of Loans	Nil	Nil
Interest paid	(553,828)	(828,206)
Dividends paid (including Dividend tax)	Nil	Nil
Net Cash from Financing Activities	(553,828)	(828,206)
Net Increase / (Decrease) in Cash and Cash Equivalents	1,237,478	3,570,644
Cash & Cash equivalents at the beginning of year	47,704,884	44,134,240
Cash & Cash equivalents at the end of the year	48,942,362	47,704,884

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 : May 20, 2010

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 Seventeenth Annual General Meeting of the Company held on Wednesday, the 15th day of September, 2010 at 10.30 A.M. at The 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 _____

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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 Seventeenth Annual General Meeting of the Company to be held on Wednesday, the 15th day of September, 2010 at 10.30 A.M. at The Federation of Andhra Pradesh Chamber of Commerce and Industry, Federation house, 11-6-841, Red Hills, Hyderabad - 500 004.

Affix
Revenue
Stamp

Signed this _____ day of _____ 2010

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.



