



SAVEN TECHNOLOGIES LIMITED

(CIN: L72200TG1993PLC015737)

REGISTERED OFFICE NO.: 302, MY HOME SAROVAR PLAZA,
5-9-22, SECRETARIAT ROAD, HYDERABAD – 500063 TELANGANA
TEL: 040-23237303/23233358, FAX: 23237306
Website: www.saven.in Email: investorrelations@saven.in

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POSTAL BALLOT NOTICE

Notice pursuant to Section 110 of the Companies Act, 2013

To
The Members of
Saven Technologies Limited

Notice is hereby given, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended below for reduction of capital of the company and to amend Clause V of the Memorandum of Association of the Company is proposed to be considered and if thought fit, to pass the following resolutions by the Members through Postal Ballot/Electronic Voting (e-voting).

The Resolutions, the Statement pursuant to Section 102 of the Companies Act, 2013 containing all material facts and a Postal Ballot Form with instructions are enclosed with this Notice.

The Board of Directors at their meeting held on 10th January, 2017 have appointed Mr. S. Chidambaram (Membership No. FCS F3935, CP No. 2286), Company Secretary in Whole Time Practice, Hyderabad as the Scrutinizer (the "Scrutinizer") for conducting the Postal Ballot process in a fair and transparent manner. The Board has appointed Mr. Murty Gudipati, Executive Director and CEO (DIN 01459606) and Ms. Jayanthi, Company Secretary & Compliance Officer of the Company to be severally responsible for the entire postal ballot process and to take all the steps and to do all the acts, deeds and things etc., as may be necessary or expedient in connection with or in relation to the Postal Ballot process.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form (no other form or photocopy is permitted) duly completed in the attached self-addressed envelope so as to reach the Scrutinizer by 5.00 P.M on or before 25th February, 2017. Postal Ballot Forms received after this date will be strictly treated as if the reply from the concerned member has not been received. The postage will be borne and paid by the Company. It is, however, clarified that members desiring to exercise their vote from outside India will have to arrange for postage from the country where the ballot papers are dispatched to the Scrutinizer.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Postal Ballot Form. References to Postal Ballot(s) in this notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman of the Company or in his absence to any other Director / Officer authorized by him, upon completion of scrutiny of Postal Ballots in a fair and transparent manner and the results of the Postal Ballot will be announced in the presence of the Scrutinizer on 2nd March, 2017 at 5.00 P.M at the Company's Registered Office. The results of the Postal Ballot will be displayed on the Company's website www.saven.in and will also be published in English and Telugu newspapers.

The date of declaration of the results of the Postal Ballot shall be the date on which the resolution shall be deemed to have been passed, if approved by the requisite majority.

SPECIAL BUSINESS

Item No.1: To approve the Scheme of Reduction of Capital.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sections 66 of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all such laws as may be applicable from time to time, if any, (including any statutory modification or re-enactment thereof for time being in force) and in accordance with the Memorandum of Association and Article 38 of Table F of the Companies Act, 2013 as adopted by the Company as its Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal at Hyderabad and any other statutory authorities, as the case may be required, approval of the members be and is hereby accorded to reduce the paid-up equity share capital of the Company from ₹ 10,87,87,480/- (Rupees Ten Crores Eighty Seven Lakhs Eighty Seven Thousand Four Hundred and Eighty only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 1/- (Rupee One only) each."

"RESOLVED FURTHER THAT the aforesaid reduction of paid-up share capital shall be effected by returning to the shareholders an amount of ₹ 9/- (Rupees Nine only) per equity share of ₹ 10/- (Rupees Ten only) each held by them."

"RESOLVED FURTHER THAT the Scheme of Reduction of Capital which is circulated to the members along with this postal ballot notice detailing the reduction of share capital as explained above be and is hereby approved."

"RESOLVED FURTHER THAT subject to the approval of the Hon'ble National Company Law Tribunal at Hyderabad and any other appropriate authority, as may be applicable, the Company be and is hereby not required to add word "And Reduced" to its name as the last words there off."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above mentioned resolution, Mr. Murty Gudipati, Executive Director and CEO (DIN 01459606) , Mr. S. Mohan Rao, Chief Financial Officer of the Company be and are hereby severally authorized to give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all such acts, deeds, matters and things of whatsoever nature as may be deemed expedient for giving effect to the above resolution."

"RESOLVED FURTHER THAT Mr. Murty Gudipati, Executive Director and CEO (DIN 01459606), Mr. S. Mohan Rao, Chief Financial Officer of the Company and/ or any other person of the Company as may be nominated by the Board of Directors of the Company, be and are hereby severally authorized to take all necessary steps to give effect to the said resolution pertaining to reduction of capital of the Company, including but not limited to:

- (a) representing the Company before Hon'ble National Company Law Tribunal or before any other judicial, quasi-judicial, governmental or statutory authority;
- (b) filing the application/ petition and/ or any other document/ information/ details with the concerned Stock Exchange/ SEBI or any other body or regulatory authority or agency to obtain approval or sanction to the proposed reduction of capital or for giving effect thereto.
- (c) filing of application/petition and/or any other information/ documents with the Hon'ble National Company Law Tribunal and/or any other regulatory authorities for their approval to the proposed reduction of capital or giving effect to any of the provisions thereto.
- (d) filing of any affidavit, petitions, pleadings, applications, forms or reports before the Hon'ble National Company Law Tribunal or any statutory or regulatory authority, including stock exchanges, the Securities and Exchange Board of India, the Registrar of Companies, Regional Director, or such other authority as may be required in connection with the proposed reduction of capital and or in connection with its sanction thereof and to do all such acts deeds or things as they may deem necessary in connection therewith and incidental thereto;
- (e) signing all applications, petitions, documents, undertakings affidavits, letters relating to the proposed reduction of capital, and represent the Company before any regulatory authorities and the Hon'ble National Company Law Tribunal in relation to any matter pertaining to the proposed reduction of capital or delegate such authority to another person by a valid power of attorney.
- (f) engage Counsels, Advocates, Solicitors, Chartered Accountants, Company Secretaries and other professionals and to sign and execute vakalatnama wherever necessary and sign and issue public advertisements and notices.
- (g) do all such acts, deeds, matters and things as may be deemed necessary, expedient, usual or proper and to settle any question or difficulty that may arise including things as may be necessary or required to give effect to the proposed reduction of capital and for matter connected therewith or incidental thereto.

"RESOLVED FURTHER THAT Mr. Murty Gudipati, Executive Director and CEO (DIN 01459606), Mr. S. Mohan Rao, Chief Financial Officer of the Company be and are hereby severally authorized to delegate powers, issue power of attorneys and authorization letters to the executives, consultants, professionals, as may be required in connection with the implementation of the proposed reduction of capital."

"RESOLVED FURTHER THAT Mr. Murty Gudipati, Executive Director and CEO (DIN 01459606), Mr. S. Mohan Rao, Chief Financial Officer and Company Secretary & Compliance officer of the Company be and are hereby severally authorized to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned, wherever necessary."

Item No 2: Amend Clause V of the Memorandum of Association of the Company:

To consider and if thought fit to pass the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under and subject to approval of the Hon'ble National Company Law Tribunal and compliance of other conditions as may required for reduction of capital, the consent of the members be and is hereby accorded to sub-divide the shares in the Authorized Share Capital of the Company from existing ₹16,00,00,000 (Rupees Sixteen Crores only) divided into 1,60,00,000 (One Crore Sixty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 16,00,00,000 (Rupees Sixteen Crores only) divided into 16,00,00,000 (Sixteen Crores) Equity Shares of ₹ 1/- (Rupee One only) each by dividing every One (1) equity share of ₹ 10/- (Rupees Ten only) each into One(1) Equity Shares of ₹ 1 (Rupee One only) each with effect from the effective date of reduction of the capital as mentioned in the Scheme."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 61 and 64 and other applicable provisions of the Companies Act. 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, consent of the members be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause.

"V. (a) ₹ 16,00,00,000 (Rupees Sixteen Crores only) divided into 16,00,00,000 (Sixteen Crores) Equity Shares of ₹ 1/- (Rupee One only) each.

(b) The Company has power from time to time to increase its capital as equity or preference shares and to attach to any class or classes of such shares, preferences, rights, privileges or priorities in payment of dividends, or distribution of assets, or otherwise over any other and subject the same to any restrictions, limitations, or conditions and to vary the regulations of the Company, and to apportion the right to participate in profits in any manner subject to the prior consent of the Government of India or the order of the Court or Hon'ble National Company Law Tribunal if the same will be necessary, being obtained before doing so.

(c) The share capital of the Company (whether original, increased or reduced) may be subdivided, consolidated or divided into such class of shares as may be allowed under the law for the time being relating to Companies with such privileges or rights as may be attached and to be held upon such terms and as may be prescribed by the Articles of Association of the Company."

By order of the Board of Directors
for Saven Technologies Limited
Sd/-
Murty Gudipati
Executive Director and CEO
DIN 01459606

Place: Hyderabad
Date:10.01.2017

NOTES:

- a) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business set above is annexed hereto.
- b) The Postal Ballot Notice along with a self addressed Business Reply Envelope is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited and Central Depository Services (India) Limited as on 13th January, 2017.
- c) In accordance with Para I (A) (8) of the Annexure I to the Circular No. CIR/CFD/CMD/16/2015, dated 30th November, 2015, issued by SEBI, the Observation Letter of the Stock Exchange, Pre and Post Scheme (expected) Capital structure & Shareholding Pattern, the fairness Opinion issued by the Merchant Banker and Complaints Report are disclosed in the Explanatory Statement attached to this Notice.
- d) Postal Ballot Form and Self-addressed envelope are being sent to the members.
- e) The Members whose names appear on the Register of Members/List of Beneficial Owners as on 13th January, 2017 will be considered for the purpose of voting.
- f) The Company has appointed Mr. S. Chidambaram (Membership No. FCS F3935, CP No. 2286), Company Secretary in Whole Time Practice, Hyderabad as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the applicable law and in a fair and transparent manner.
- g) Members voting rights shall be in proportion to his/her/its share of the paid-up equity share capital of the Company.
- h) Members have an option to vote either through e-voting or through physical mode by submitting the Postal Ballot Form. If a shareholder has voted through e-voting facility, he/she/it is not required to send the Postal Ballot Form. If a shareholder votes through e-voting facility as well as sends his vote through the Postal Ballot Form, then voting done through e-voting shall prevail and voting done through Postal Ballot form will be treated as invalid by the Scrutinizer.
- i) A person who is not a member as on the cut-off date of 13th January, 2017 should treat this Notice for information purpose only.
- j) The following documents are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto 25th February, 2017:
 - a) Memorandum and Articles of Association of the Company
 - b) Annual report for the financial years ended on 31.03.2016, 31.03.2015 and 31.03.2014.
 - c) Scheme of Reduction of Capital
 - d) Board Resolution approving the Scheme
 - e) Fairness Opinion issued by the Merchant Banker
 - f) Observation letter of BSE Limited
 - g) Complaints Report
 - h) Register of Directors' shareholdings of the Company.
- k) Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 as amended from time to time and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will be offering e-voting facility to the members to cast their votes (for or against) electronically on business set forth in this Notice.
- l) The Company has appointed Central Depository Services (India) Limited to provide the E-voting facility to the members of the Company to vote electronically. Please read carefully the E-Voting Instructions for casting your vote electronically.

- m) Please see the instructions for voting by postal ballot (including e-voting) which have been printed herein.
- n) The Special Resolution mentioned above shall be declared as passed if the number of votes cast in its favor are not less than three times the number of votes cast, if any, against the said Resolution.
- o) The Ordinary Resolution mentioned above shall be declared as passed if the number of votes cast in its favor are not less than the number of votes cast, if any, against the said Resolution.

INSTRUCTIONS

- p) Member(s) can opt only one mode for voting i.e. either by Physical Ballot or e-voting. In case you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Member(s) cast their vote both by Physical Ballot and e-voting, then voting done through E-voting shall prevail and voting done by Postal Ballot Form will be treated as invalid.

PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

1. A Member desiring to exercise his/her/its vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the scrutinizer, Mr. S. Chidambaram (Membership No. FCS F3935, CP No. 2286), Company Secretary in Whole-Time Practice ("**Scrutinizer**"), in the attached self-addressed business reply envelope, **on or before close of working hours 5.00 P.M on 25th February, 2017**. The postage within India will be borne and paid by the Company. However, envelopes containing postal ballot form(s), if sent by courier or registered/speed post at the expense of the Member will also be accepted.
2. The self-addressed Business Reply Envelope is addressed to the Scrutinizer appointed by the Board of the Company.
3. The Postal Ballot form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence by the next named Member. In case postal ballot form is signed through a Delegate, a copy of Power of Attorney attested by the Member shall be annexed to the Ballot.
4. The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick (v) mark in the appropriate column.
5. Duly completed postal ballot form should reach the Scrutinizer, not later than 5.00 P.M. on 25th February, 2017. All postal ballot forms received after this date will be strictly treated as if reply from such Member has not been received.
6. There will be only one postal ballot form for every folio irrespective of the number of joint Member (s).
7. In case of shares held by Companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution/authority letter.
8. A Member may request for duplicate postal ballot form, if so required. However, the duly completed duplicate postal ballot form should reach the Scrutinizer not later than the last date of receipt of postal ballot form i.e., 5.00 P.M. on 25th February, 2017.
9. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on 13th January, 2017.
10. Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
11. A Member need not use all the votes nor needs to cast all the votes in the same way.
12. The Scrutinizer's decision on the validity of a postal ballot will be final and binding.
13. Incomplete, unsigned or incorrect postal ballot forms will be rejected.
14. The result of the postal ballot will also be posted on the website of the Company www.saven.in and also in the newspaper(s) for the information of the Members.
15. The Company is pleased to offer e-voting facility as an alternative, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching postal ballot form. E-voting is alternate to voting through postal ballot.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on <27th January, 2017 at 9.00 A.M> and ends on <25th February, 2017 at 5.00 P.M >. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <13th January, 2017> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <SAVEN TECHNOLOGIES LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Mehboob Lakhani, Assistant Manager, 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, Email id: helpdesk.evoting@cdslindia.com, Phone number: 18002005533.

(xxi) The remote e-voting period commences vide EVSN No. **170118002 from 9.00 a.m. on 27th January, 2017 and ends at 5.00 p.m. on 25th February, 2017.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) i.e., 13th January, 2017 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(xxii) As per the above instructions, any shareholder as on cut-off date that is 13th January, 2017, who require sequence number may please contact the company by sending an email to investorrelations@saven.in or our Registrar and Transfer Agents XL Softech Systems Limited by sending an email to xlfield@gmail.com from 27th January, 2017 to 25th February, 2017.

(xxiii) Mr. S. Chidambaram (Membership No. FCS F3935, CP No. 2286), Company Secretary in Whole-Time Practice, Hyderabad has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(xxiv) Kindly note that vote once cast, cannot be modified.

(xxv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or in his absence to any other Director / Officer authorized by him.

By order of the Board of Directors
for Saven Technologies Limited

Sd/-

Murty Gudipati

Executive Director and CEO

DIN 01459606

Place: Hyderabad
Date: 10.01.2017

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

Item No.1:

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the business mentioned in the accompanying notice.

1. The Company, in the month of May, 2014, disinvested its entire holdings in its subsidiary, Saven Technologies Inc, US, for a consideration of ₹ 4,85,08,638/- (Rupees Four Crores Eighty Five Lakhs Eight Thousand Six Hundred and Thirty Eight only). The Company also received a total Dividend of ₹ 4,57,32,031/- (Rupees Four Crores Fifty Seven Lakhs Thirty Two Thousand and Thirty One only) from its subsidiary. After the sale of the Investments and receipt of above referred dividend the Company is having surplus funds which are not being utilised for the business of the Company.
2. The Board of Directors at their meeting held on 18.10.2016 were of the opinion that the Company has paid-up share capital which is in excess of its requirements of funds as the Company has surplus funds which is in excess of the needs of the Company.
3. After evaluating various options, the Board of Directors at their meeting held on 18.10.2016 had decided to remit back the excess share capital by reducing the paid up share capital of the Company. In this regard the Board has decided to reduce the 90% of paid-up share capital of the Company by cancelling and extinguishing 90% of the paid-up value of the shares by returning ₹ 9/- per share to the shareholders. Furthermore, the reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.
4. The benefits arising out of the Scheme of Reduction of Capital will enable the Company to return the excess capital lying idle and unused by the Company to the Shareholders in the proportion of their shareholding.
5. Therefore, the Board of Directors of the Company approved the draft Scheme of Reduction of Capital at its meeting held on 04.11.2016 (Fourth day of November, Two Thousand and Sixteen).
6. **Capital Structure of the Company Pre and Post Scheme of Reduction of Capital:**

Particulars	Prior to the Scheme of Reduction of Capital as on 31.03.2016	Proposed Reduction	After reduction
Number of Equity Shares	1,08,78,748	NA*	1,08,78,748
Face Value of Equity Share	10.00	9.00	1.00
Total Paid-up Capital	10,87,87,480	9,79,08,732	1,08,78,748

*The proposed reduction involve reduction of face value of shares from ₹10/- to ₹ 1/-, and hence there is no reduction in number of shares.

7. **Shareholding Pattern of the company Pre and Post Scheme of Reduction of Capital:**

Particulars	Prior to the Scheme		After the implementation of the Scheme	
	No. of Shares (₹ 10/- each)	% to total	No. of Shares (₹1/- each)	% to total
Promoter's & Group	4620244	42.47	4620244	42.47
Institutions/ Mutual Funds etc	-	-	-	-
Public holding	6258504	57.53	6258504	57.53
Total	10878748	100.00	10878748	100.00

The proposed reduction involve reduction of face value of shares from ₹ 10/- to ₹ 1/-, and hence there is no reduction in number of shares and accordingly there will not be any change in the percentage of holding.

8. Complaints Report – Saven Technologies Limited

PART-A

Sl. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	N.A
5.	Number of complaints pending	N.A

PART-B

Sr. No.	Name of the Complainant	Date of Complaint	Status (Resolved/Pending)
1.	NIL	NIL	NIL
2.	NIL	NIL	NIL
3.	NIL	NIL	NIL

9. No-Objection / Observation Letter from the Stock Exchange:

The BSE Limited has vide their letter dated December 20, 2016, issued Observation Letter to the Scheme of Reduction of Capital.

The Observation Letter given by BSE Limited is annexed to this explanatory statement.

10. Fairness Opinion From the Merchant Banker:

The Fairness Opinion Certificate, dated November 4, 2016, issued by Akasam Consulting Private Limited, Merchant Banker, certifies that the Scheme of Reduction of Capital is fair. The Fairness Opinion Certificate is annexed to this explanatory statement.

11. This scheme, if approved by the members of the Company with requisite majority, will be subject to the approval of the Hon'ble National Company Law Tribunal at Hyderabad.
12. The registered office of the Company is situated in Hyderabad. Therefore, the Company would file an application/Petition for the approval of the reduction of capital before the Hon'ble National Company Law Tribunal at Hyderabad upon obtaining the approval of members of the Company by passing a special resolution.
13. No inquiry or investigation is pending against the Company under any provisions of Companies Act.
14. Amounts distributed by the company on capital reduction to the extent of its accumulated revenue profits will be considered as deemed dividend u/s 2(22) (d) of the Income Tax Act, 1961. Hence the company will have to pay Dividend Distribution Tax (DDT) on the accumulated revenue profits. The same shall be paid out of revenue profits and reserves.
15. A copy of the Scheme (annexed hereto and marked as **Annexure I**), notice of Postal Ballot, Observation Letter from BSE Limited, fairness opinion, complaints report and other relevant documents are also available on the website of the Company i.e. www.saven.in and also available for inspection at the registered office on all working days during office hours.

In terms of section 66 of the Companies Act, 2013, the Company shall be eligible to make an application/Petition to the Hon'ble National Company Law Tribunal at Hyderabad, for an order confirming the reduction of capital, if it is authorised by a Special Resolution passed by the members of the Company through Postal Ballot.

In view of the aforesaid requirement, your Board recommends the Special Resolution set out in Item no. 1 of the notice for your approval by means of a Special Resolution.

None of the Directors, Key Managerial Personnel, and their relatives is in any way concerned or interested in the resolution set out in the notice except to the extent of shares held by them in the Company.

Item No.2:

The Company proposes to reduce its capital from ₹ 10,87,87,480/- (Rupees Ten Crores Eighty Seven Lakhs Eighty Seven Thousand Four Hundred and Eighty only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,08,78,748 (Rupees One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 1/- (Rupee One only) each. The aforesaid reduction of paid-up share capital shall be effected by returning to the shareholders an amount of ₹ 9/- (Rupees Nine only) per equity share of ₹ 10/- (Rupees Ten only) each held by them.

The proposed resolution has the effect of reducing the every equity share of ₹ 10/- (Rupees Ten only) each to equity share of ₹ 1/- (Rupee One only) each to facilitate the same the present Authorised Share Capital representing by Equity Shares of ₹ 10/- (Rupees Ten only) each is required to be converted into equity shares of ₹ 1/- (Rupee One only) each.

In view of the aforesaid requirement, your Board recommends the Ordinary Resolution set out in Item no. 2 of the notice for your approval by means of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel, and their relatives is in any way concerned or interested in the resolution set out in the notice except to the extent of shares held by them in the Company.

Place: Hyderabad
Date: 10.01.2017

By order of the Board of Directors
for Saven Technologies Limited
Sd/-
Murty Gudipati
Executive Director and CEO
DIN 01459606

SAVEN TECHNOLOGIES LIMITED



ANNEXURE III

Complaints Report – Saven Technologies Limited

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	N.A
5.	Number of complaints pending	N.A

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NIL	NIL	NIL
2.	NIL	NIL	NIL
3.	NIL	NIL	NIL

FOR SAVEN TECHNOLOGIES LIMITED



MURTY GUDIPATI
EXECUTIVE DIRECTOR AND CEO
DIN: 01459606
DATED: 02.12.2016



Registered Office : # 302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad - 500 063. Telangana, INDIA.

Tel : +91-40-23233358, 23237303 / 4, Fax : +91-40-23237306, e-mail : info@saven.in • Web: <http://www.saven.in>

CIN: L72200TG1993PLC015737

DCS/AMAL/KS/24(f)//2016-17
December 20, 2016

The Company Secretary
Saven Technologies Ltd
302, My Home Sarovar Plaza, 5-9-22 Secretariat Road,
Hyderabad,
Telangana - 500063.

Sub: Observation letter regarding the Draft Scheme of Reduction of Capital of Saven Technologies Ltd.

We are in receipt of Draft Scheme of Reduction of Capital of Saven Technologies Ltd.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated December 20, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circular, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- Copy of the High Court approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,


Nitia Pujari
Manager

SEBI Regn. No. INM000011658

November 4, 2016

**The Board of Directors
Saven Technologies Limited
No.302, My Home Sarovar Plaza,
5-9-22, Secretariat Road,
Hyderabad – 500 063**

Dear Sirs,

Sub: Proposed reduction in the nominal value of fully paid up equity share of Rs.10/- each under Sections 100 to 104 of the Companies Act, 1956 (or Section 66 of the Companies Act, 2013, to be applicable in due course)(“Proposed Transaction”)

We, akasam consulting private limited, sebi registered merchant banker, refer to our letter dated October 19, 2016 which has been duly accepted by you, whereby you have appointed us as an independent Merchant Banker for furnishing a “**Fairness Opinion**” on the proposed Scheme of Reduction of Capital of M/s. Saven Technologies Limited to be submitted to the Stock Exchanges as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 on the Scheme of Reduction.

We have been informed by Saven Technologies Limited (“**the Company**”) that they propose for capital reduction of paid up equity share capital of the Company by 90% on a proportionate basis (i.e. reduction of nominal value of the equity share of the Company from Rs.10/- to Re.1/-) and that 90% of the portion of the paid up share capital would be repaid to all the shareholders of the Company pursuant to such reduction and on obtaining interalia, the approval of the stock exchanges, Hon’ble High Court of Andhra Pradesh and Telangana and any other regulatory/statutory authorities under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013/Companies Act, 1956.

RATIONALE OF THE SCHEME

1. The Company, in the month of May, 2014, disinvested its entire holdings in its subsidiary, Saven Technologies Inc, US, for a consideration of Rs.4,85,08,638/- (Rupees Four Crores Eighty Five Lakhs Eight Thousand Six Hundred and Thirty Eight only). The Company also received a total Dividend of Rs.4,57,32,031/- (Rupees Four Crores Fifty Seven Lakhs Thirty Two Thousand and Thirty One only) from its subsidiary. After the sale of the Investments and receipt of above referred dividend the Company is having surplus funds which are not being utilised for the business of the Company.
2. The Board of Directors at their meeting held on 18.10.2016 were of the opinion that the Company has paid-up share capital which is in excess of its requirements of funds as the Company has surplus funds which is in excess of the needs of the Company.

akasam consulting private limited

"akasam" 10-1-17/1/1, level 3 & 4, masab tank, hyderabad 500 004
Ph. : +91-40-66444955 fax : +91-40-2333 5511

url:www.akasamconsulting.com

Bengaluru :
Tel : +91-80-65830668
Cell : +91-9742766299
Chennai :
Tel : +91-44-42115051
Cell : +91-98404 09999
Vizag :
Tel : +91-891-6502030, 31
Cell : +91-+9177551164
Mumbai :
Cell : +91-98205 37617



e-mail : info@akasamconsulting.com
CIN No. U74140AP2000PTC035024

3. After evaluating various options, the Board of Directors at their meeting held on 18.10.2016 had decided to remit back the excess share capital by reducing the paid up share capital of the Company. In this regard the Board has decided to reduce the 90% of paid-up share capital of the Company by cancelling and extinguishing 90% of the paid-up value of the shares by returning Rs. 9/- per share to the shareholders. Furthermore, the reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.
4. The benefits arising out of the Scheme of Reduction of Capital will enable the Company to return the excess capital lying idle and unused by the Company to the Shareholders in proportion of their shareholding.

SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following sources of information:

- a. Scheme of Capital Reduction under Sec 100 to 104 of the Companies Act, 1956
- b. Annual Reports of the Company for the Financial Year 2013-14, 2014-15 and 2015-16
- c. Certificate dated November 4, 2016 issued by the Statutory Auditors of the Company, viz., M/s. Rambabu & Co., Chartered Accountants.
- d. Certificate dated November 4, 2016 issued by an Independent Chartered Accountant, viz., M/s. Suryanarayana & Suresh, Chartered Accountants.
- e. Such other information and explanation as we required and which have been provided by the management of the Company.

EXCLUSIONS AND LIMITATIONS

- Our conclusion is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the financials and other information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal.
- We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.
- Our work does not constitute verification of financials or including the working results of the companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such shareholder should vote or act in connection with the Scheme of Amalgamation or any matter related therein.
- Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this opinion shall be limited to the amount of fee received for rendering this Opinion as per our engagement with Saven Technologies Limited.
- Our opinion should not be construed as our opining or certifying the compliance of the proposed capital reduction with the provisions of any law including the Companies Act,



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Income Tax Act, and capital market related laws or as regards any legal implications or issues arising thereon.


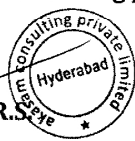
- We assume no responsibility for updating or revising our opinion based on the circumstances or events occurring after the date hereof.
- We express no view as to, our opinion does not address, the underlying business decision of Saven Technologies Limited to effect the proposed transaction or the merits of the proposed transaction. Our opinion does not constitute a recommendation to any shareholder of Saven Technologies Limited as to how shareholder should vote on the proposed transaction or any other matter related thereto.
- We do not express any opinion as to the price at which shares of Saven Technologies Limited may trade at any time, including subsequent to the date of opinion.
- The certificate has been provided solely for the benefit of the audit committee members and the Board of Directors of Saven Technologies Limited and shall not confer rights or remedies upon any shareholder of Saven Technologies Limited or any other person other than the members of the audit committee and the Board of Directors of Saven Technologies Limited or be used for any other purpose. However, this opinion may only be disclosed as may be required under any applicable laws in India but we take no responsibility or liability for or arising out of any such disclosures. We specifically disclaim any responsibility to any third part to whom this letter may be shown or who may acquire a copy of this letter.
- The laws of India govern all matters arising out of or relating to this Opinion (including without limitation, its interpretation, construction, performance and enforcement).
- With respect to any suit, action or any other proceedings relating to this Opinion the courts of competent jurisdiction at India shall have exclusive jurisdiction.

It may further be noted that in no circumstances shall the liability of akasam consulting private limited, its directors or employees related to the service provided in connection with this opinion, exceed the amount paid to us as our fee for this opinion.

CONCLUSION

On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the proposed capital reduction of nominal value of Rs.10/- per equity share to Re.1/- per equity share and by returning an amount of Rs.9/- per share is fair.

For akasam consulting private limited

Srinivas M.R.S.
Director

DIN: 01446644

H. No. 10-2-289, Flat No. 101

Jyothi Nitya Sree Apartments

Shanthi Nagar, Hyderabad - 500 028

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ANNEXURE - I

**SCHEME OF REDUCTION OF CAPITAL
BETWEEN
SAVEN TECHNOLOGIES LIMITED
AND
ITS SHAREHOLDERS AND CREDITORS**

UNDER SECTIONS 100 TO 104 OF THE COMPANIES ACT, 1956/ SECTION 66 OF THE COMPANIES ACT, 2013

(A) PREAMBLE OF THE SCHEME

This Scheme of Reduction of Capital is made pursuant to the provisions of Sections 100 to 104 of the Companies Act, 1956/Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956/2013 and provides for Re-organisation and reduction of Equity Capital of "Saven Technologies Limited".

(B) DESCRIPTION OF THE COMPANY

"Saven Technologies Limited" (CIN: L72200TG1993PLC015737) was originally incorporated under the name and style of Pennar Infotech Limited on 10.05.1993 in the State of Andhra Pradesh, Hyderabad vide Certificate of Incorporation Number 01-15737 of 1993-94. Further the name of the Company was changed from Pennar Infotech Limited to Saven Technologies Limited, and consequent upon change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, Andhra Pradesh on 04.02.2000 after complying with the relevant provisions under the Companies Act, 1956.

'Saven Technologies Limited' is a listed Company having its shares listed and traded on BSE Limited (formerly known as 'Bombay Stock Exchange Ltd').

The Registered Office of the Company is situated at No. 302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad – 500063, Telangana.

Main Objects:

The present objects of the Company presently enable it:

1. To render consultancy and services in the fields of Information Technology, Computer Sciences, Data Processing, Computer Systems and Software, Operations Research and Management Sciences, in India and Abroad, and to act as dealers, distributors, authorised representatives for such services in India and Abroad.
2. To carry on the business of design, development, manufacture and trade of all types of Computer Software, which include CAD/CAM, Data Communications, Office Automation, Artificial Intelligence, Simulation, Modelling, Bio Medical Computing, Image Processing, Software Engineering, Operating Systems, Computer Graphics including multimedia, Business Information processing, Computer Science Education, Computers in Education and all other fields related to computers.
3. To carry on the business of research, design, development, manufacture and trade of Computer Hardware and peripheral equipment like printers, tape drives, disk drives, floppy disk drives, CRT's, Modems, all kinds of Communication equipment, and any other electrical and electronic items.
4. To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, maintain, convert, overhaul, alter, and improve all types of Computers and electronic and test equipment, all sorts of Computer Peripherals, Devices, Data Communication Equipment, Broadcast, Telecast, Relay and Reception Equipment, and other equipment used in Audio and Visual communications, Satellite communications, Satellite Earth Stations etc.
5. To carry on the business of Education and Training, and to conduct Seminars, Work-shops, Short Term and Long Term Courses in Computer Sciences, Information Technology, Engineering Sciences, Management Sciences and Social Sciences and to promote educational institutions to impart such training in India and abroad.

The Share Capital of the Company as on 31.03.2016 is as under:

Particulars	Amount in ₹
Authorized Share Capital	
1,60,00,000 Equity Shares of ₹ 10/- each	16,00,00,000
Total	16,00,00,000
Issued, Subscribed and Paid-Up Share Capital	
1,08,78,748 Equity Shares of ₹ 10/- each	10,87,87,480
Total	10,87,87,480

Subsequent to 31.03.2016 (Thirty First day of March, Two Thousand Sixteen) and up to the date of approval of the Scheme by the Board of the Company, there has been no change in the authorized, issued, subscribed and paid up capital of the Company.

(C) RATIONALE AND PURPOSE OF THE SCHEME

1. The Company, in the month of May, 2014, disinvested its entire holdings in its subsidiary, Saven Technologies Inc, US, for a consideration of ₹ 4,85,08,638/- (Rupees Four Crores Eighty Five Lakhs Eight Thousand Six Hundred and Thirty Eight only). The Company also received a total Dividend of ₹ 4,57,32,031/- (Rupees Four Crores Fifty Seven Lakhs Thirty Two Thousand and Thirty One only) from its subsidiary. After the sale of the Investments and receipt of above referred dividend the Company is having surplus funds which are not being utilised for the business of the Company.
2. The Board of Directors at their meeting held on 18.10.2016 were of the opinion that the Company has paid-up share capital which is in excess of its requirements of funds as the Company has surplus funds which is in excess of the needs of the Company.
3. After evaluating various options, the Board of Directors at their meeting held on 18.10.2016 had decided to remit back the excess share capital by reducing the paid up share capital of the Company. In this regard the Board has decided to reduce the 90% of paid-up share capital of the Company by cancelling and extinguishing 90% of the paid-up value of the shares by returning ₹ 9/- per share to the shareholders. Furthermore, the reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.
4. The benefits arising out of the Scheme of Reduction of Capital will enable the Company to return the excess capital lying idle and unused by the Company to the Shareholders in the proportion of their shareholding.

(D) PARTS OF THE SCHEME:

- PART A:** Deals with Definitions.
PART B: Deals with Reduction of Capital.
PART C: Deals with General Clauses, Terms and Conditions.

PART - A

DEFINITIONS

1. DEFINITIONS

In this scheme unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as mentioned herein below:

- 1.1 **"Act" or "the Act"** means the Companies Act, 1956, or as the case may be, the Companies Act, 2013 (to the extent applicable) and every modification or re-enactment thereof and references to sections of the Act shall be deemed to mean and include reference to sections enacted in modification or replacement thereof.
- 1.2 **"Board of Directors" or "Board"** in relation to Saven Technologies Limited shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.3 **"Company"** shall mean **Saven Technologies Limited**, a Company incorporated under the provisions of the Companies Act, 1956, having its shares listed and traded on the BSE Limited and having its registered office at No. 302, My Home Sarovar Plaza, 5-9-22, Secretariat Road, Hyderabad – 500063, Telangana.
- 1.4 **"Court" or "High Court"** means the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh or the National Company Law Tribunal (NCLT) or such other tribunal or authority having jurisdictions to sanction the Scheme.
- 1.5 **"Effective Date"** means the date on which the certified copy of the order passed by the Hon'ble High Court sanctioning the Reduction of Capital is filed with the Registrar of Companies at Hyderabad for Telangana and Andhra Pradesh. Any references in the Scheme to **"upon the Scheme becoming effective"** or **"effectiveness of the Scheme"** or **"Scheme coming into effect"** shall mean the **"Effective Date"**.
- 1.6 **"Scheme of Reduction of Capital" or "Scheme" or "The Scheme" or "This Scheme"** means this Scheme of Reduction of Capital in its present form or with any modification(s) approved, imposed, or directed by the Court or such other appropriate authority.
- 1.7 **"Shareholders"** means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of Company. The word **"Shareholder"** and **"member"** are used to denote the same meaning and are used interchangeably.
- 1.8 **"Shares"** means the equity shares of ₹ 10/- each of the Company unless otherwise specified in the context thereof.
- 1.9 **"Stock Exchange"** means the BSE Limited on which the equity shares of the Company are listed and traded. The Designated Stock Exchange shall be BSE Limited.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

PART - B
REDUCTION OF CAPITAL

2. REDUCTION OF CAPITAL OF THE COMPANY

2.1 Upon the Scheme becoming effective and after obtaining the necessary approvals, consents, permissions etc, the subscribed, issued and paid-up capital of the Company shall stand reduced from ₹ 10,87,87,480/- (Rupees Ten Crores Eighty Seven Lakhs Eighty Seven Thousand Four Hundred and Eighty only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,08,78,748 (Rupees One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity shares of ₹ 1/- (Rupee One only) each. The aforesaid reduction of paid-up share capital shall be effected by returning to the shareholders an amount of ₹ 9/- (Rupees Nine only) per equity share of ₹ 10/- (Rupees Ten only) each held by them.

Ex: A person who is holding One (1) Equity Shares of ₹ 10/- each aggregating to ₹ 10/- (Rupees Ten only) shall hold after reduction One (1) Equity Share of ₹ 1/- (Rupee One only) each aggregating to ₹ 1/- (Rupee One only).

2.2 The reduction of paid up equity share capital of Company as aforesaid would not involve diminution of liability in respect of unpaid share capital but payment of paid-up equity share capital to the shareholders of Company. No prejudice will be caused to shareholders and/or creditors of Company by the aforesaid reduction. The Scheme does not envisage transfer or vesting of any of the properties and/or liabilities of the Company to any person or entity. The Scheme also does not involve any conveyance or transfer of any property of the Company and consequently the order of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh/National Company Law Tribunal, Hyderabad approving the Scheme will not attract any stamp duty, under the Stamp Act, in this regard.

3. COMPLIANCE

The consent of the members of the Company to this Scheme shall be taken through a Special Resolution under the provisions of Section 100 to 104 of the Companies Act, 1956/ Section 66 of the Companies Act, 2013.

The Scheme, if sanctioned, shall be fully in compliance of the Securities and Exchange Board of India Act ("SEBI") Act, and the rules and regulations made and the circulars issued thereunder.

4. EFFECT OF THE SCHEME

4.1 The books of Accounts of the Company, on the effective date, in the following manner:

Particulars	Prior to the Scheme of Reduction of Capital as on 31.03.2016	Proposed Reduction	After reduction
Number of Equity Shares	1,08,78,748	NA*	1,08,78,748
Face Value of Equity Share	10.00	9.00	1.00
Total Paid-up Capital	10,87,87,480	9,79,08,732	1,08,78,748

*The proposed reduction involve reduction of face value of shares from ₹ 10/- to ₹ 1/-, and hence there is no reduction in number of shares.

4.2 The Pre and Post Reduction Shareholding pattern of the Company will be as follows:

Particulars	Prior to the Scheme		After the implementation of the Scheme	
	No. of Shares (₹ 10/- each)	% to total	No. of Shares (₹ 1/- each)	% to total
Promoter's & Group	4620244	42.47	4620244	42.47
Institutions/ Mutual Funds etc	-	-	-	-
Public holding	6258504	57.53	6258504	57.53
Total	10878748	100.00	10878748	100.00

PART –C

GENERAL CLAUSES, TERMS AND CONDITIONS

5. IMPACT OF THE SCHEME ON EMPLOYEES/ WORKERS

The Scheme of Reduction of Capital would not affect the employees of the Company in any manner and they would continue to enjoy the same benefits as they used to before the Reduction of Capital.

6. IMPACT OF THE SCHEME ON CREDITORS

The Company does not have any secured Creditors. The reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its liabilities in the ordinary course of business

7. LEGAL PROCEEDINGS

The Scheme would not affect any legal or other proceedings by or against the Company.

8. CONDITIONS PRECEDENT

This Scheme is and shall be conditional upon and subject to:

- 8.1** The Company obtaining the Observation Letter from the Designated Stock Exchange for the implementation of the Scheme.
- 8.2** A special resolution approving the reduction is passed by the Shareholders.
- 8.3** The Scheme being approved by the High Court/National Company Law Tribunal under Sections 100 to 104 of the Companies Act, 1956 or Section 66 of the Companies Act, 2013.
- 8.4** The certified copy of the order of the High Court/Tribunal sanctioning this Scheme being filed with the Registrar of Companies, Andhra Pradesh and Telangana, Hyderabad.
- 8.5** All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

9. APPLICATION TO THE HON'BLE HIGH COURT OF JUDICATURE AT HYDERABAD FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

Approvals of the shareholders by way of special resolution and of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh/National Company Law Tribunal, Hyderabad or such other court/authority as may be required by way of making a petition, pursuant to this Scheme under Section 100 to 104 of the Companies Act, 1956/Section 66 of the Companies Act, 2013, are being sought as a measure of legal compliance, transparency and prudence.

10. MODIFICATIONS / AMENDMENTS TO THE SCHEME

The Company by its Board of Directors or such other person or persons, as the Board of Directors of the Company may authorize, may make and / or consent to any modifications / amendments to this Scheme or to any conditions or limitations that the Hon'ble High Court or any other appropriate authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them or the Board, including the withdrawal of this Scheme. The Board of Directors of the Company shall take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, including interpretation of the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and /or any matter concerned or connected therewith. The power of the Board to modify / amend the Scheme shall be subject to the approval of the High Court.

11. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and/or approvals referred to in Clause 8 above not being obtained (unless otherwise released by the Board of Directors) and / or the Scheme not being sanctioned by the Hon'ble High Court/National Company Law Tribunal or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

12. SEVERABILITY

If any part of this Scheme hereof is invalid, ruled illegal by any appropriate authority of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Board that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse, in which case the Board shall attempt to bring a suitable modification in the Scheme. The Board of Directors of

Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if the Board of Directors is of view that the coming into effect of the Scheme could have adverse implications on Company.

13. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Company.

14. CANCELLATION OF SHARES

Upon this Scheme becoming finally effective, all the shareholders, if so required by the Company, shall surrender their share certificates for cancellation thereof. Notwithstanding anything to the contrary, upon the issue of the new share certificates in the Company to the Shareholders whose names shall appear in the Register of Members of the Company on such Record Date fixed as aforesaid, the old share certificates held by them in the Company shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date. The Company may instead of requiring the surrender of the old share certificates, as above, directly issue and dispatch the new share certificates of the Company in lieu thereof. In the case of shares held in dematerialized and electronic form, the required procedure for reflecting the change in the holdings of the members of the Company, as a consequence of the sanctioning of this Scheme, shall be adopted for making the necessary alterations in the Depository Accounts of the shareholders.

15. ACCOUNTING TREATMENT

The company will comply with all relevant Accounting Policies and Accounting Standards as regards to accounting for the reduction of capital in accordance with the applicable Accounting Standards.

The Company Scheme of Reduction of Capital, pursuant to the refund to the equity shareholders @ ₹ 9 per share, will result in 1,08,78,748 equity shares of ₹ 10 each fully paid to 1,08,78,748 equity shares of ₹ 1 each fully paid.

Amounts distributed by the company on capital reduction to the extent of its accumulated revenue profits will be considered as deemed dividend u/s 2(22) (d) of the Income Tax Act, 1961. Hence the company will have to pay Dividend Distribution Tax (DDT) on the accumulated revenue profits. The same shall be paid out of revenue profits and reserves.

The Company will make and pass appropriate entries for all notional adjustments in a prudent and commercially accepted manner.

16. MISCELLANEOUS

16.1 Notwithstanding the reduction of capital of the Company, the listing benefit of the Company on all the Stock Exchange where the existing Equity Shares of the Company are listed shall continue.

16.2 Notwithstanding the reduction of capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" to its name as the last words thereof.

16.3 The Form of minute proposed to be registered under section 103(1)(b) of the Companies Act, 1956, is as follows:

The Paid-up capital of Saven Technologies Limited henceforth is ₹ 1,08,78,748/- (Rupees One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight Only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity Shares of ₹ 1/- (Rupee One Only) each fully paid up reduced from ₹ 10,87,87,480/- (Rupees Ten Crores Eighty Seven Lakhs Eighty Seven Thousand Four Hundred and Eighty Only) divided into 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity Shares of ₹ 10/- (Rupees Ten Only) each. At the date of Registration of this Minute 1,08,78,748 (One Crore Eight Lakhs Seventy Eight Thousand Seven Hundred and Forty Eight) Equity Shares of ₹ 1/- (Rupee One Only) each have been issued and are deemed to be fully paid up and remaining 14,91,21,252 (Fourteen Crores Ninety One Lakhs Twenty One Thousand Two Hundred and Fifty Two) Equity Shares of ₹ 1/- (Rupee One only) each are unissued.

Place: Hyderabad
Date: 04.11.2016

For Saven Technologies Limited
Sd/-
Murty Gudipati
Executive Director and CEO
DIN 01459606