

Annual Report 2011 - 12



"A Leader In Technology Driven Business Solutions"



SAVEN TECHNOLOGIES

Corporate information

Board of Directors

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

Company Secretary

Ms. Ansu Elezabeth Thomas

Auditors

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

Bankers

IndusInd Bank Limited
 Andhra Bank

Registered Office

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

U.S. Subsidiary

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

Registrar and Share Transfer Agents

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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Nineteenth Annual General Meeting of Saven Technologies Limited will be held on Monday, the 24th day of September, 2012, at 4.00 P.M at the Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended March 31, 2012 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. Clive Menhinick, who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Wg. Cdr. (Retd.) A.B. Bhushan, who retires by rotation and being eligible, offers himself for re-appointment;
4. To re-appoint Rambabu & Co., a firm of Chartered Accountants, as Statutory Auditors of the Company for the period commencing from the conclusion of this meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors plus out-of-pocket expenses;

SPECIAL BUSINESS

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

"Resolved that Mr. Vijay Chandra Puljal who was appointed as an Additional Director of the Company on July 14, 2012 and who, in terms of section 260 of the Companies Act, 1956 read with Articles 107 and 108 of the Articles of Association of the Company, holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 257 of the Companies Act 1956 proposing his candidature for the office of the Director, along with a deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 311, 314 and Schedule XIII (including any statutory modifications or re-enactment thereof, for the time being in force) and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the consent of the shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Murty Gudipati as Executive Director for a period of two years from August 13, 2012 on the following basis as recommended by the Board's Remuneration Committee:-

- a. Remuneration:

Salary: Basic salary at the rate of Rs.1,00,000/- 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. 85,000/- and Special Allowance at Rs.1,00,000/- per month.
 - ii. Medical: Reimbursement of all medical expenses incurred for self, spouse, children and dependant parents to the extent of Rs. 30,000/- 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. Leave: Leave with full pay and allowance, in accordance with the rules of the Company.

Minimum Remuneration

Without prejudice to the above the Board be and hereby authorised to pay remuneration as per Table B Section II part II of Schedule XIII of the Companies Act, 1956.

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".

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

"RESOLVED THAT pursuant to section 314 of the Companies Act, 1956 the Company hereby accords its consent to Mr. R S Sampath, Director of the Company, to hold an office or place of profit under the Company, as an Advisor on Financial matters and Corporate Services at a monthly remuneration of Rs.35,000/- [Rupees thirty five thousand only], plus reimbursements of expenses incurred in connection with the services and to hold an office or place of profit under the Company for a period of one year with effect from February 1, 2012.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts,

deeds, matters and things as it considers necessary, desirable or expedient for the purpose of giving effect to this resolution."

By Order of the Board
for Saven Technologies Limited

Place : Hyderabad Ansu Elezabeth Thomas
Date : August 8, 2012 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/her-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 less than 48 hours before the commencement of the meeting.
2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2012 to September 22, 2012, both days inclusive.
4. Members / Proxies are requested to bring to the meeting their copies of the Annual Report and the Attendance Slip duly filled in for attending the meeting.
5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
6. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting so that the information required by them may be made available at the meeting.
7. Shareholders are requested to intimate immediately any change in the address registered with the Company. Members holding shares in dematerialized form are requested to notify any change in address to their respective Depository Participants (DPs).

8. Trading in the equity shares of the Company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the Company's equity shares is INE 856B 01015.
9. In compliance of the SEBI circular no. MRD/DOP/ Cir-05/2009 dated May 20, 2009, the shareholders/ transferees (including joint holders) holding shares in physical form are requested to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
10. Members are requested to send all communications relating to shares to the Company's Share Transfer Agents (Physical and Depository) at the following address:
 XL Softech Systems Limited,
 Plot No. 3, Sagar Society,
 Road No. 2, Banjara Hills,
 Hyderabad - 500034.
11. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued Circular on April 21, 2011 stating that the service of documents can be made through electronic mode. In view of the circular issued by MCA, the Company proposes to henceforth deliver documents like the Notice calling the Annual General Meeting/Audited Annual Accounts/Report of the Auditors/Report of the Directors etc, in electronic form to email address provided by the shareholders and made available by the Depositories.
12. Shareholders are requested to furnish their e-mail addresses to enable the Company to forward all the requisite information in electronic mode. In case of shareholders holding shares in demat form, the email addresses of the shareholders registered with the DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.

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

Item No. 5

Mr. Vijay Chandra Puljal was appointed as the Additional Director in the Board meeting held on July 14, 2012 and holds office till the commencement of the ensuing Annual General meeting. The Company has received a Notice under section 257 of the Companies Act, 1956 proposing his candidature as a Director along with the requisite deposit.

Mr. Vijay Chandra Puljal is a post graduate in agricultural science. He worked in different boards of various companies for the past few decades. He has experience in various fields of management.

His induction to the Board would be of immense benefit to the Company.

He holds directorship in Pennar Management Services Limited, Pennar Engineered Building Systems limited, Pennar Logistics Limited and Pennar Aluminum Company Limited.

Mr. Vijay Chandra Puljal does not hold any shares in the company.

No Director of the Company other than Mr. Vijay Chandra Puljal 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 August 13, 2010, at the Annual General Meeting held on September 15, 2010 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 August 12, 2012 and it is considered desirable to reappoint him as Executive Director with amendment in the terms of his appointment including remuneration.

On the recommendation of the Remuneration Committee, the Board, at its meeting held on August 8, 2012, approved the revision in the terms of appointment and remuneration payable to Mr. Murty Gudipati, for a period

Saven Technologies Limited

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of two years from August 13, 2012, subject to the approval of the Central Government and the shareholders at the forthcoming Annual General Meeting.

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.

As the remuneration proposed is exceeding the eligible limits under Section 309 read with Schedule XIII to the Companies Act, 1956, Company will make an application to the Central Government for approval.

Details as per Part II, Section II of 1 (B) of Schedule XIII of the Companies Act, 1956:

A statement along with the notice calling the general meeting referred to in clause (iii) is given to the shareholders containing the following information namely: -

I General Information		
(1)	Nature of industry	Information Technology and software development
(2)	Date or expected date of commercial production	Company started the commercial operations immediately after obtaining the Certificate of Commencement of Business on November 21, 1994.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N. A.
(4)	Financial performance based on given indicators.	Particulars
		Amount (Rs. in lakhs)
		Total Revenue from operations
		Operating Profit (PBIDT)
		Finance cost
		Depreciation and amortisation expense
		Exceptional items
		Profit after Tax (PAT)
(5)	Export performance and net foreign exchange collaborations.	Rs.6.62 Crores
(6)	Foreign investments or collaborations, if any.	Saven Technologies Inc - Rs.1.94 crores (61% of total equity) Penrillian Limited- Rs.0.10 lakh (23% of total equity)
(II) Information about the appointee		
(1)	Back ground details	Mr. Murty Gudipati is an Engineering Graduate (B.Tech - ECE) with M.S. in Computer Engineering from Clemson University, USA.
(2)	Past remuneration	Rs.195,000/- Per Month.
(3)	Recognition or awards	Mr. Murty Gudipati has more than 14 years of experience in Information Technology. He 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). He has been the Head of the Company's Offshore Development Center for a period of two years. Thereafter he was elevated as the Executive Director. During his tenure he has enlarged the team to about 100 members with billing of USD 1.3 Million from India to US.

(4)	Job profile and his suitability	Subject to the superintendence, direction and control of the Board, the day to day management and administration of the Company is vested in the Executive Director. Mr. Murty Gudipati, as the Executive Director of the Company has made considerable progress in all the spheres. The Directors confidently feel that the Company should continue to avail the services of Mr. Murty Gudipati												
(5)	Remuneration proposed	Rs.3,00,000/- Per Month												
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Around Rs. 5,00,000/- Per Month												
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Murty Gudipati does not have any pecuniary relationship directly or indirectly with the Company or any of its managerial personnel												
(III)	Other information													
(1)	Reasons of loss or inadequate profits	<p>The Company's total Income has been steadily improving and during the year ended 31st March, 2012, the Total income has increased by 97.03% and PBT has increased by 334.64% over that of the previous year, as can be seen from the Table given below; (Rs.in lakhs)</p> <table> <tr> <th></th><th>Total Income</th><th>PBT</th></tr> <tr> <td>2009-10</td><td>257.37</td><td>26.12</td></tr> <tr> <td>2010-11</td><td>365.82</td><td>38.75</td></tr> <tr> <td>2011-12</td><td>720.78</td><td>168.81</td></tr> </table> <p>However, the profit has been inadequate to comply with Sec. 198, 309 and Schedule XIII of the Company's Act, 1956 since the volume of business has to further improve.</p>		Total Income	PBT	2009-10	257.37	26.12	2010-11	365.82	38.75	2011-12	720.78	168.81
	Total Income	PBT												
2009-10	257.37	26.12												
2010-11	365.82	38.75												
2011-12	720.78	168.81												
(2)	Steps taken or proposed to be taken improvement	The Company has already taken additional floor space for expansion and is also increasing the man power. Besides expanding the existing activity the company has also invested in new business areas. Market is responding well for the Company and it is confident that shortly after the gestation period the overall business of the company will further grow.												
(3)	Expected increase in productivity and profits in measurable terms.	The revenue is expected to grow by at least 50% during this year and 30-40% in the next coming year.												

Item No. 7:

Mr. R S Sampath is a qualified Chartered Accountant (B. Com, FCA) of the 1968 batch and is having about 43 years of rich and diverse experience in Finance, Accounts, Administration and General Management. He was with Voltas Ltd over a period of over 22 years and has been with Pennar Group for the last 20 years.

It is felt that having regard to his experience, it would be advisable to appoint him as an Advisor for a period of one year from February 1, 2012 to assist the Company in its financial and corporate services well as any other assignments which may be given to him.

He will be paid Rs.35,000/- per month as consultancy fees plus reimbursement of out of pocket expenses. Payment of such consultancy fees will be in addition to the sitting fees, he will receive for Board Meeting attended by him.

The Directors, therefore, recommend the passing of the Special Resolution contained in Item 7 of the accompanying Notice.

None of the Directors, other than Mr. R S Sampath may be considered to be interested in the passing of the Special Resolution mentioned at item 7 of the accompanying notice.

ADDITIONAL INFORMATION ON DIRECTORS' SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Particulars	Mr. Vijay Chandra Puljal	Mr. Clive Menhinick	Wg. Cdr. (Retd.) A.B. Bhushan	Mr. Murty Gudipati
Date of birth	March 1, 1951	November 20, 1952	March 19, 1943	March 10, 1970
Date of appointment	July 14, 2012	February 02, 2001	August 13, 2010	March 13, 2009
Qualification	Post graduate in agricultural science.	B.Sc Honors Degree in Physics from the University of Liverpool, Diploma in Company Direction from the University of Bradford, Fellow Member of the Institute of Directors, UK.	M.B.A	M.S. in Computer Engineering from Clemson University, USA.
Expertise	Expertise in various fields of management	Expertise in Business Development, Sales and Accounting	Expertise in various fields of management and Administration	Rich and diverse experience in Information Technology industry in Finance, Accounts,
List of companies in which outside directorship held on August 8, 2012	Pennar Engineered Building Systems Limited Pennar Management Services Limited Pennar Logistics Limited Pennar Aluminium Company Limited	TriReme International Limited, UK Penrillian Limited UK Onperson International Limited Multi Channel Commerce Limited, UK	Pennar Enviro Limited	Medha Soft Labs Private Limited Saven Technologies Inc., USA
Chairman / Member of the Committee of other Companies on which he is a director as on August 8, 2012	Pennar Engineered Building Systems Limited Pennar Aluminium Company Limited	Nil	Pennar Enviro Limited	Nil
No of Shares held by them in the Company as on August 8, 2012	Nil	Nil	17	3,18,029

By Order of the Board
for Saven Technologies Limited

Place : Hyderabad
Date : August 8, 2012

Ansu Elezabeth Thomas
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 19th Annual Report on the operations of the Company together with the audited financial statements for the year ended March 31, 2012. The financial highlights of the Company are as follow:

Financial Results

(In Lakhs)

Particulars	Consolidated		Standalone	
	2011-12	2010-11	2011-12	2010-11
Revenue from operations	6475.92	5126.89	720.78	365.82
Operating Profit (PBIDT)	409.87	90.12	196.49	62.27
Depreciation and amortisation	43.73	30.76	27.20	22.91
Income Tax	81.52	28.72	--	--
Exceptional items	61.38	--	61.38	--
Minority Interest	44.24	(7.18)	--	--
Profit after Tax (PAT)	290.88	27.53	230.19	38.75
Basic Earnings per share	2.67	0.25	2.12	0.36

Company's Performance

The consolidated income of your Company and its subsidiary, Saven Technologies Inc., was Rs 64.76 crores as compared to Rs 51.27 crores for the previous year, an increase of 26.3%. The consolidated profit before tax was Rs 355.26 lakhs as against Rs49.06 lakhs for the previous year. After adjustment of Income Tax, Exceptional items and minority interest, the net consolidated profit was Rs. 290.88 lakhs as against Rs 27.53 lakhs for the previous year.

The total revenue of the Company for the year ended March 31, 2012 was Rs 720.78 lakhs compared to Rs.365.82 lakhs for the previous year. Software development and services by the offshore development center of the Company recorded a substantial increase of 90% from Rs.349.09 lakhs to Rs.662.41 lakhs despite a sluggish growth in the US economy. In dollar terms the increase of the overseas billing was \$ 1.34 million, an increase of 71% over that of the previous year. The profit before Tax and exceptional item recorded an increase of 335%, from Rs.38.75 lakhs to Rs.168.81 lakhs, due to much improved performance and favourable foreign exchange variance.

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

Despite a sluggish growth of the US economy, the subsidiary [Saven US] could achieve a total income of USD 13.61 Million [Rs. 64.03 crores] as against USD 11.52 Million [Rs. 51.01 crores] for the previous year, an increase of 18% in terms of dollar revenue. Even after investing a substantial amount towards visa charges for recruiting additional manpower, the Company could achieve an operating income of \$ 383 K (Rs.179.47 lakhs) as compared to \$ 21 K (Rs.9.47 lakhs) for the previous year. The Net Profit after income tax was \$ 229 K (Rs.106.77 lakhs) as against loss of \$ 53 K (Rs.23.27 lakhs) for the previous year.

Saven US, despite challenging environment, has been successful in increasing the number of consultants and are planning to further increase the strength. Saven US is also strengthening its marketing set up for development of Software Services for onshore and offshore.

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. Despite a recessionary trend in UK, Penrillian performed well and achieved revenue of £ 1.4 million for the year ended June 30, 2012 as against £ 1.00 million for the previous year and is optimistic of further improvement in the performance during the current year.

Consolidated Financial Statements

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

Dividend

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

Fixed Deposits

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

Management Discussion & Analysis and Corporate Governance

The "Management Discussion and Analysis Report" highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this Directors' Report. As per the requirements of the Listing Agreement with Stock Exchanges, a Report on Corporate Governance duly audited is annexed for information of the Members.

Directors

Mr. Vijay Chandra Puljal was appointed as an Additional Director of the Company with effect from July 14, 2012 and would hold office upto the conclusion of the ensuing Annual General Meeting. It is proposed to appoint Mr. Vijay Chandra Puljal as a Director of the Company.

Pursuant to Article 125 of the Articles of Association of your Company, read with Section 256 of the Companies Act, 1956, Mr. Clive Menhinick and Wg. Cdr. (Retd.) A.B. Bhushan 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 Statutory 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:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. 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, 2012 and the profit of the Company for that financial year;
- iii. 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;
- iv. The Directors have prepared the Annual Accounts on a going concern basis.

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

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

Conservation of Energy:

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

Research and Development (R&D):

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

Technology Absorption:

The Company has not imported any technology during the year.

Foreign Exchange Earnings and Outgo:

During the year under review, your Company earned Foreign Exchange aggregating to Rs. 6.66 crores. The Foreign Exchange outgo during the year was Rs. 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 8, 2012

Nrupender Rao
Chairman

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

The Indian I.T. Industry growth has been spectacular for about a decade and this financial year March 2012 marked the \$ 100 billion milestone. But growth has been wavering, starting with 2008 when major economies in the west went into crisis from which they are yet to emerge. Software and Services revenues excluding Hardware, comprising nearly 87% of the total Industry revenues, expected to post USD 87.6 billion in FY 2012; estimated growth of about 14.9% over FY 2011. Within Software Services exports, IT Services accounts for 58%. Software Industry Grouping Nasscom still sticks from its export growth forecast of 11 - 14% for 2012-13 despite a mixed bag of results and management commentary from India's top IT Service providers.

However, this sector needs to change. Simple labour arbitrage and abundance of skilled technical talent may not continue to be of great help for the Industry. The fast rising wages in India and Indian IT is facing a scenario where it needs to prove to clients that they can offer something more than the mere cost arbitrage. The Indian IT industry evolves into the next era where revenue growth is not determined by head count growth.

b. Opportunities, Threats, Risks and Concerns

In the jargon filled world of the Indian Information Technology Industry, the new acronym 'Smac' for Social, Mobility, Analytics and Cloud is not only the latest buzzword but it is also quickly becoming a business reality. According to Nasscom, by 2020, the Indian IT Industry is slated to collectively rake in over \$ 225 billion in revenue thereby riding the wave of emerging technologies and new innovations. In three to four years, emerging technologies will become a major component of revenue for Indian Companies. These technologies will also offer companies an opportunity to move to higher margin business by offering solutions that help businesses grow instead of increasingly cutting margins for typical IT Services Contracts.

However, the Corporations have become cautious because of uncertainty in global economic environment and have become extremely mindful about the money being spent on Information Technology. Gartner has already lowered its IT spend forecast from 4.6% to 3.7%.

As Indian's Software Outsourcing firms look beyond their traditional business, the emerging technology areas are based on unstructured information. These require manpower with specialised skills to execute business strategy in these emerging areas which are in short supply.

While the rupee depreciation has helped the Indian firms, it has also impacted multinational firms adversely bringing down the entire industry's growth.

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

c. Outlook

Your Company has been predominantly developing applications for the financial sector and building market data portals for financial Institutions and brokerage firms in US and across Globe. Besides financial services sector, your Company has also built tools for a leading manufacturing Company for Advanced Product Quality Planning. This has been successfully implemented and achieved good results. The Company is progressing towards completing all the processes of Quality Planning Tools.

Your Company has taken additional floor space and have increased the manpower not only for expansion of existing activity but also for their new initiatives in healthcare and retail verticals for the domestic market.

Your Company is pursuing an opportunity to build a development center in other locations for one of our clients.

The Company is also developing inhouse technical competencies in the area of big data analytics and mobile applications development. The market for analyzing huge unstructured data is leading the growth in IT sector now. Saven Technologies Inc., US

IT Services business has considerably improved during the year under review. The trend is expected to continue. Besides the need for experienced resources for constantly changing requirements, tighter enforcement of Visa regulation and unemployment in the US may increase the opportunities for local IT outsourcing. Your subsidiary has already commenced direct billing with clients and this is expected to improve during the current financial year. This will considerably improve the operating margin.

With a view to increase the experienced resources your subsidiary has also invested substantial amount in building the team. Additional space has been taken for accommodating upto 50 people team at our Chicago office. The Company is also in the process of building a 'hybrid' model where onshore team and offshore team collaborate and deliver high quality work for our US customers. The marketing team is also being strengthened in this regard.

Your Company is of the opinion that the present uncertainty in the global economic environment may not affect the Company's projection.

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 Position - Unconsolidated

1. Share Capital

There has been no change in the position of authorized, issued, subscribed and paid up capital; the paid up capital stands at Rs.1087.87 lakhs.

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.189.47 lakhs.

B. Capital Reserve

There has not been any change in the Capital Reserve and the same stands at Rs.46.86 lakhs.

3. Fixed Assets

The significant additions to gross block in fiscal 2012 were

Computer / Hardware equipment Rs.20.22 lakhs in fiscal 2012 (Rs.7.99 lakhs in fiscal 2011)

Computer Software Rs.10.19 lakhs in fiscal 2012 (Rs.9.90 lakhs in fiscal 2011)

Furniture & Fixtures Rs.16.23 lakhs in fiscal 2012 (Rs.5.05 lakhs in fiscal 2011)

Office Equipment, Electrical installations, and Air conditioners Rs.7.37 lakhs in fiscal 2012 (Rs.1.93 lakhs in fiscal 2011)

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.194.80 lakhs in its Subsidiaries / Joint Venture.

5. Trade Receivables

Trade Receivables amounted to Rs.366.46 lakhs as at March 31, 2012, compared to Rs.280.10 lakhs on as at March 31, 2011. These receivables are considered good and realizable.

6. Cash and Cash Equivalents

Cash and Cash Equivalents have increased from Rs.129.05 lakhs to Rs.226.77 lakhs, an increase of Rs.97.72 lakhs. The surplus amount of Rs.186.67 lakhs is kept in Fixed Deposits in Scheduled banks. During the year the Company has earned an interest income of Rs.11.81 lakhs from these deposits.

7. Long term loans and advances

Long term loans and advances have increased from Rs.37.90 lakhs to Rs.70.99 lakhs.

8. Results of Operations

The total revenue for the year ended March 31, 2012 was Rs.720.78 lakhs as compared to Rs.365.82 for the previous year. The Operating Profit (PBITD) for the year under review, Rs.196.49 lakhs, as compared to Rs.62.27 lakhs for the previous year. An amount of Rs.61.38 lakhs provided as doubtful debts in the previous years which was received during the year have been credited to Statement of Profit and Loss for the year ended March 31, 2012 as exceptional items. After considering depreciation and interest of Rs.27.68 lakhs the Net Profit was Rs.230.19 lakhs, as compared to Rs.38.75 lakhs for the previous year.

The Offshore Development & Services income for the year ended March 31, 2012 was Rs.662.41 lakhs as compared to Rs.349.09 lakhs for the previous year.

The other income includes Fixed deposit interest income for the year ended March 31, 2012 which was Rs.11.81 lakhs as compared to Rs.8.00 lakhs on for the previous year. During the financial year ended March 31, 2012 favourable foreign exchange variance of Rs. 16.04 lakhs.

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

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

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

FORWARD-LOOKING STATEMENTS

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

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

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

1. Company's Philosophy

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

enduring relationship with all its stakeholders and optimize growth.

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

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

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

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

Note: Date of last Annual General Meeting (AGM) - September 26, 2011.

*Mr. Vijay Chandra Puljal was appointed as Additional Director with effect from July 14, 2012.

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

Five Board Meetings were held during the financial year 2011-12. The gap between any two Board Meetings did not exceed four months.

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

April 25, 2011, July 14, 2011, August 11, 2011, November 7, 2011 and February 06, 2012.

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

There were four meetings of the Audit Committee during 2011-12. The dates on which the said meetings were held are as follows.

3. Audit Committee

April 25, 2011, August 11, 2011, November 7, 2011 and February 06, 2012.

- a. *Brief description of terms of reference*

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

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), Wg. Cdr. (Retd.) A B Bhushan and Mr. Nrupender Rao, all being Non-Executive Directors. Mr. Murty Gudipati, Executive Director is invited to attend the Audit Committee meeting and the Company Secretary is the Secretary of the Committee. The Deputy General Manager - Finance & Accounts is required to attend by invitation to the Meeting.

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

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

4. Remuneration Committee

- a. *Brief description of terms of reference*

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

- b. Composition, Names of members and Chairperson

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

The Committee consisted of:

1. Wg. Cdr. (Retd.) A B Bhushan (Chairman)
2. Mr. Vijay Chandra Puljal* (Appointed as member with effect from July 14, 2012)
3. Mr. R S Sampath

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

- c. Remuneration Policy

To recommend / review the remuneration package periodically to Executive Directors. The remuneration policy is in consonance with the existing Industry Practice and also with provisions of the Companies Act, 1956.

- d. Remuneration to Directors

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

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

Salary	Rs.900,000/-
Provident Fund	Rs.108,000/-
Perquisites	Rs.90,000/-
Others	Rs.1,320,000/-

Besides Mr. R.S. Sampath, all the Non-Executive Directors receive remuneration only by way of sitting fees for attending the meetings of the Board and Committee thereof.

The details of remuneration paid to all the Director's for 2011-12 is given below:

(Amount in Rs)

Name of the Director	Designation	Salary	Retainer Fees	Provident fund, Superannuation fund and other perquisites	Sitting Fee	Total
Nrupender Rao	Promoter, Non-Executive Chairman	-	-	-	14,000	14,000
Sridhar Chelikani	Non-Executive	-	-	-	2,000	2,000
R S Sampath	Independent, Non-Executive	-	70,000	-	14,000	84,000
Clive Menhinick	Independent, Non-Executive	-	-	-	-	-
A B Bhushan	Independent, Non-Executive	-	-	-	11,000	11,000
Vijay Chandra Puljal*	Independent, Non-Executive	-	-	-	NA	NA
Murty Gudipati	Executive Director	9,00,000	-	15,18,000	-	24,18,000

d. Details of number of shares held by the Non- Executive/Independent Directors as on March 31, 2012

Name of the Director	Designation	No. of shares held
Nrupender Rao	Promoter, Non-Executive Chairman	5,000
Sridhar Chelikani	Non-Executive	7,44,128
R S Sampath	Independent, Non-Executive	4,670
Clive Menhinick	Independent, Non-Executive	-
A B Bhushan	Independent, Non-Executive	17
Vijay Chandra Puljal*	Independent, Non-Executive	-

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 is Mr. Nrupender Rao

The Committee consisted of:

1. Mr. Nrupender Rao (Chairman)
2. Mr. R S Sampath (Non-Executive, Independent Director)
3. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director)

b. Name and designation of Compliance Officer

Ms. Ansu Elezabeth Thomas, Company Secretary

c. Status of investor complaints received during the financial year

No complaints were received during the financial year under review.

6. Share Allotment Committee

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

The Committee consisted of:

1. Mr. Nrupender Rao (Chairman)
2. Mr. R S Sampath (Non-Executive, Independent Director)
3. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director)

7. Share Transfer Committee

As no Share Transfer was received by the

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

The Committee consisted of:

1. Mr. Nrupender Rao (Chairman)
2. Mr. R S Sampath (Non-Executive, Independent Director)
3. Wg. Cdr. (Retd.) A B Bhushan (Non-Executive, Independent Director)

a. Number of pending share transfers

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

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

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

Date	Year	Type	Venue	Time
24.09.2009	2008-09	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	04:00 P.M.
15.09.2010	2009-10	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	10:30 A.M.
26.09.2011	2010-11	Annual General Meeting	FAPCCI, Red Hills, Hyderabad	11:00 A.M.

b. Special resolutions

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

AGM / EGM Held on	Whether special resolution passed	Summary of the resolution
24.09.2009	Yes	To appoint Mr. Murty Gudipati as an Executive Director and approve the Remuneration payable to him.
15.09.2010	Yes	To appoint Mr. Murty Gudipati as an Executive Director and approve the Remuneration payable to him.
26.09.2011	Yes	To keep the Register of members and Index of members at the office of Registrar and Share Transfer Agents

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

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

d. Postal Ballot

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

9. Disclosures

a. CEO

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

b. Related Party Transactions

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

Transactions with the Related Parties are disclosed in Note No.26 to the Accounts in the Annual Report.

c. Compliance

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

d. Disclosure of Accounting Treatment:

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

e. Code of Conduct

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

f. Risk Management

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

g. Details of non-compliance etc

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

h. Whistle Blower Policy:

The Company has not established a whistle blower policy. We further affirm that during the year 2011-12 no personnel have been denied access to the Audit Committee.

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

During the financial year ended March 31, 2012, there were no proceeds from public issues, rights issues, preferential issues etc.

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

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

Compliance with Non-Mandatory requirements:

We comply with the following non-mandatory requirements:-

a. The Board -

Chairman of the Board

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

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

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

b. Shareholder Rights

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

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

c. Postal Ballot

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

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

- e. Training of Board Members - The Company is yet to evolve a plan to train the Board members.
- f. Mechanism for evaluating non-executive Board Members - Yet to evolve
As regards other non-mandatory requirements, the Board has taken cognizance of the same and may consider adopting them as and when deemed appropriate.
The Company has not yet adopted the "CORPORATE GOVERNANCE VOLUNTARY GUIDELINES, 2009". The Board will adopt the same as and when deemed appropriate.
- 10. Means of Communication**
- a. Quarterly Results of the Company are published in Financial Express/ Business Standard and Andhra Prabha/ Prajashakti (Hyderabad Edition). The results are also posted on the Company's Website www.saventech.com.
- b. Management Discussion & Analysis is annexed to the Directors' Report and forms part of the Annual Report.
- c. No Presentations were made to analysts during the financial year 2011-12.
- 11. General Shareholder Information**
- a. *Date, time and venue of Annual General Meeting*
September 24, 2012 at 4.00 P.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 20, 2012 to September 22, 2012 (both days inclusive)
- c. *Dividend payment date*
Not applicable
- d. *Listing on Stock Exchange*
Bombay Stock Exchange Limited
- e. *Listing fee*
Paid Annual Listing Fee to BSE for the year 2012-13.
- 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.com
- h. *Company's stock code on Stock Exchange:*
Bombay Stock Exchange Ltd,
532404 / 7TEC
ISIN for (shares) of NSDL & CDSL
INE 856B 01015
- i. *Communication regarding share transfers and other related correspondence*
Registrar & Transfer Agent
(Physical and Depository)
XI Softech Systems Ltd.
Plot No. 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034
Tel.No. 040-2354 5913 Fax: 040-2355 3214
E-mail : xlfield@rediffmail.com
- j. *Share Transfer System*
Shares lodged for physical transfer are processed and approved by the share transfer Committee. For this purpose, the Committee meets as required. In compliance of the SEBI circular, the shareholders/ transferee (including joint holders) holding shares in physical form are requested to furnish a copy of their PAN Card to the Company/ RTA for register of transfer of shares.
- k. *Dematerialisation of Shares and Liquidity*
85.64% of the shareholding has been dematerialized as on 31.03.2012.

I. Distribution of Shareholding as on March 31, 2012

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	1,292	60.04	2,74,201	2.52
501-1000	412	19.15	3,38,236	3.11
1001-2000	180	8.36	2,93,921	2.70
2001-3000	62	2.88	1,58,278	1.46
3001-4000	38	1.77	1,41,791	1.30
4001-5000	42	1.95	2,01,298	1.85
5001-10000	47	2.18	3,70,416	3.41
10001 and above	79	3.67	91,00,607	83.65
Total	2,152	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 2011-12:

Month	BSE		Volume
	High (Rs.)	Low (Rs.)	
April '11	5.00	4.28	26,558
May	4.82	3.50	24,518
June	4.71	3.76	35,895
July	4.88	3.92	88,224
August	4.84	3.45	36,167
September	4.25	3.45	28,205
October	4.15	3.53	47,320
November	5.52	4.18	81,252
December	4.70	3.40	5,987
January '12	4.50	3.90	21,427
February	6.47	4.30	1,67,295
March	6.19	4.22	42,902
Total			6,05,750

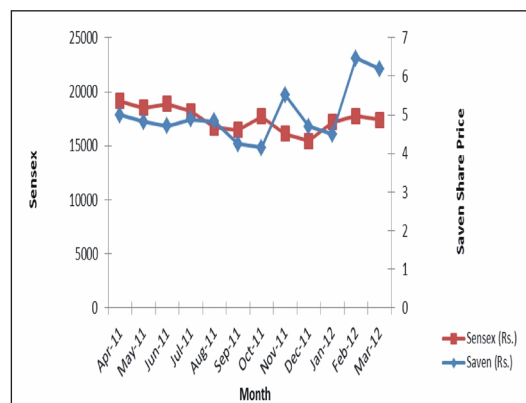
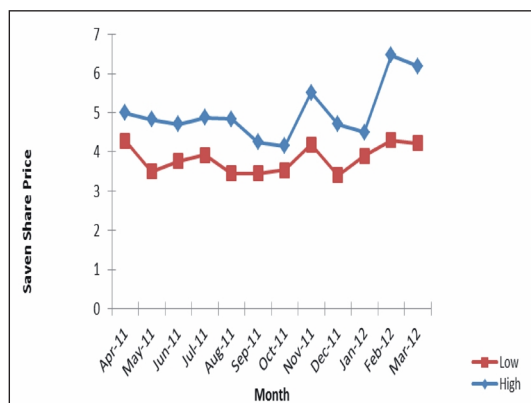
(Source : www.bseindia.com)

Saven Technologies Limited

19th Annual Report

Share price at BSE

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



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

p. Shareholding Pattern as on March 31, 2012

Category	No. of shareholders	% of shareholders	No. of shares held	Voting strength (%)
Resident individuals	2,048	95.17	36,42,838	33.48
Bodies corporate	81	3.76	13,25,205	12.18
NRI'S/OCBS/Foreign Nationals	16	0.74	10,94,036	10.06
Trust	1	0.05	2,00,000	1.84
Promoter and Promoter Group	6	0.28	46,16,669	42.44
Total	2,152	100.00	1,08,78,748	100.00

q. Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending June 30, 2012	By August 8, 2012
Financial reporting for the second quarter ending September 30, 2012	By November 15, 2012
Financial reporting for the third quarter ending December 31, 2012	By February 15, 2013
Financial results for the year ending March 31, 2013	By May 30, 2013
Annual General Meeting for the year ending March 31, 2013	August/September, 2013

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

Place : Hyderabad
Date : August 8, 2012

Murty Gudipati
Executive Director

Declaration on Code of Conduct

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

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance of the aforesaid Code of Conduct as on 31st March, 2012 and the confirmation to that effect have been given by each of them.

Place : Hyderabad
Date : August 8, 2012

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, 2012 as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges.

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

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

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

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

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

RAVI RAMBABU

Partner

Membership No.18541

Place : Hyderabad

Date : August 8, 2012

AUDITORS' REPORT

To
The Members
SAVEN TECHNOLOGIES LIMITED,
HYDERABAD

We have audited the attached Balance Sheet of SAVEN TECHNOLOGIES LIMITED, HYDERABAD, as at 31st March, 2012 and the statement of Profit and Loss 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) In our opinion and based on written representations received from Directors, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - a) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - b) In so far as it relates to Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - c) In so far as it relates to Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

Place : Hyderabad
Date : May 23, 2012

RAVI RAMBABU
Partner
Membership No. 18541

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, 2012 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

Place : Hyderabad
Date : May 23, 2012

Ravi Rambabu
Partner
Membership No.18541

BALANCE SHEET AS AT MARCH 31, 2012

(Amount in Rs.)

Particulars	Note	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	108,787,480	108,787,480
(b) Reserves and Surplus	4	(10,316,110)	(33,334,977)
		98,471,370	75,452,503
2. Current Liabilities			
(a) Trade Payables	5	1,652,190	779,253
(b) Other current liabilities	6	166,019	353,809
(c) Short-term provisions	7	1,661,074	416,648
		3,479,283	1,549,710
TOTAL		101,950,653	77,002,213
II. ASSETS			
1 Non - current assets			
(a) Fixed assets			
(i) Tangible assets		13,381,841	11,368,558
(ii) Intangible assets	8	1,885,199	1,217,793
		15,267,040	12,586,351
(b) Non-current investments	9	19,480,072	19,480,072
(c) Long term loans & advances	10	7,098,693	3,789,607
(d) Other non-current assets	11	--	--
2 Current assets			
(a) Trade receivables	12	36,646,335	28,010,834
(b) Cash and Cash Equivalents	13	22,677,321	12,905,604
(c) Short-term loans and advances	14	252,000	140,000
(d) Other current assets	15	529,192	89,745
		60,104,848	41,146,183
TOTAL		101,950,653	77,002,213

Notes forming part of the financial statements 1 to 30

In terms of our report attached
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
Membership No. 18541

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

Saven Technologies Limited
19th Annual Report
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Amount in Rs.)

Particulars	Note	For the year ended March 31, 2012	For the year ended March 31, 2011
1 Revenue from operations	16	69,293,422	35,775,508
2 Other Income	17	2,784,846	806,783
Total Revenue		72,078,268	36,582,291
3 Expenses			
(a) Employee benefits expense	18	40,067,357	23,173,602
(b) Other Expenses	19	12,361,804	7,182,159
(c) Finance costs	20	48,212	60,647
(d) Depreciation and amortisation expense	8	2,719,989	2,290,630
Total Expenses		55,197,362	32,707,038
4 Profit before exceptional items and tax		16,880,906	3,875,253
5 Exceptional items	21	6,137,961	--
6 Profit before tax (4+5)		23,018,867	3,875,253
7 Tax expense		--	--
8 Profit from continuing operations (6-7)		23,018,867	3,875,253
9 Earnings Per Share (equity share of Rs.10/-each)			
Basic and Diluted	22	2.12	0.36
No. of shares used in computing Earnings per share		10,878,748	10,878,748

Notes forming part of the financial statements 1 to 30

In terms of our report attached
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
Membership No. 18541

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(Amount in Rs.)

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
A Cash Flow from Operating Activities		
Net Profit before Tax	23,018,867	3,875,253
Adjustments for:		
Depreciation	2,719,989	2,290,630
Miscellaneous Expense Written-off	Nil	Nil
Profit / Loss on Sale of Fixed Assets	Nil	Nil
Interest Income	(1,180,955)	(800,303)
Interest Expense	28,791	55,011
<i>Operating Profit before working Capital Changes</i>	24,586,692	5,420,591
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	(8,635,501)	(2,420,957)
Long-term loans and advances	(3,309,086)	772,068
Short-term loans and advances	(112,000)	(90,000)
Other current assets	(439,447)	(89,745)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	872,937	524,397
Other current liabilities	(187,790)	(849,699)
Short-term provisions	1,244,426	(225,045)
Cash generated from operations	14,020,231	3,041,610
Income Taxes Paid	Nil	Nil
Net Cash from Operating Activities (A)	14,020,231	3,041,610
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(5,400,678)	(2,486,695)
Interest Received	1,180,955	800,303
Net Cash used in Investing Activities	(4,219,723)	(1,686,392)
C. Cash flow from Financing Activities		
Interest paid	(28,791)	(55,011)
Net Cash from Financing Activities	(28,791)	(55,011)
Net Increase / (Decrease) in Cash and Cash Equivalents	9,771,717	1,300,207
Cash & Cash equivalents at the beginning of the period	12,905,604	11,605,397
Cash & Cash equivalents at the end of the period	22,677,321	12,905,604

In terms of our report attached
for Rambabu & Co.,
Chartered Accountants
Reg.No. 002976S

Murty Gudipati
Executive Director

R S Sampath
Director

Ravi Rambabu
Partner
Membership No. 18541
Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1. Corporate information**

Saven Technologies Limited offers a full range of software services from end to end development of new software and web solutions, Enterprise Application Services, to re-engineering and enhancement of legacy applications, application integration and ongoing maintenance.

2. Significant Accounting Policies:**2.1 Basis of accounting and preparation of financial statements**

The financial statements of the Company 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.

2.2 Cash and cash equivalents

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.3 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.4 Fixed Assets

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

2.5 Depreciation and amortisation

Depreciation has been provided on the 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.

2.6 Revenue Recognition

Income from services

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

2.7 Other Income

Interest income is recognized on time proportion basis.

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

2.8 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**2.9 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.

2.10 Employee Benefits*Defined contribution plans:*

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

Defined benefit plans:

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

Long-term employee benefits:

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

Short-term employee benefits:

The undiscounted amount of short-term employee benefits i.e. performance incentive expected to be paid in exchange for the services rendered by employee are recognized during the year when employees render the service.

2.11 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement of short-term foreign currency monetary assets are recognized as income or expense in the statement of Profit and Loss account. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the Profit and Loss Account. The long term investments of the Company in the subsidiary in the USA and in the Joint venture in the UK, are recorded at the foreign exchange prevailing on the date of investments.

2.12 Taxes on Income

Although the Company has started generating profit, it is not considered prudent to recognize the Deferred Tax Asset/ Liability due to effect of timing difference at present.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

Note	Particulars	As at March 31, 2012	As at March 31, 2011
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3. SHARE CAPITAL**(a) Authorised**

1,60,00,000 Equity Shares of Rs 10/- each	160,000,000	160,000,000
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(b) Issued, Subscribed and Paid-up

1,08,78,748 Equity Shares of Rs 10/- each	108,787,480	108,787,480
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(previous year 1,08,78,748 Equity Shares of Rs 10/- each)

Refer notes a & b below

- (a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity shares with voting rights				
Opening balance	10,878,748	108,787,480	10,878,748	108,787,480
Closing Balance	10,878,748	108,787,480	10,878,748	108,787,480

Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

- (b) Details of shares held by each shareholder holding more than 5% of equity shares with voting rights:

Particulars	As at March 31, 2012		As at March 31, 2011	
	% Held	No. of Shares.	% Held	No. of Shares
Ch. Arathi	12.97%	1,410,851	8.07%	877,851
Avanti Rao	7.90%	859,450	7.90%	859,450
Aditya Narsing Rao	7.79%	847,500	7.79%	847,500
J. Rajya Lakshmi	6.89%	749,740	6.89%	749,740
Sridhar Chelikani	6.84%	744,128	11.74%	1,277,128
Dhari Mohammad Alroomi	7.81%	850,000	7.81%	850,000

Note	Particulars	As at March 31, 2012	As at March 31, 2011
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4. RESERVES AND SURPLUS

(a) Capital Reserve	4,685,900	4,685,900
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(b) Share Premium	18,947,380	18,947,380
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23,633,280	23,633,280
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- (c) Surplus / (Deficit) in Statement of Profit and Loss Balance at the beginning of the year

(56,968,257)	(60,843,510)
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Add: Profit for the year	23,018,867	(33,949,390)	3,875,253	(56,968,257)
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TOTAL	(10,316,110)	(33,334,977)
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

Note	Particulars	As at March 31, 2012	As at March 31, 2011
5	Trade Payable		
	Liabilities for expenses	1,652,190	779253
	TOTAL	1,652,190	779253
5.1	Dues to Micro, Small and Medium enterprises has been determined to be Rs.Nil to the extent such parties have been identified on the basis of information available with the Company.		
6	Other Current Liabilities		
	Statutory remittances	16,987	--
	Vehicle H.P. Loan*	149,032	353,809
	TOTAL	166,019	353,809
	*Vehicle loan from ICICI Bank carries interest @ 11%. The loan amount of Rs.600,000/- is repayable in 36 monthly instalments from December 3, 2009. The loan is secured by charge over fixed asset i.e. vehicle, for which finance is provided by the lender.		
7	Short Term Provisions		
	Provision for employee benefits	1,661,074	416,648
	TOTAL	1,661,074	416,648

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8. FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	Balance as at 01.04.11	Additions	Disposals	Balance as at 01.04.11	Disposals	For the year	Balance as at 31.03.12	Balance as at 31.03.11
(i) TANGIBLE ASSETS								
Computer/ Hardware	14,296,534	2,021,672	-	12,656,217	-	641,252	13,297,469	1,640,317
Air Conditioners	2,719,460	510,119	-	2,229,510	-	198,729	2,428,239	801,340
Furniture and fixtures	14,449,661	1,623,505	-	8,924,242	-	931,041	9,855,283	5,525,419
Electrical Fittings	3,627,390	226,530	-	2,241,506	-	264,285	2,505,791	1,385,884
Vehicles	2,456,262	-	-	599,997	-	233,345	833,342	1,856,265
Office Equipment	1,578,060	-	-	1,107,337	-	99,891	1,207,228	470,723
Total	39,127,367	4,381,826	-	27,758,809	-	2,368,543	30,127,352	11,368,558
Previous Year	37,630,238	1,497,129	-	25,694,540	-	2,064,269	27,758,809	11,935,698
(ii) INTANGIBLE ASSETS								
Computer Software	4,708,238	1,018,852	-	3,490,445	-	351,446	3,841,891	1,217,793
Previous Year	3,718,672	989,566	-	3,264,084	-	226,361	3,490,445	454,588
Total	43,835,605	5,400,678	-	31,249,254	-	2,719,989	33,969,243	12,586,351
Previous Year	41,348,910	2,486,695	-	28,958,624	-	2,290,630	31,249,254	12,390,286

(iii) Details of assets acquired under hire purchase agreement:

Particulars	Gross Block		Net Block	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Vehicles(Note-6)	1,314,080	1,314,080	1,021,309	1,146,147

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

Note	Particulars	As at March 31, 2012	As at March 31, 2011
9.	Non-Current Investments		
	Trade Investments (at cost)		
	Unquoted Equity Instruments		
	(a) Investment in Subsidiary		
	Saven Technologies Inc.-USA	19,469,130	19,469,130
	4,20,000 (4,20,000) Common Stock USD 1.00 each, fully paid-up, par value USD 1.00 each		
	(b) Investment in Joint Venture		
	Penrilian Limited, UK,	10,942	10,942
	161 (161) ordinary shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each		
	Aggregate amount of unquoted investments	19,480,072	19,480,072
10.	Long Term Loans and Advances		
	(a) Capital advances	65,000	--
	Unsecured, Considered good		
	(b) Security Deposits	1,721,477	1,318,383
	Unsecured, Considered good		
	(c) Advance Tax and TDS	3,248,264	341,157
	(d) Service Tax Credit Receivable	53,952	120,067
	(e) Saven Employees Stock Option Trust *	2,005,000	2,005,000
	(f) Others	5,000	5,000
	TOTAL	7,098,693	3,789,607
	* Company had advanced Rs. 20 Lakhs to Saven Employees Foundation Trust for acquiring shares in the Company for issuance to employees.		
11.	Other Non Current Assets		
	Long term Trade Receivables		
	Unsecured, Considered good		
	Doubtful	11,265,531	17,403,492
	Less:- Provision for Doubtful long term receivables **	11,265,531	17,403,492
	TOTAL	--	--
	** In respect of provision made in the previous years towards doubtful debts recoverable from overseas customers. The Company has plan to seek the permission of regulatory authorities for write off.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

Note	Particulars	As at March 31, 2012	As at March 31, 2011
12. Trade Receivables			
	Trade Receivable outstanding for a period exceeding six months		
	Secured, Considered good	--	--
	Unsecured, Considered good	--	7,055,210
	Other Trade Receivables		
	Secured, Considered good	--	--
	Unsecured, Considered good *	36,646,335	20,955,624
	TOTAL	36,646,335	28,010,834
	* due from subsidiary		
	- Saven Technologies Inc.,USA	35,355,719	34,109,583
13. Cash and Cash Equivalents			
	Cash on hand	23,455	21,540
	Balances with Banks		
	In Current accounts	3,986,893	201,624
	In Deposit Accounts (refer note i below)	18,666,973	12,682,440
	TOTAL	22,677,321	12,905,604
	(i) Balances with banks include deposits amounting to Rs.18,666,973/- Which have maturity of less than 12 months on Balance sheet date		
14. Short -term loans and advances			
	Loans and advances to employees	252,000	90,000
	Other Loans and advances	--	50,000
	TOTAL	252,000	140,000
15. Other current assets			
	Interest accrued but not due on Deposits	529,192	89,745
	TOTAL	529,192	89,745

Saven Technologies Limited

19th Annual Report

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

Note	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
16. Revenue from Operations			
	Services - Overseas	66,240,862	34,909,440
	Domestic	3,052,560	866,068
	TOTAL	69,293,422	35,775,508
17. Other Income			
	Interest on Deposits	1,180,955	800,303
	Net gain/(loss) on foreign currency transactions	1,603,891	--
	Other non-operating Income	--	6,480
	TOTAL	2,784,846	806,783
18. Employee benefit expenses			
	Salaries and Bonus	38,306,637	22,132,550
	Contribution to Provident Fund & Other Funds	1,387,683	873,334
	Staff Welfare Expenses	373,037	167,718
	TOTAL	40,067,357	23,173,602
19. Other Expenses			
	Rent	2,713,416	1,773,900
	Travelling and Conveyance	886,144	988,264
	Communication	709,326	545,481
	Prof. and Service Charges	3,475,004	1,025,000
	Electricity Charges	1,060,599	847,352
	Office Expenses & Maintenance	1,301,760	1,128,597
	Repairs & Maintenance	1,104,601	118,741
	Insurance	176,903	149,548
	Rates & Taxes	202,271	155,659
	Other Miscellaneous Expenses	469,360	287,800
	Advertisement & Promotion Expenses	152,420	71,817
	Auditors Remuneration	110,000	90,000
	TOTAL	12,361,804	7,182,159
20. Finance Cost			
	Interest on Vehicle Loans	28,791	55,011
	Bank Charges	19,421	5,636
	TOTAL	48,212	60,647

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

21. Exceptional items

An amount of Rs.61,37,961/- provided as doubtful debts in the previous years which was received during the year have been credited to Statement of Profit and Loss for the year ended March 31, 2012 as exceptional items.

(Amount in Rs.)

	As at March 31, 2012	As at March 31, 2011
22. Earnings Per Share		
<u>Basic</u>		
<u>Total operations</u>		
Net profit / (loss) for the period attributable to the equity shareholders	23,018,867	3,875,253
Weighted average number of equity shares	10,878,748	10,878,748
Par value per share	10.00	10.00
Earnings per share - Basic	2.12	0.36
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
<u>Total operations</u>		
Net profit / (loss) for the year attributable to the equity shareholders	23,018,867	3,875,253
Weighted average number of equity shares for Basic EPS	10,878,748	10,878,748
Weighted average number of equity shares for diluted EPS	10,878,748	10,878,748
Par value per share	10.00	10.00
Earnings per share - Diluted	2.12	0.36

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

23. Contingent Liabilities not acknowledged as debt:

NIL

24. Employee Benefits under defined Benefit Plans

(a) Gratuity

Actuarial data on defined Benefit Plans:

(Amount in Rs.)

	31.03.2012	31.03.2011
Present value of obligation at the beginning of the year	993,520	693,760
Current Service Cost	235,188	134,845
Interest Cost	78,748	56,901
Benefits Paid	(27,692)	Nil
Present value of obligation at the end of the year	1,307,456	885,506
Assumptions		
Discount Rate	8% p.a	8% p.a
Salary Escalation	4%	4%
Interest Rate applicable	9%	9%

(b) Leave Encashment

Actuarial data on defined Benefit Plans:

(Amount in Rs.)

	31.03.2012
Present value of Past service	468,069
Current Service Cost	18,338
Interest Cost	359
Present value of obligation at the end of the year	486,766
Assumptions	
Discount Rate	8% p.a
Salary Escalation	3%
Interest Rate applicable	9%

25. Auditors' Remuneration:

(Amount in Rs.)

	31.03.2012	31.03.2011
Statutory Audit Fee	90,000	70,000
Taxation and other statutory matters	20,000	20,000
TOTAL	110,000	90,000

26. Related Party Transactions

A. Details of related parties:

S.No.	Relationship	Names of the related parties
1.	Subsidiary	Saven Technologies Inc., USA,
2.	Joint venture	Penrillian Limited, U.K
3.	Associates	Pennar Industries Limited - Common Director Pennar Engineered Building Systems Limited - Common Director Pennar Enviro Limited-Common Director
4.	Key Management Person	Mr. Murty Gudipati - Executive Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

B. Details of related party transactions during the year ended March 31, 2012 and balances outstanding as at March 31, 2012. (Amount in Rs.)

Particulars	Subsidiary	Joint venture	Associates	Key Management Person
Revenue	66,240,862 (34,909,440)	-- --	2,880,551 (955,273)	-- --
Exceptional Item	6,137,961	--	--	--
Director - Remuneration	-- --	-- --	-- --	2,418,000 (2,198,281)
Trade Receivables	35,355,719 (34,109,583)	--	1,290,616 (39,212)	-- --
Investments	19,469,130 (19,469,130)	10,942 (10,942)	-- --	-- --
Provision for Doubtful Debts	-- (6,137,961)	-- --	-- --	-- --

Note: Figures in bracket relates to the previous year.

27. Segment Details

The Company is mainly engaged in the Software Development and Services. Hence there is no separate reportable segment as per Accounting Standard-17 issued by the Institute of Chartered Accountants of India.

28. (i) Foreign Currency Transactions:

(Amount in Rs.)

Sl.No.	Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
1	Inflow in foreign currency (on receipt basis) Income from Software Development and Technology Consultancy Services	66,597,170	33,369,450
2	Outflow in foreign Currency (on payment basis)	--	373,631

29. Figures have been rounded off to the nearest rupee.

30. Reclassification:

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous years' figures have been recast / restated.

Note 1 to 30 form part of the Balance Sheet and have been authenticated.

In terms of our report attached
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
Membership No. 18541

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

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, 2012
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	Profit : USD 224,743 (Rs.10,596,632)
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 728,000 (Rs. 32,221,280)

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 8, 2012

Ansu Elezabeth Thomas
Company Secretary

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

DIRECTORS' REPORT

Your Directors have pleasure in presenting their report together with audited financial statements for the year ended March 31, 2012.

Your Directors are pleased to inform that your Company in a challenging economic environment could achieve revenue of \$13.61 Million for the year ended March 31, 2012 as against \$11.52 Million for the previous year, an increase of 18%. Despite the adverse effect of the global slowdown, the company was able to sustain its operation and could contain the cost of increase in the visa charges and higher salaries by increasing the billing rates. The Company achieved an operating margin of \$ 1.47 Million as against \$ 0.86 Million for the previous year. The profit before income tax and depreciation was \$ 0.43 Million as against \$ 0.03 Million. The net profit after income tax and depreciation was \$ 0.23 Million against loss of \$ 0.05 Million for the previous year.

IT Services business has considerably improved during the year under review. The trend is expected to continue. Besides the need for experienced resources for constantly changing requirements, tighter enforcement of Visa regulation and unemployment in the US may increase the opportunities for local IT outsourcing. Your company has already commenced direct billing with clients and this is expected to improve during the current financial year. This will improve the operating margin.

With a view to increase the experienced resources your company has also invested substantial amount in building the team. Additional space has been taken for accommodating upto 50 people team at our Chicago office. The Company is also in the process of building a 'hybrid' model where onshore team and offshore team collaborate and deliver high quality work for our US customers. The marketing team is also being strengthened in this regard.

The offshore Development Center is not only developing applications for financial sector but also developing tools for Advanced Product Quality Planning in the manufacturing sector. The Center has also taken additional space and have increased manpower not only for expanding the existing activity but also for their initiatives in Healthcare and retail verticals. Your company is also pursuing an opportunity to build another Development Center in other location

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

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

For Saven Technologies, Inc.

May 23, 2012

Sridhar Chelikani
Director & President

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

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, 2012, 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, 2012, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Johnson & Dutt, Inc.
Elmhurst, Illinois
May 15, 2012

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

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	As at March 31, 2012		As at March 31, 2011	
	USD	Rs.	USD	Rs.
Assets				
<i>Current Assets</i>				
Cash	1,047,072	52,667,722	722,854	31,805,576
Accounts Receivable	2,275,937	114,479,631	2,051,415	90,262,260
Notes Receivable	8,000	402,400	37,315	1,641,860
Prepaid Expenses	6,061	304,868	71,035	3,125,540
Investments	117	5,677	117	5,677
Total Current Assets	3,337,187	167,860,298	2,882,736	126,840,913
<i>Fixed Assets, At Cost (See Note 1)</i>				
Property and Equipment	259,320	13,043,796	238,033	10,473,452
Less: Accumulated Depreciation	240,968	12,120,690	208,105	9,156,620
Total Fixed Assets	18,352	923,106	29,928	1,316,832
Other Assets				
Notes Receivable	167,893	8,445,018	232,588	10,233,872
Total Assets	3,523,432	177,228,422	3,145,252	138,391,617
Liabilities and Stockholder's Equity				
<i>Current Liabilities:</i>				
Notes Payable Due within One Year	216,022	10,865,907	404,487	17,797,428
Accounts Payable	315,624	15,875,887	134,970	5,938,680
Other Accrued Expenses	646,146	32,501,144	395,747	17,412,868
Due to Saven India	702,897	35,355,719	792,048	34,109,583
Total Current Liabilities	1,880,689	94,598,657	1,727,252	75,258,559
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)	35,431	1,782,179	39,332	1,730,608
Retained Earnings	917,312	49,030,036	688,668	29,584,900
Total Stockholders' Equity	1,642,743	82,629,765	1,418,000	63,133,058
Total Liabilities and Stockholders' Equity	3,523,432	177,228,422	3,145,252	138,391,617

Saven Technologies, Incorporated (a subsidiary of Saven Technologies Limited)**STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2012**

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
	USD	Rs.	USD	Rs.
Sales	13,579,848	640,289,833	11,526,447	510,160,544
Cost of Sales	12,112,651	571,111,495	10,664,056	471,991,119
Gross Profit	1,467,197	69,178,339	862,391	38,169,426
Operating Expenses (See Schedule A)	1,084,358	51,230,998	841,106	37,222,712
Net Operating Income	382,839	17,947,340	21,285	946,714
Other Income and (Expense) (See Schedule B)	(154,195)	(7,270,294)	(73,978)	(3,274,266)
Net Income Profit / (Loss)	228,644	10,677,046	(52,693)	(2,327,552)
Retained Earnings, April 01, 2011	688,668	--	741,361	--
Retained Earnings, March 31, 2012	917,312	10,677,046	688,668	(2,327,552)

SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2012**SCHEDULE - A**

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
	USD	Rs.	USD	Rs.
Operating Expenses				
Advertising and Promotion	26,892	1,267,958	13,639	603,662
Bad Debts	31,359	1,478,577	88,035	3,896,429
Bank Service charge	5,782	272,621	4,466	197,665
Depreciation	32,863	1,653,009	17,845	785,180
Dues and Subscription	13,351	629,500	12,108	535,900
Equipment Rent	6,018	283,749	11,928	527,933
Insurance	36,012	1,697,966	38,893	1,721,404
Licenses & Permits	2,673	126,032	3,990	176,597
Meals & entertainment	36,793	1,734,790	26,393	1,168,154
Office expenses	49,590	2,338,169	22,964	1,016,387
Professional Fees	499,739	23,562,694	294,091	13,016,468
Referral fees	27,000	1,273,050	15,250	674,965
Relocation expenses	147,574	6,958,114	122,396	5,417,247
Repairs & Maintenance	2,532	119,384	3,680	162,877
Rent	69,800	3,291,070	93,337	4,131,096
Telephone	35,347	1,666,611	30,959	1,370,245
Travel	57,402	2,706,504	36,593	1,619,606
Utilities	3,631	171,202	4,539	200,896
Total Operating Expenses	1,084,358	51,230,998	841,106	37,222,712

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

SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
	USD	Rs.	USD	Rs.
SCHEDULE - B				
Other Income & (Expense)				
Other Income				
Interest Income	3,128	147,485	3,945	174,606
Interest Expense	(16,278)	(767,508)	(17,426)	(771,275)
Other Income / Expense	31,849	1,501,680	4,389	194,257
Income Tax	(172,894)	(8,151,952)	(64,886)	(2,871,854)
Total Other Income & (Expenses)	(154,195)	(7,270,295)	(73,978)	(3,274,266)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
	USD	Rs.	USD	Rs.
<i>Cash Flows from Operating Activities</i>				
Net Income	228,644	10,677,046	(52,693)	(2,327,552)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	32,863	1,653,009	17,845	785,180
Changes in Assets and Liabilities :				
Accounts Receivable	(224,522)	(11,293,457)	(148,177)	(6,519,788)
Accounts Payable	91,503	4,602,601	36,020	1,584,880
Accrued Expenses	315,373	15,863,262	(183,671)	(8,081,524)
Net Cash Provided by Operating Activities	443,861	21,502,461	(330,676)	(14,558,804)
<i>Cash Flows from Investing Activities :</i>				
Adjustment from Foreign Currency Translation	(3,901)	(196,220)	--	--
Asset acquisitions	(21,287)	(1,070,736)	--	--
Increase/ Decrease in notes receivable	94,010	4,728,703	70,369	3,096,236
Net Cash Used in Investing Activities	68,822	3,461,747	70,369	3,096,236
<i>Cash Flows from Financing Activities :</i>				
Net Proceeds from Loans	(188,465)	(9,479,790)	144,505	6,358,220
Net Cash Used in Financing Activities	(188,465)	(9,479,790)	144,505	6,358,220
Net Decrease in Cash and Cash Equivalents	324,218	15,484,418	(115,802)	(5,104,348)
Cash and Cash Equivalents, Beginning of Year	722,854	37,183,303	838,656	36,909,924
Cash and Cash Equivalents, End of Year	1,047,072	52,667,722	722,854	31,805,576

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

Notes to Financial Statements for the year ended March 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF BUSINESS

Nature of Operations

Saven Technologies, Inc. (Company) is a service company which offers IT consulting, Project Management, Remote Services and Enterprise software development services. 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.

The Company also offers a full range of software outsourcing services from end to end development of new software and web solutions, Enterprise Application Services to re-engineering and enhancement of legacy applications, application integration and ongoing maintenance and support through Saven Technologies Limited (India).

Significant Accounting Policies

The following is a summary of the significant account 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 decreased Stockholders' equity by \$ 35,431 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 Bank of America maturing on June 2012. In accordance with the terms of this agreement, the Company may borrow up to \$400,000. Interest is payable at the BBA LIBOR Daily Floating Rate plus 3%, 3.25% at March 31, 2012. The balance at March 31, 2012 is \$199,983.

3. BUILDING LEASE

The Company occupies leased office space in Schaumburg, Illinois. In addition, the Company is responsible for insurance and maintenance of the property. Effective June 1, 2012 the Company will expand to add an additional 1,663 square feet of office space. The new lease will commence on June 1, 2012 and will expire in June of 2016.

For the year ended March 31, 2012, rent expense was approximately \$ 69,800.

4. RELATED PARTIES

Saven Technologies Limited (India):

This Corporation holds a 61% interest in Saven Technologies, Inc. (USA). Saven Technologies Limited (India) carries out the full range of software services being outsourced by Saven Technologies Inc (USA). In this regard a separate agreement was entered into for offshore software services. The amount due to Saven Technologies (India) at March 31, 2012 is \$ 702,897.

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, 2012.

Note: Indian Rupee equivalent of figures have been arrived at by applying the year end and average exchange rate of USD 1.00 = Rs.50.30 and Rs.47.15 respectively (Previous Year: USD 1.00 = Rs.44.00 and Rs.44.26)

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, 2012 and also the Consolidated Statement of Profit and Loss 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.177,228,422 as at 31st March, 2012 and total revenues of Rs.641,755,067 for the year ended on that date. These financial statements have been audited by other auditors, whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the Subsidiary, is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India, and on the basis of separate audited financial statements of the Company and its Subsidiary Company included in the consolidated financial statements.
5. In our opinion, on the basis of information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of Saven Technologies Limited and its aforesaid Subsidiary, the aforesaid Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Consolidated Balance Sheet, of the consolidated state of affairs of Saven Technologies Limited and its Subsidiary as at 31st March, 2012;
 - (ii) In so far as it relates to Consolidated Statement of Profit and Loss, of the consolidated results of operations of Saven Technologies Limited and its Subsidiary for the year ended on that date; and
 - (iii) In so far as it relates to Consolidated Cash Flow Statement, of the consolidated cash flows of Saven Technologies Limited and its Subsidiary for the year ended on that date

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

Place : Hyderabad
Date : May 23, 2012

Ravi Rambabu
Partner
Membership No.18541

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

(Amount in Rs.)

Particulars	Note	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	108,787,480	108,787,480
(b) Reserves and Surplus	4	20,097,790	(8,990,661)
		128,885,270	99,796,819
2. Current Liabilities			
(a) Short-term borrowings	5	10,865,907	17,797,428
(b) Trade Payables	6	37,465,921	27,380,690
(c) Other current liabilities	7	166,019	353,809
(d) Short-term provisions	8	15,881,035	3,056,648
		64,378,882	48,588,575
3. Minority Interest		32,333,468	24,414,261
TOTAL		225,597,620	172,799,655
II. ASSETS			
1 Non - current assets			
(a) Fixed assets			
(i) Tangible assets		13,841,404	12,410,394
(ii) Intangible assets	9	1,885,199	1,217,793
		15,726,603	13,628,187
(b) Non-current investments	10	16,619	16,619
(c) Long term loans & advances	11	15,848,576	14,301,779
(d) Other non-current assets	12	--	--
2 Current assets			
(a) Trade receivables	13	115,770,247	90,301,472
(b) Cash and Cash Equivalents	14	75,345,042	44,711,180
(c) Short-term loans and advances	15	2,361,341	9,750,673
(d) Other current assets	16	529,192	89,745
		194,005,822	144,853,070
TOTAL		225,597,620	172,799,655

Notes forming part of the financial statements 1 to 29

In terms of our report attached
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
Membership No. 18541

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

Saven Technologies Limited
19th Annual Report
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Amount in Rs.)			
Particulars	Note	For the year ended March 31, 2012	For the year ended March 31, 2011
1 Revenue from operations	17	643,342,393	511,026,612
2 Other Income	18	4,250,079	1,662,683
Total Revenue		647,592,472	512,689,295
3 Expenses			
(a) Employee benefits expense	19	551,896,104	465,672,528
(b) Other Expenses	20	54,709,058	38,004,779
(c) Finance costs	21	1,088,341	1,029,587
(d) Depreciation and amortisation expense	9	4,372,998	3,075,810
Total Expenses		612,066,501	507,782,704
4 Profit before exceptional items and tax		35,525,971	4,906,591
5 Exceptional items	22	6,137,961	--
6 Profit before tax (4+5)		41,663,932	4,906,591
7 Tax expense		8,151,952	2,871,854
8 Profit from continuing operations (6-7)		33,511,980	2,034,737
9 Minority Interest		4,423,529	(717,776)
10 Profit for the year after Minority Interest		29,088,451	2,752,513
11 Earnings Per Share (equity share of Rs.10/-each)			
Basic and Diluted	23	2.67	0.25
No. of shares used in computing Earnings per share		10,878,748	10,878,748
Notes forming part of the financial statements 1 to 29			

In terms of our report attached
for Rambabu & Co.,
Chartered Accountants
Firm Reg. No: 002976S

for and on behalf of the Board

Ravi Rambabu
Partner
Membership No. 18541

Murty Gudipati
Executive Director

R S Sampath
Director

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

Saven Technologies Limited
19th Annual Report
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(Amount in Rs.)

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
A. Cash Flow from Operating Activities		
Net Profit before Tax	41,663,932	4,906,591
Adjustments for:		
Depreciation	4,372,998	3,075,810
Miscellaneous Expense Written-off	Nil	Nil
Profit / Loss on Sale of Fixed Assets	Nil	Nil
Interest Income	(1,328,440)	(974,909)
Interest Expense	796,299	826,286
<i>Operating Profit before working Capital Changes</i>	45,504,789	7,833,778
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	(25,468,775)	(5,530,104)
Long-term loans and advances	(1,546,797)	3,508,336
Short-term loans and advances	7,389,332	451,084
Other current assets	(439,447)	(89,745)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	10,085,231	(8,043,507)
Other current liabilities	(187,790)	(849,699)
Short-term provisions	12,824,387	478,468
Short-term borrowings	(6,931,521)	3,517,148
Minority Interest	3,495,678	(297,015)
Cash generated from operations	44,725,087	978,744
Income Taxes Paid	8,151,952	2,871,854
Net Cash from Operating Activities (A)	36,573,135	(1,893,110)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(6,471,414)	(2,486,695)
Interest Received	1,328,440	974,909
Net Cash used in Investing Activities	(5,142,974)	(1,511,786)
C. Cash flow from Financing Activities		
Interest paid	(796,299)	(826,286)
Net Cash from Financing Activities	(796,299)	(826,286)
Net Increase / (Decrease) in Cash and Cash Equivalents	30,633,862	(4,231,182)
Cash & Cash equivalents at the beginning of the period	44,711,180	48,942,362
Cash & Cash equivalents at the end of the period	75,345,042	44,711,180

In terms of our report attached
for Rambabu & Co.,
Chartered Accountants
Reg.No. 002976S

Ravi Rambabu
Partner
Membership No. 18541
Place : Hyderabad
Date : May 23, 2012

Murty Gudipati
Executive Director

R S Sampath
Director

Ansu Elezabeth Thomas
Company Secretary

Consolidated Notes forming part of the Financial Statements**1. Corporate information**

Saven Technologies Limited offers a full range of software outsourcing services from end to end development of new software and web solutions, Enterprise Application Services, to re-engineering and enhancement of legacy applications, application integration and ongoing maintenance. The Company has set up a subsidiary, Saven Technologies Inc, USA, a service company which offers IT Services, Project Management, Remote Services and Enterprise software development services.

2. Significant Accounting Policies:**2.1 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 31.03.2012.

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.

2.2 Cash and cash equivalents

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.3 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.4 Fixed Assets:

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

2.5 Depreciation and amortisation

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

2.6 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.

Consolidated Notes forming part of the Financial Statements**2.7 Other Income**

Interest income is recognized on time proportion basis.

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

2.8 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.

2.9 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.

2.10 Employee Benefits:

Defined contribution plans:

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

Defined benefit plans:

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

Long-term employee benefits:

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

2.11 Foreign Currency Transactions:

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

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

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

Consolidated Notes forming part of the Financial Statements

(Amount in Rs.)

Note	Particulars	As at March 31, 2012	As at March 31, 2011
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3. SHARE CAPITAL**(a) Authorised**

1,60,00,000 Equity Shares of Rs 10/- each	160,000,000	160,000,000
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(b) Issued, Subscribed and Paid-up

1,08,78,748 Equity Shares of Rs 10/- each (previous year 1,08,78,748 Equity Shares of Rs 10/- each)	108,787,480	108,787,480
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Refer notes a & b below:

- (a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity shares with voting rights				
Opening balance	10,878,748	108,787,480	10,878,748	108,787,480
Closing Balance	10,878,748	108,787,480	10,878,748	108,787,480

Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

- (b) Details of shares held by each shareholder holding more than 5% of equity shares with voting rights:

Particulars	As at March 31, 2012		As at March 31, 2011	
	% Held	No. of Shares	% Held	No. of Shares
Ch. Arathi	12.97%	1,410,851	8.07%	877,851
Avanti Rao	7.90%	859,450	7.90%	859,450
Aditya Narsing Rao	7.79%	847,500	7.79%	847,500
J. Rajya Lakshmi	6.89%	749,740	6.89%	749,740
Sridhar Chelikani	6.84%	744,128	11.74%	1,277,128
Dhari Mohammad Alroomi	7.81%	850,000	7.81%	850,000

Particulars	As at March 31, 2012	As at March 31, 2011
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4. RESERVES AND SURPLUS

(a) Capital Reserve	4,685,900	4,685,900
(b) Share Premium	18,947,380	18,947,380
	23,633,280	23,633,280
(c) Surplus / (Deficit) in Statement of Profit and Loss Balance at the beginning of the year	(32,623,941)	(35,376,454)
Add: Profit for the year	29,088,451	2,752,513
	(3,535,490)	(32,623,941)
TOTAL	20,097,790	(8,990,661)

Saven Technologies Limited**19th Annual Report****Consolidated Notes forming part of the Financial Statements**

(Amount in Rs.)

Note Particulars	As at March 31, 2012	As at March 31, 2011
5. Short-term borrowings		
Loan repayable to banks	10,059,145	17,555,252
Loan repayable to others	806,762	242,176
TOTAL	10,865,907	17,797,428
6. Trade Payable		
Liabilities for expenses	37,465,921	27,380,690
TOTAL	37,465,921	27,380,690
6.1 Dues to Micro small and Medium enterprises has been determined to be Rs.Nil to the extent such parties have been identified on the basis of information available with the Company.		
7. Other Current Liabilities		
Statutory remittances	16,987	--
Vehicle H.P. Loan*	149,032	353,809
TOTAL	166,019	353,809
*Vehicle loan from ICICI Bank carries interest @ 11%. The loan amount of Rs.600,000/- is repayable in 36 monthly instalments from December 3, 2009. The loan is secured by charge over fixed asset i.e. vehicle, for which finance is provided by the lender.		
8. Short Term Provisions		
Provision for employee benefits	9,845,035	416,648
Provision for Income Tax	6,036,000	2,640,000
TOTAL	15,881,035	3,056,648

Consolidated Notes forming part of the Financial Statements

9. FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	Balance as at 01.04.11	Additions	Disposals	Balance as at 31.03.12	Balance as at 01.04.11	Disposals	Balance as at 31.03.12	Balance as at 31.03.11
(i) TANGIBLE ASSETS								
Computer/ Hardware	24,963,513	3,092,408	-	28,055,921	22,281,360	-	2,294,261	2,682,153
Air Conditioners	2,719,460	510,119	-	3,229,579	2,229,510	-	198,729	489,950
Furniture and fixtures	14,449,661	1,623,505	-	16,073,166	8,924,242	-	931,041	5,525,419
Electrical Fittings	3,627,390	226,530	-	3,853,920	2,241,506	-	264,285	1,385,884
Vehicles	2,456,262	-	-	2,456,262	599,997	-	233,345	1,856,265
Office Equipment	1,578,060	-	-	1,578,060	1,107,337	-	99,891	470,723
Total	49,794,346	5,452,562	-	55,246,908	37,383,952	-	4,021,552	12,410,394
Previous Year	48,297,217	1,497,129	-	49,794,346	37,383,952	-	2,849,449	11,935,698
(ii) INTANGIBLE ASSETS								
Computer Software	4,708,238	1,018,852	-	5,727,090	3,490,445	-	351,446	1,217,793
Previous Year	3,718,672	989,566	-	4,708,238	3,490,445	-	226,361	454,588
Total	54,502,584	6,471,414	-	60,973,998	40,874,397	-	4,372,998	13,628,187
Previous Year	52,015,889	2,486,695	-	54,502,584	40,874,397	-	3,075,810	14,217,302

(iii) Details of assets acquired under hire purchase agreement:

Particulars	Gross Block 31.03.2012	Net Block 31.03.2011
Vehicles	1,314,080	1,146,147

Saven Technologies Limited

19th Annual Report

Consolidated Notes forming part of the Financial Statements

(Amount in Rs.)

Note Particulars	As at March 31, 2012	As at March 31, 2011
10. NON-CURRENT INVESTMENTS		
Investment in Joint Venture		
Penrilian Limited, UK, 161 (161) ordinary shares at GBP 1.00 each, fully paid-up, par value GBP 1.00 each	16,619	16,619
Aggregate amount of unquoted investments	16,619	16,619
11. Long Term Loans and Advances		
(a) Capital advances	65,000	--
Unsecured, Considered good		
(b) Security Deposits	2,026,345	1,596,683
Unsecured, Considered good		
(c) Advance Tax and TDS	3,248,264	341,157
(d) Service Tax Credit Receivable	53,952	120,067
(e) Saven Employees Stock Option Trust *	2,005,000	2,005,000
(f) Others	5,000	5,000
(g) Note Receivable	8,445,015	10,233,872
TOTAL	15,848,576	14,301,779
* Company had advanced Rs. 20 Lakhs to Saven Employees Foundation Trust for acquiring shares in the Company for issuance to employees.		
12. Other Non Current Assets		
Long term Trade Receivables		
Unsecured, Considered good	--	--
Doubtful	11,265,531	15,766,269
Less:- Provision for Doubtful long term receivables **	11,265,531	15,766,269
TOTAL	--	--

** In respect of provision made in the previous years towards doubtful debts recoverable from overseas customers. The Company has plan to seek the permission of regulatory authorities for write off.

Consolidated Notes forming part of the Financial Statements

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
13. Trade Receivables		
Trade Receivable outstanding for a period exceeding six months		
Secured, Considered good	--	--
Unsecured, Considered good	--	--
Other Trade Receivables		
Secured, Considered good	--	--
Unsecured, Considered good	115,770,247	90,301,472
TOTAL	115,770,247	90,301,472
14. Cash and Cash Equivalents		
Cash on hand	23,455	21,540
Balances with Banks		
In Current accounts	8,134,178	2,900,012
In Deposit Accounts	67,187,409	41,789,628
TOTAL	75,345,042	44,711,180
15. Short -term loans and advances		
Loans and advances to employees	654,400	90,000
Other Loans and advances		
Others	--	4,539,100
Currency Translation Reserve	1,706,941	5,121,573
TOTAL	2,361,341	9,750,673
16. Other current assets		
Interest accrued but not due on Deposits	529,192	89,745
TOTAL	529,192	89,745

Saven Technologies Limited
19th Annual Report
Consolidated Notes forming part of the Financial Statements

		(Amount in Rs.)	
Note	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
17. Revenue from operations			
	Services - Overseas	640,289,833	510,160,544
	Domestic	3,052,560	866,068
	TOTAL	643,342,393	511,026,612
18. Other Income			
	Interest on Deposits	1,328,440	974,909
	Net gain/(loss) on foreign currency transactions	2,921,639	487,037
	Other non-operating Income	--	200,737
	TOTAL	4,250,079	1,662,683
19. Employee benefit expenses			
	Salaries and Bonus	543,177,270	459,214,229
	Contribution to Provident & Other Funds	1,387,683	873,334
	Staff Welfare Expenses	373,037	167,718
	Staff Relocation	6,958,114	5,417,247
	TOTAL	551,896,104	465,672,528
20. Other Expenses			
	Rent	6,004,486	5,904,996
	Travelling and Conveyance	3,592,648	2,607,870
	Communication	2,375,936	1,915,726
	Prof. and Service Charges	26,094,698	13,156,268
	Electricity Charges	1,060,599	847,352
	Office Expenses & Maintenance	7,560,107	5,548,171
	Repairs & Maintenance	1,223,985	162,877
	Insurance	1,874,869	1,721,404
	Rates & Taxes	329,212	155,659
	Other Miscellaneous Expenses	640,562	437,348
	Advertisement & Promotion Expenses	1,420,378	675,479
	Bad Debts Written off	1,478,577	3,896,429
	Auditors Remuneration	1,053,000	975,200
	TOTAL	54,709,058	38,004,779
21. Finance cost			
	Interest on Other Loans	796,299	826,286
	Bank Charges	292,042	203,301
	TOTAL	1,088,341	1,029,587

Consolidated Notes forming part of the Financial Statements

22. Exceptional items

An amount of Rs.61,37,961/- provided as doubtful debts in the previous years which was received during the year have been credited to Statement of Profit and Loss for the year ended March 31, 2012 as exceptional items.

(Amount in Rs.)

	As at March 31, 2012	As at March 31, 2011
23. Earnings Per Share		
<u>Basic</u>		
<u>Total operations</u>		
Net profit / (loss) for the period attributable to the equity shareholders	29,088,451	2,752,513
Weighted average number of equity shares	10,878,748	10,878,748
Par value per share	10.00	10.00
Earnings per share - Basic	2.67	0.25
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
<u>Total operations</u>		
Net profit / (loss) for the year attributable to the equity shareholders	29,088,451	2,752,513
Weighted average number of equity shares for Basic EPS	10,878,748	10,878,748
Weighted average number of equity shares for diluted EPS	10,878,748	10,878,748
Par value per share	10.00	10.00
Earnings per share - Diluted	2.67	0.25

Consolidated Notes forming part of the Financial Statements**24. Notes to Consolidated Financial Statements:****24.1. List of subsidiary considered for consolidation**

Name of the Subsidiary Company	Country of Incorporation	Extent of Holding (%) as March 31, 2012
--------------------------------	--------------------------	---

Saven Technologies Inc.	U.S.A	61%
-------------------------	-------	-----

The reporting date of the above subsidiary is March 31, 2012.

24.2. Saven Technologies Inc, USA (STI) has a line of credit with Bank of America maturing on June 2012. In accordance with terms of this agreement, the Company may borrow up to \$ 400,000. Interest is payable at the BBA LIBOR Daily Floating Rate plus 3%, 3.25% at March 31, 2012. The balance at March 31, 2012 is \$ 199,983.

24.3. Debit balance of the Consolidated Profit and Loss account is arrived at after adjusting the Profit and Loss account balance of subsidiary company.

25. Auditors' Remuneration:

(Amount in Rs.)

	31.03.2012	31.03.2011
Statutory Audit Fee	1,033,000	955,200
Taxation and other statutory matters	20,000	20,000
TOTAL	1,053,000	975,200

26. Related Party Transactions**A. Details of related parties:**

S.No.	Relationship	Names of the related parties
1.	Joint venture	Penrillian Limited, U.K
2.	Associates	Pennar Industries Limited - Common Director. Pennar Engineered Building Systems Limited - Common Director. Pennar Enviro Limited - Common Director.
3.	Key Management Person:	Mr. Murty Gudipati - Executive Director.

Consolidated Notes forming part of the Financial Statements**B. Details of related party transactions during the year ended March 31, 2012 and balances outstanding as at March 31, 2012.**

(Amount in Rs.)

Particulars	Joint venture	Associates	Key Management Person
Revenue	--	2,880,551	--
	--	(955,273)	--
Director - Remuneration	--	--	2,418,000
	--	--	(2,198,281)
Trade Receivables	--	1,290,616	--
	--	(39,212)	--
Investments	10,942	--	--
	(10,942)	--	--

Note: (i) Figures in bracket relates to the previous year.

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

27. Segment Details

The holding company and the subsidiary company are mainly engaged in the Software Development and Services. Hence there is no separate reportable segment as per Accounting Standard-17 issued by the Institute of Chartered Accountants of India

28. Figures have been rounded off to the nearest rupee.**29. Reclassification:**

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous years' figures have been recast / restated.

Note 1 to 29 form part of the Balance Sheet and have been authenticated.

In terms of our report attached
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
Membership No. 18541

Place : Hyderabad
Date : May 23, 2012

Ansu Elezabeth Thomas
Company Secretary

NOTES

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 Nineteenth Annual General Meeting of the Company held on Monday, the 24th day of September, 2012 at 4.00 P.M. at Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation house, 11-6-841, Red Hills, Hyderabad - 500 004.

Signature of the Shareholder or Proxy*

*Strike out whichever is not applicable _____



SAVEN TECHNOLOGIES LIMITED

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

PROXY FORM

Regd. Folio No/D.P. I.D. No. _____

I / We _____ of _____ being a member / members of Saven Technologies Limited, hereby appoint Mr/Ms _____ of _____ failing him/her _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held on Monday, the 24th day of September, 2012 at 4.00 P.M. at Surana Udyog Auditorium, Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation house, 11-6-841, Red Hills, Hyderabad - 500 004.

Affix
Revenue
Stamp

Signed this _____ day of _____ 2012

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.

**Printed Matter
Book - Post**

If undelivered, please return to:

SAVEN TECHNOLOGIES LIMITED

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