



SAVEN TECHNOLOGIES LIMITED

7th A N N U A L R E P O R T
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BOARD OF DIRECTORS

Sridhar Chelikani	Director
Simon Mathews	Director
Dhari Al Roomi	Director
M. Prabhakar Reddy	Director
C. Prakash Reddy	Alternate to M. Prabhakar Reddy
Guy David Gundlach	Director

COMPANY SECRETARY

M. R. Raja Ram

AUDITORS

M/s. Rambabu & Company
Chartered Accountants
6-3-1090/1/A
31, Pancom Chambers
Rajbhavan Road
Hyderabad – 500 082.

BANKERS

IndusInd Bank Limited

REGISTERED OFFICE

506, Software Technology Park
Maitrivanam, HUDA Complex
Ameerpet,
Hyderabad – 500 038



DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the Seventh Annual Report together with Audited Accounts for the year ended 31st March, 2000.

FINANCIAL HIGHLIGHTS

(Rupees in Millions)

	1999-2000	1998-1999
Gross Income	70.96	31.06
Gross Profit / (Loss) before Depreciation	13.95	10.14
Less : Depreciation	2.41	2.13
Income Tax	-	-
Profit / (Loss) after Tax	11.54	8.01
APPROPRIATIONS:		
Proposed Dividend on Equity Shares	1.16	-
Tax on Dividend	0.12	-
Transfer to General Reserves	10.26	8.01

During the year 1999-2000, which is the year under review, your Company has strengthened its position in Object Technology and more particularly in distributed computing architecture.

The Company has also made substantial progress in the areas of Web enabling and E-Commerce applications.

REVIEW OF OPERATIONS

During the year under review, your Company has earned a Gross Income of Rs.70.96 Millions. The

profit after tax was Rs.11.54 Millions as against Rs.8.01 Millions in the previous year.

The year under review has been a good year for the Indian Software Industry. There has been a spurt with new Software companies emerging. India is now accepted, especially in USA and in Europe as a very good source of software engineering manpower.

Your Company has, in tune with the new developments, decided to refocus its efforts. The major emphasis would henceforth be on the ability to mix technology with business processes. The Company is pleased to announce that it has been able to deliver effective solutions to our clients in USA even in new areas of Financial Futures and Stock Trading.

Recently, the Company entered into a business association with Hastings Group, UK, and signed a Joint Venture agreement for jointly working Software Solutions in Insurance Sector as well as in other business areas. Hastings Group is a subsidiary of Toyota of Japan. This association is expected to give a boost to your Company's efforts to focus on the domain of Finance.

Your Company also signed a Joint Venture Agreement with Saven Technologies Inc., USA to work on onsite and offshore projects. Work has already commenced on some prestigious projects in finance area. These and other business under negotiation are expected to yield improved revenues during the current year 2000 - 2001.

Your Company entered into a strategic alliance with Sun Microsystems with a view to start training centre. The Centre had trained 69 students during the year and has the distinction of having 100% success rate for Sun certification. The Centre has successfully conducted corporate training programme to reputed Software



companies namely Wipro, Satyam etc. Overwhelming requests from the prospective students has encouraged to expand the existing capacity which is expected to be taken up during the current year and also introduce advance courses in Java.

Your Company's vision of becoming a software development company and product development company has come true during the year under review. Presently the company is developing products on Java Technology based on distributed computing.

Your Company is currently focused on Java as well as Microsoft technologies such as DCOM, RMI, Corba, EJB, Servlets, Mobile Agents. These technologies known as distributing technologies are being exploited to interconnect business community to exploit the universal media i.e. the internet. The Company is committed to play a major role with the help of these technologies. The Company expects to tie up with major international technology companies engaged in embedded and communication fields. This is expected to give enormous value proposition to your Company in the coming years.

The success of the Company will be on account of energetic and highly motivated teams. The major emphasis during the year has been to recruit best available talent and train them to be an important contributor towards achieving the Company's objectives.

Presently, your Company has 88 Consultants based in USA, UK and in India. The number of Consultants deployed in USA/UK is expected to double during the current year, 2000 - 2001.

DIVIDEND

Your Directors are pleased to recommend a maiden dividend of 10% to all the eligible

Shareholders of the Company.

DISCLOSURE OF PARTICULARS

Information as per the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, relating to conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure forming part of the Report.

PERSONNEL

As regards information to be furnished pursuant to Section 217 (2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Amendment Rules, 1990 none of the employees are drawing the remuneration as mentioned in the said Section.

DIRECTORS

Mr. Sridhar Chelikani was appointed as an Additional Director of the Company in November '99. Mr. Simon Mathews, Mr. Prabhakar Muppidi, Mr. David Gundlach and Mr. Dhari Al-Roomi were appointed as Additional Directors of the Company in April 2000.

The said Additional Directors hold office until the date of the ensuing Annual General Meeting and Notices have been received from Members of the Company proposing their election as Directors.

Mr. Nrupender Rao and Mr. Vijay C Puljal, Mr. T.N.J. Raman and Mr. R.S. Sampath resigned as Directors of the Company. Your Directors wish to place on record their deep appreciation for the guidance rendered by Mr. Nrupender Rao, Mr. Vijay C Puljal, Mr. T.N.J. Raman and Mr. R.S. Sampath during their tenure as Directors of the Company.