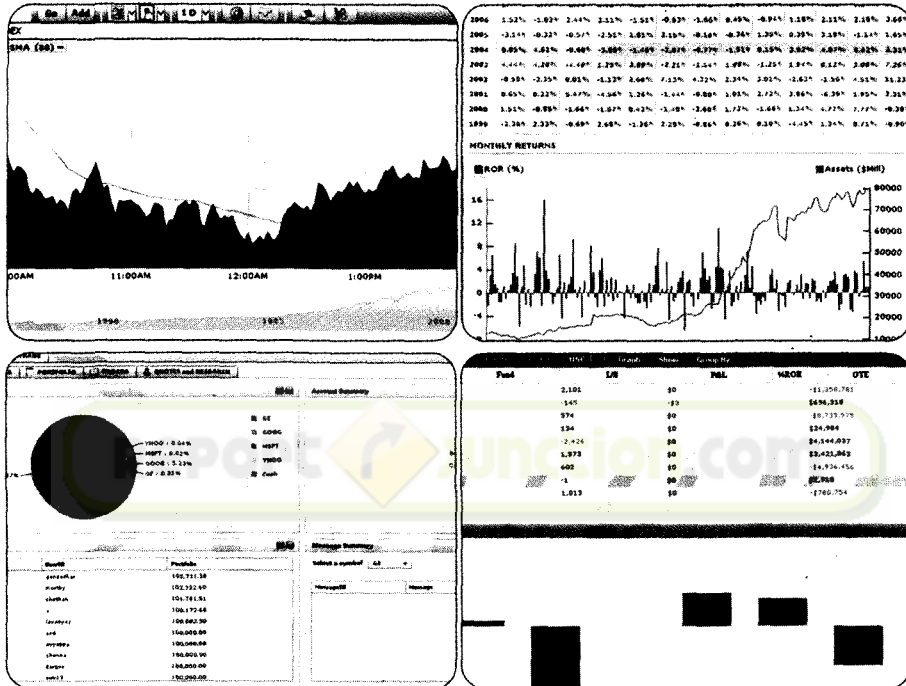


15th Annual Report 2007-08



Financial Software Solutions Provider

Saven

SAVEN TECHNOLOGIES LIMITED

Saven Technologies Limited**15th Annual Report****BOARD OF DIRECTORS**

Simon Mathews	Chairman
Sridhar Chelikani	Director
Dhari Al-Roomi	Director
John Oliver Brady	Director
Clive Menhinick	Director
T N J Raman	Director
R S Sampath	Director

Auditors

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

Bankers

IndusInd Bank Limited
Andhra Bank

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

Dakshin Consultants (p) Ltd
6-3-655/2/4, Civil Supplies Bhavan Lane,
Somajiguda, Hyderabad - 500 082.

Registered Office

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

U.S. Subsidiary : Saven Technologies Inc.,
6250, North River Road,
Suite 3050, Rosemont, IL 60018 USA

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifteenth Annual General Meeting of Saven Technologies Limited will be held on Monday, the 22nd day of September, 2008, at 10:30 AM at the Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended March 31, 2008 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors.
2. To appoint a Director in place of Mr. Sridhar Chelikani, who retires by rotation and being eligible, offers himself for reappointment.
3. To reappoint 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

4. (A) To take note of retirement by rotation of Mr. Dhari Al-Roomi and to reappoint him if his consent for such reappointment is received before this meeting, by adopting the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Dhari Al-Roomi be and is hereby reappointed as a Director of the Company subject to retirement by rotation."

- (B) If Mr. Dhari Al-Roomi's consent for reappointment is not received before this meeting, the following Resolution may be adopted with or without modifications; as an Ordinary Resolution:

"RESOLVED THAT the vacancy caused by the retirement by rotation of Mr. Dhari Al-Roomi be not filled up."

5. TO CONSIDER AND APPROVE WITH OR WITHOUT MODIFICATION THE COMPANY'S ESOP PLAN 2008.

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 contained in the Articles of Association and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "the Act") and the provisions contained in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as

"the SEBI Guidelines") (including any statutory modification(s) or re-enactment of the Act or the SEBI Guidelines, for the time being in force and subject to such other permissions, sanctions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Regulatory Authorities while granting such permissions, sanctions and approvals which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Compensation Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to offer to persons who are in the employment of the Company, including Directors of the Company, whether part time or full time, whether working in India or out of India, under a Scheme titled "Employee Stock Option Plan 2008" (hereinafter referred to as the "ESOP" or "Scheme" or "Plan") up to a limit of 2,00,000 Equity Shares of Rs. 10/- each out of shares already held by "Saven Employees Foundation Trust" and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other provisions of the law as may be prevailing at the relevant time.

"RESOLVED FURTHER THAT the Equity Shares to be offered by the Company in the manner aforesaid shall rank pari passu in all respects with the existing Equity Shares of the Company.

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further permission, sanction or approval of the members of the Company."

6. AUTHORISATION TO EXTEND THE ESOP PLAN 2008 TO EMPLOYEES OF THE US SUBSIDIARY COMPANY:

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 contained in the Articles of Association and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "the Act") and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as "the SEBI Guidelines") (including any statutory modification(s) or re-enactment of the Act or the SEBI Guidelines, for the time being in force) and subject to such other permissions, sanctions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Regulatory Authorities while granting such permissions, sanctions and approvals which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee including the Compensation Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) consent of the Company be and is hereby accorded to the

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Board to extend the benefits of Employee Stock Option Plan proposed in the Resolution under Item No. 5 in this Notice to the eligible employees/ Directors of the US subsidiary and/or to such other persons, as may from time to time be allowed under prevailing laws, rules and regulations, and/or amendments thereto from time to time, on such terms and conditions as may be decided by the Board.

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring into effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further permission, sanction or approval of the members of the Company."

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 himself and the proxy need not be a Member. The proxy form is enclosed which should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 18, 2008 to September 22, 2008, both days inclusive.
3. Members / Proxies are requested to bring to the meeting their copies of the Annual Report and the Attendance Slip duly filled in for attending the meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
5. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting so that the information required by them may be made available at the meeting.
6. Shareholders are requested to intimate immediately any change in the address registered with the Company. Members holding shares in dematerialised form are requested to notify any change in address to their respective Depository Participants (DPs).
7. Trading in the equity shares of the Company is compulsorily in dematerialised form for all investors. The ISIN (International Securities Identification Number) allotted to the Company's equity shares is INE 856B 01015.
8. Members are requested to send all communications relating to shares to the Company's Share

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Transfer Agents (Physical and Depository) at the following address:

Dakshin Consultants (p) Ltd.
6-3-655/2/4, Civil Supplies Bhavan Lane,
Somajiguda,
Hyderabad - 500 082

EXPLANATORY STATEMENT (pursuant to Section 173(2) of the Companies Act, 1956)**Item Nos. 4(A) & 4 (B)**

Mr. Dhari Al-Roomi, aged about 35 years, is a businessman and holds a Masters degree in Business Administration. Mr. Al-Roomi is promoter of Fourth Dimension Software (Kuwait), a Company engaged in Software Development in the Middle East. He has about 10 years of experience in the field of Information Technology.

Mr. Al-Roomi is Director on the Board of sons of Mohd. Y Al-Roomi Company. He is also associated with Regional Mechanical Group as Managing Director and with Shamel Company as Chairman. He is not a member of any Committee within the meaning of Clause 49 of the Listing Agreement with the Stock Exchange.

Mr. Dhari Al-Roomi was appointed as Director of your Company in April, 2000 and the Company is grateful to him for having served the Company as a Director till now. Mr. Al-Roomi will retire by rotation at this meeting.

The Directors commend that Mr. Al-Roomi be reappointed as a Director at this meeting if his consent for such reappointment is received before the meeting.

Except Mr. Dhari Al-Roomi, no other Director of the Company is concerned or interested in his reappointment.

In the event consent of Mr. Dhari Al-Roomi is not received before this meeting, the meeting may adopt, with or without modification, the Resolution set out in item 4(B) of the Notice. The Directors commend the said Resolution for your approval in the event of Mr. Dhari Al-Roomi's consent is not received.

ITEM No. 5 & 6

In the fast changing industrial and economic scenario, it has become very difficult to get qualified and efficient employees/professional Directors and to retain them in view of the better remuneration packages and incentives offered by especially the Multi National Companies and other fast growing corporates.

To attract talented employees / Directors, it is necessary to provide incentives to them to remain with the Company and to reward them by offering a share in the success of the Company. To achieve

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this objective, it is proposed to grant an option to the employees to subscribe to the shares of the Company.

The SEBI Guidelines have provided a conducive environment for the implementation of an Employee Stock Option Plan. The Company proposes to introduce the following Stock Option Plan for the benefit of employees of the Company, its Directors, and such other persons / entities as may be prescribed by SEBI from time to time, and in accordance with the provisions of prevailing regulations. The benefit shall be extended to all the Directors excepting the Promoter Director, Mr. Sridhar Chelikani and employees of the US subsidiary Company.

Employee Stock Option Plan 2008**Stock Options:**

Under this scheme, employees will be granted an option to acquire a certain number of equity shares at a price of Rs. 10/- per equity share. This price is however subject to adjustments upon corporate actions.

The broad terms and conditions of the plan are as under:

The Company will constitute an ESOP Compensation Committee, which will be a committee of the Board of Directors, and will consist of a majority of independent Directors, for administration and superintendence of the ESOP. The ESOP Compensation Committee will formulate the detailed terms and conditions of the ESOP; ESOP Compensation Committee will specify, inter alia, the following.

- Quantum of options to be granted under the Plan per employee. (Each option having a right to convert the same into one equity share subject to adjustments on account of Corporate actions)
- Conditions under which options vested in employees may lapse in case of termination of employment for misconduct.
- Time period within which an employee may exercise vested options in the event of termination or resignation.
- The exercise period within which the employee should exercise the options and that options would lapse on failure to exercise the options within the exercise period.
- Rights of employees to exercise all the vested options at one time or at various points of time within the exercise period.
- Procedure for making a fair and reasonable adjustment to the number of options and to the exercise period, in case of rights issues, bonus issues, other corporate actions, or otherwise.

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- Lock-in period for the shares issued pursuant to exercise of the options, if any.
- Any other related or incidental matters.

This explanatory statement sets out the various disclosures as required by clause 6 of the SEBI Guidelines.

The salient features of the plan are as under:

- a. The total number of option to be granted through Trust: Up to 2,00,000 Equity Shares of Rs. 10/- each or such number as may be required on account of Corporate Action.
- b. Identification of classes of employees entitled to participate in the ESOP

Employees entitled to participate in the ESOP are "employees" of the Company including Director (whether full time or not), as defined in the ESOP Guidelines (including any statutory modification (s) or re-enactment of the Act of the Guidelines, for the time being in force), and as may be decided by the ESOP Compensation Committee, from time to time. Under the prevailing regulations, an employee who is a promoter or belongs to the promoter group will not be eligible to participate in the ESOP, identification of employees eligible to participate in the ESOP and Grant of options to identified employees will be based on such parameters as may be decided by the ESOP Compensation Committee, in its discretion, from time to time. The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

- c. Requirements of vesting and period of vesting.

The options granted shall vest so long as the employee continues to be in the employment of the Company provided that the Compensation Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

The options would vest not earlier than one year and not later than Two years from the date of grant of options. The exact proportion in which and the actual period over which the options would vest would be determined by the Compensation Committee, subject to the minimum vesting period of one year from the date of grant of options.

- d. Maximum period of Vesting:

End of Three years from the date of grant. In case of termination of employment for any reason, the vesting period may be varied by the Compensation Committee as per the provisions of the scheme.

e. Exercise price or pricing formula.

The exercise price for the purposes of the grant of options will be the par value per share as on the grant date as understood under the SEBI guidelines, subject to adjustments that may be required on account of Corporate action.

f. Exercise period and the process of Exercise.

The exercise period may commence from the date of vesting, and will expire not later than Three years from the date of grant, or such other period as may be decided by the Compensation Committee, from time to time. The options will be exercisable by the Employees by a written application to the Company to exercise the options, in such manner, and on execution of such documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period.

g. Transferability of employee stock options

The stock options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option holder while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

h. Process for determining the eligibility of employees to ESOP.

The process for determining the eligibility of the employee will be specified by the ESOP Compensation Committee, and will be based on, such criteria that may be determined by the ESOP Compensation Committee at its sole discretion.

i. Maximum number of options to be issued per employee and in aggregate.

The maximum number of options granted per employee/ Director during any one year, will not exceed 1% of the subscribed share capital of the Company.

j. The Company will conform to the accounting policies specified in Clause 13.1 of the SEBI Guidelines and/or such other guidelines as may be applicable, from time to time.

k. The Company shall use Intrinsic Value Method to value its options.

The Board commends the Resolution for approval of the members.

Except Mr. Sridhar Chelikani, the Promoter Director, all other members of the Board of Directors are deemed to be interested in the above Resolution, to the extent they may be offered any options under the plan.

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The copy of ESOP Plan 2008 would be available for inspection by the shareholders of the Company at the registered office of the Company during business hours.

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

Mr. Sridhar Chelikani

Mr. Sridhar Chelikani aged about 38 year, received B. Tech in Mechanical Engineering from Jawaharlal Nehru Technological University (JNTU), India, an M.S. in Mechanical Engineering from Indian Institute of Science, Bangalore, and an M.B.A. from University of Illinois, Urbana-Campaign, U.S.A.

With over 10 years of experience in information technology industry, Mr. Sridhar has worked in the area of Risk Management for Commodity Trading of Chicago Mercantile Exchange. Mr. Sridhar also worked for MC Baldwin financial Company, Chicago, in the area of Risk Management Asset Allocation.

Mr. Sridhar is the President and CEO of Saven Technologies Inc., U.S.A. He is also a Director on the board of Saven Technologies (UK) Ltd, and Penrillian Ltd, UK. He is not a member of any Committee within the meaning of Clause 49 of the Listing Agreement with the Stock Exchange.

By Order of the Board
for Saven Technologies Limited

Place : Hyderabad
Date : August 14, 2008

Simon Mathews
Chairman