

# Annual Report 2014 - 15



# SAVEN TECHNOLOGIES

---

## Corporate Information

### Board of Directors

Mr. Nrupender Rao (Chairman)  
Mr. Sridhar Chelikani  
Mr. R S Sampath  
Wg Cdr A B Bhushan (Retd)  
Mr. R Ravi  
Mrs. R Renuka (Additional Director)  
Mr. Murty Gudipati (Executive Director and CEO)

### Company Secretary

Ms. Jayanthi P

### Chief Financial Officer

Mr. S. Mohan Rao

### Statutory Auditor

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

### Internal Auditor

Nandyala & Associates  
H.No. 8-3-167/A/52, 2nd Floor, Vikaspuri,  
S.R.Nagar (Post), Hyderabad - 500038

### Registered Office

No.302, My Home Sarovar Plaza,  
5-9-22, Secretariat Road,  
Hyderabad - 500 063.  
Telangana, INDIA.  
CIN: L72200TG1993PLC015737

### Registrar and Share Transfer Agents

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

### Bankers

IndusInd Bank Limited  
State Bank of India  
Andhra Bank

### Secretarial Auditor

Mr. S Chidambaram  
Company Secretary in Practice  
Flat No.4A, Sampathji Apartments,  
6-3-85510/A, Saddat Manzil, Ameerpet,  
Hyderabad - 500016

---

## Across the pages

Directors' Report	2 - 22
Management Discussion and Analysis Report	23 - 24
Compliance Report on Corporate Governance	25 - 36
Auditors' Report	37 - 39
Financial Statements	
Balance Sheet	40
Profit and Loss Account	41
Cash Flow Statement	42
Notes forming part of the Financial Statements	43 - 55
Notice of Annual General Meeting	56 - 65
Route Map to AGM Venue	66
Attendance Slip	67
Proxy Form	69 - 70
Updation of Shareholder Information	71

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the operations of Saven Technologies Limited together with the audited financial statements for the year ended March 31, 2015. The financial results of the Company are as follows:

**1. Financial Results****(In Lakhs)**

	<b>2014-15</b>	2013-14
Revenue from Operations	<b>784.78</b>	865.78
Operating expenditure	<b>602.74</b>	621.53
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>182.04</b>	244.25
Other income	<b>633.74</b>	269.58
Finance costs	<b>4.37</b>	1.34
Depreciation and amortization expense	<b>40.05</b>	34.57
<b>Profit before tax (PBT)</b>	<b>771.36</b>	477.92
Tax expense	<b>139.37</b>	118.07
<b>Profit for the year (PAT)</b>	<b>631.99</b>	359.85
Balance brought forward from previous year	<b>292.10</b>	(67.75)
Depreciation Reserve	<b>(14.68)</b>	-
<b>Amount available for appropriation</b>	<b>909.41</b>	292.10
<b>Appropriations</b>		
General Reserve	<b>550.00</b>	-
Interim dividends on equity shares (excluding tax)	<b>76.15</b>	-
Proposed dividend on equity shares (excluding tax)	<b>108.79</b>	-
Capital reserve	<b>46.86</b>	46.86
Share premium	<b>189.47</b>	189.47
<b>Balance carried to balance sheet</b>	<b>960.80</b>	528.43

**2. BUSINESS PERFORMANCE**

The total revenue of the Company for the year ended March 31, 2015 was Rs.1418.52 lakhs (including Dividend income of Rs.209.88 lakhs and Profit on sale of Investments of Rs. 285.89 lakhs as compared to Rs.1135.36 lakhs (including Dividend income of Rs.172.47 lakhs) for the previous year. The revenue from Software development and services of the Company was at Rs. 751.19 lakhs as compared to Rs.834.19 lakhs for the previous year. The profit before Tax recorded an increase of 61%, from Rs.477.92 lakhs to Rs. 771.36 lakhs. The profit after Tax recorded an increase of 76%, from Rs.359.85 lakhs to Rs.631.99 lakhs.

**3. TRANSFER TO RESERVES**

An amount of Rs.550.00 lakhs was transferred to General Reserve from surplus in the profit and loss account for the year ended March 31, 2015.

**4. DIVIDEND**

The Board of Directors (the Board) at their meeting held on 4th August, 2014, declared an interim dividend of Rs. 0.70 (7%) per equity share of Rs.10/- each for the year 2014-15 amounting to Rs.76.15 lakhs. The same was paid/dispatched to the shareholders on 28th August, 2014.

The Board at its meeting held on 06th May, 2015, took into consideration the profit during the year including the profit on disinvestment of its holding in its subsidiary, Saven Technologies Inc., USA, and recommended a final dividend of Rs.1.00 (10%) per equity share of Rs.10/- each, as a special onetime dividend subject to the approval of the shareholders at the ensuing Annual General Meeting for the year 2014-15 amounting to Rs.108.79 lakhs. The total amount of dividend including the interim and final dividend amounting to Rs.184.94 lakhs, for the year ended 31st March 2015, would amount to Rs.1.70 (17%) per equity share of Rs.10/- each.

**5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not given any loan or guarantee covered under the provisions of section 186 of the Companies Act, 2013 (Act). The details of the investments made by the company are given in the notes to the financial statements.

**6. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

**7. RELATED PARTY TRANSACTIONS**

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure - 1 in Form AOC-2 and the same forms part of this report.

**8. 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.

**9. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no material change in the nature of business affecting the financial position of the Company for the year ended March 31, 2015.

**10. 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. Amidst a recessionary trend in Europe, Penrillian achieved revenue of £ 1.13 million for the year ended June 30, 2014 as against £ 1.80 million for the previous year and in its current financial year ending 30th June, 2015 it is expected to be sustained at the same level.

Information on Joint Venture pursuant to Section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014 is given in Annexure - 2 in Form AOC-1 and the same forms part of this report.

**11. SUBSIDIARY COMPANY**

Saven Technologies Inc., ceased to be the subsidiary of the Company since during the Financial Year 2014-15 the Company had disinvested its entire holdings in the subsidiary.

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors had on the recommendation of the Nomination & Remuneration Committee appointed the Directors and Key Managerial Personnel of the Company during the Financial Year 2014-15.

Mr. Clive Menhinick stepped down from the Board of the Company on April 23, 2014. Mr. Vijay Chandra Puljal stepped down from the Board of the Company on September 29, 2014. The Board places on record its appreciation of the contribution and guidance provided by them during their tenure as a Director.

Pursuant to the provisions of Section 149 of the Act which came into effect from April 1, 2014, Mr. R S Sampath, Wg Cdr A.B. Bhushan, Mr. R Ravi were appointed as Independent Directors at the Annual General Meeting held on 22nd September, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mr. Nrupender Rao retires as Director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Murty Gudipati, was appointed as Executive Director and CEO of the Company for a period of one year with effect from 14th August, 2014 at the Annual General Meeting held on 22nd September, 2014. As the term of Mr. Murty Gudipati is expiring on 13th August, 2015, the Board has proposed for his re-appointment with effect from

14th August, 2015 subject to the approval of members in the ensuing Annual General Meeting of the company. Mrs. R Renuka was appointed as an Additional Director of the company with effect from 26th March, 2015 under section 161 of the Companies Act 2013 (the Act).

The resolution seeking approval of the Members for the re-appointment of Mr. Murty Gudipati has been incorporated in the notice of the forthcoming Annual General Meeting of the Company. The Company has received a notice under Section 160 of the Act along with the requisite deposit proposing the appointment of Mrs. R Renuka.

Pursuant to the provisions of Section 203 of the Act, which came into effect from April 1, 2014, Mr. Murty Gudipati, was appointed as CEO of the Company for a period of one year with effect from 14th August, 2014, Mr. S. Mohan Rao was appointed as Chief Financial Officer with effect from 4th August, 2014 and Ms. Jayanthi.P, was appointed as Company Secretary with effect from 29th May, 2014 as key managerial personnel of the Company.

For the perusal of the shareholders, a brief resume of the Directors being appointed/ re-appointed along with necessary particulars is given in the explanatory statement to the notice. The Board of Directors recommend their appointment/ re-appointment.

### **13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

### **14. NUMBER OF MEETINGS OF THE BOARD**

Nine meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

### **15. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board carried out an annual performance evaluation of its own performance, the directors as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees. Independent Directors carried out a separate evaluation on the performance of Chairman and non independent directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **16. AUDIT COMMITTEE**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

### **17. AUDITORS**

#### **STATUTORY AUDITORS**

The Statutory Auditors, M/s. Rambabu & Co., Chartered Accountants, Hyderabad are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder, for ratification of their reappointment as Auditors of the Company.

There were no qualifications, reservation or adverse remark in the Audit Report for the Financial Year ended 31st March, 2015.

#### **SECRETARIAL AUDIT**

Mr. S Chidambaram, Company Secretary in Practice, Hyderabad, was appointed to undertake the Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report is given in Annexure - 3.

With regard to the observation in the Secretarial Audit Report for the Financial Year 2014-15, in respect of non filing of Annual Performance Report and Annual Return for Joint Venture Company under FEMA, we would like to state that the Company would be filing the same shortly.

### **18. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act 2013, your Directors would like to state that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b. 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, 2015 and the profit of the Company for that financial year;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual Accounts on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### *Conservation of Energy:*

The nature of the Company's operations requires a 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 continues to use the latest technologies for improving the productivity and quality of its services and products. 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. 1540 lakhs. The Foreign Exchange outgo during the year was Rs. 0.60 lakhs.

#### **20. PARTICULARS OF EMPLOYEES**

- a) The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure - 4.
- b) Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review, none of the employees of the Company employed throughout the financial year, was in receipt of remuneration for the year which, in the aggregate, was not less than sixty lakh rupees, none of the employees of the Company employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than five lakh rupees per month, none of the employees of the Company employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

#### **21. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 are given in Annexure - 5.

#### **22. RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 and Clause 49 of the listing agreement, the company has formulated a policy on risk management. At present the company has not identified any element of risk which may threaten the existence of the company.



**23. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company <http://www.saven.in/documents/results/2014-15/Whistle-blower-policy.pdf>.

**24. CORPORATE SOCIAL RESPONSIBILITY**

During the Financial year 2014-15 company was not required to spend on CSR Activities, as the Net Profit after tax of the Company as on 31st March, 2014 was Rs. 3.59 crores. Since the Company was not falling under any of the category as specified under Section 135(1) of the Companies Act, 2013 read with rules made thereunder, CSR Committee was not constituted.

**25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**26. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

In terms of sub rule 5(vii) of Rule 8 of Companies (Accounts) Rules, 2014, there are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**27. 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 Exchange, a Report on Corporate Governance duly audited is annexed for information of the Members.

**28. 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 : June 19, 2015

Nrupender Rao  
Chairman  
DIN:00089922

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** Saven Technologies Ltd has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-15.
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**
  - a. Name(s) of the related party and nature of relationship : Common Director  
1. Medha Services. Inc., USA, 2. Pennar Industries Ltd ,  
3. Pennar Engineered Building Systems Ltd 4. Pennar Enviro Ltd.
  - b. Nature of contracts / arrangements / transactions: IT/ITES Services
  - c. Duration of the contracts / arrangements / transactions: One year, to be renewed on consent of both the parties for further period.
  - d. Salient terms of the contracts or arrangements or transactions including the value, if any:  
Saven Technologies Ltd shall
    - (i) provide IT services to the existing and new clients of Medha Services, Inc. (II) provide ITES services to Pennar Industries Ltd, Pennar Engineered Building Systems Ltd, Pennar Enviro Ltd
    - (ii) diligently perform the contract in timely manner and provide services in accordance with the agreement issued by the above said companies.
    - (iii) submit invoices on monthly basis for the services provided for each project as per the terms of contract and the above said companies shall promptly pay the same.
  - e. Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
  - f. Amount paid as advances, if any: Nil

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of  
subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

During the year company had disinvested its entire shareholding in Saven Technologies Inc., USA

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013  
related to Associate Companies and Joint Ventures**

Name of Associates/Joint Ventures	:	Penrillian Ltd
1. Last audited Balance Sheet	:	30.06.2014
2. Shares of Associate/Joint Ventures held by the company on the year end No.	:	161
Amount of Investment in Associates/Joint Venture	:	GBP 161 (Rs.10,942/-)
Extent of Holding %	:	23.33%
3. Description of how there is significant influence	:	No Significant influence
4. Reason why the associate/Joint venture is not consolidated	:	Investment only
5. Networth attributable to shareholding as per latest audited Balance Sheet	:	GBP 1,89,345/-
6. Profit/ (Loss) for the year	:	GBP (26,178)
i. Considered in Consolidation	:	--
ii. Not Considered in Consolidation	:	Not Considered



**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Saven Technologies Limited  
Hyderabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Saven Technologies Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31-03-2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) A.P. Shops and Establishment Act, 1988;
- (vii) Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations, 1950;
- (viii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Employees' Provident Funds Scheme, 1952;
- (ix) The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
- (x) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
- (xi) Income Tax Act, 1961 and rules made thereunder;

(xii) Service Tax Act, 1994 and rules made thereunder;

(xiii) The Information Technology Act, 2000

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not in vogue during the period under review).
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**1. The company is yet to file Annual Performance Report and Annual Return in respect of Joint Venture Company under FEMA.**

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has:

**The company had disinvested its entire holding in its subsidiary company Saven Technologies Inc, USA in May 2014.**

Place: Hyderabad

Date: 19-06-2015

Name of Company Secretary in Practice: S. Chidambaram  
FCS No. 3935  
C P No: 2286