

BOARD OF DIRECTORS

Mr. Ram Kancharla(DIN: 00028434)	Director
Mr. Venkat Davarapalli(DIN: 00028498)	Director
Mr. Appa Rao Kancharla (DIN:2532842)	Alternate Director for Ram Kancharla
Mr. Srinivasa Chakravarti Yalamati(DIN:00052308)	Alternate Director for Venkat D
Mr. Duruvasan R (DIN:00223052)	Independent Director
Mr. Mohana Rao Kancharla(00004288)	Director
Corporate Identity Number (CIN)	L55100TG1985PLC045963

BANKERS

Citi Bank Limited, Hyderabad.
Bank of India, Hyderabad
IndusInd Bank, Hyderabad

AUDITORS

M/s P.MURALI & CO.
Chartered Accountants
6-3-655/2/3, Somajiguda,
Hyderabad - 500 082

REGISTERED OFFICE

Plot No.42, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad-500 034
Ph: 040 4040 7070
Fax: 040 66259444

SHARE TRANSFER AGENTS

Aarhi Consultants Pvt. Ltd.,
1-2-285, Domalguda,
Hyderabad - 500 029
Ph: 040 - 27634445
Fax: 040 - 27632184

LISTING AT

Bombay Stock Exchange Limited, Mumbai
Ahmedabad Stock Exchange Limited, Ahmadabad

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NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of M/s. CES LIMITED (Formerly known as SERVE ALL ENTERPRISE SOLUTIONS LIMITED) will be held on Tuesday, 30th day of December 2014, at 04.00 P.M. at the Registered Office of the Company at Plot. No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034 to consider the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Consolidated Audited Balance Sheet as at 30th June 2014 and Profit and Loss Account for the period ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Ram R Kancharla(00028434) Who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P.Murali & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company for a term of three years up to conclusion of 32nd Annual General Meeting subject to ratification at every Annual General Meeting .

SPECIAL BUSINESS:

1. To approve related party transactions, contracts or arrangements with CES USA Inc., a wholly owned subsidiary of the Company

To consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:

“RESOLVED THAT pursuant to the section 188 of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules 2014, the approval of the company be and is hereby accorded to enter into contracts or arrangements between the company and its wholly owned subsidiary, CES USA Inc., in rendering any services including IT & ITES services or in accordance with the provisions of the applicable laws and regulations, and supporting in such other manner as may be necessary to make the subsidiary company the services of any officers or employees of the company or an associate company of the company within the meaning of the Companies Act, 2013 subject to an aggregate monetary ceiling of Rs.500 crores during the next five financial years.

RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

2. To appoint Shri Mohana Rao Kancharla(00004288) as the whole-time Director of the Company.

To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Shri Mohana Rao Kancharla(00004288) as Whole Time Director of the Company for a period of Five years.

FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay remuneration to Shri. Mohana Rao Kancharla, Whole Time Director of the Company.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government.

FURTHER RESOLVED THAT the Board of Directors of the Company thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

FURTHER RESOLVED THAT the Board of Directors of the Company thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Shri. Mohana Rao Kancharla, (00004288)Whole Time Director, including the components of the remuneration payable to him.

3. To Re-Appoint Mr.Duruvasan R(00223052) as Independent Director

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time that Mr. Duruvasan R (DIN:00223052) a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the

Act and who is eligible for re appointment, be and is hereby reappointed as an Independent Director of the Company, with effect from 30th December,2014 to 29th December 2019.

BY ORDER OF THE BOARD

For **CES LIMITED**

(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-

MOHANA RAO KANCHARLA(00004288)

DIRECTOR

PLACE: HYDERABAD

DATE: 06/12/2014

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company or if holding more than 10 % of aggregate shareholding , then such a proxy shall not act as proxy for any person or any other shareholder.

In order to be effective, must be received at the office of the Company's Registrar and Share Transfer Agent- Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad- 500 029 not less than 48 hours before the Commencement of the meeting. A blank proxy form is enclosed.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th December (Friday) 2014 to, 30th December (Tuesday) 2014. (Both days inclusive).
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
5. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.

6. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
7. Kindly bring your copies of the Annual Report to the meeting.
8. Electronic copy of the Annual Report for the financial period ended 30.06.2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
9. Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 29 Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for the financial period ended on 30.06.2014 will also be available on the Company's website www.cesltd.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@cesltd.com.
11. Voting through electronic means in compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL), Kindly Visit www.evotingindia.com and select help option, you can find user manual for shareholders to cast Vote.

E Voting Instructions Details:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 24th December 2014 at 9:00 a.m. and ends on 26th December 2014 at 6:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 28 November 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- | | |
|--|--|
| | <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |
|--|--|

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The Scrutinizer will submit his report to Chairman after Completion of the Scrutiny. The result of the voting on the resolutions at AGM, shall be announced by the Chairman on date of AGM.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Annexure to Item No.1, 2 & 3 of Special Business:

1. Company is providing IT & ITES services and most of its Clients of the Company are based out of USA. And, it is prudent for the Company to enter into contracts or arrangements with its subsidiary CES USA Inc. for matters including marketing, sales and delivery to cater to the needs of the Clients of Company at USA on behalf of Company. This association of the Company with its subsidiary will add quality and value to the service to US based clients.
2. Shri Mohana Rao Kancharla(00004288) has rendered his valuable services to organization since 2009 as non-Executive Director, Board of Directors is of opinion appointing him as Whole-time Director will boosts the productivity of organization overall and Board unanimously taken decision to appoint Shri Mohana Rao Kancharla as Whole time Director for Period of Five Years.
3. Shri Duruvasan(00223052) is the Managing Director & Principal Officer of Shriram Life Insurance Co. Ltd. Prior to Shriram Life Insurance; he was working as an Executive Director of Shriram Chits looking after both the states of Andhra Pradesh and Maharashtra. He has successfully managed the marketing of life and general insurance products and also the public issues of equity, preference shares, debentures and mutual funds. He also gained experience of marketing consumer durables, two wheeler and personal

loans across the two states. The Board of Directors has unanimously taken, considering his high profile and rich experience, the decision to reappoint him as independent Director.

BY ORDER OF THE BOARD

For **CES LIMITED**

(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-

MOHANA RAO KANCHARLA(00004288)

DIRECTOR

PLACE: HYDERABAD

DATE: 06/12/2014

Details (as required under Clause 49 VIII (E) of the Listing Agreement), in respect of the Directors, who retire by rotation and being proposed to be appointed/re-appointed are given below:

1. Name	Mr. Ram Rao Kancharla
Date of joining the board	29.07.2005
Qualifications	CA from Institute of Chartered Accountants of India CPA from American Institute of Certified Public Accountants Master of Science in Computer-Based Information Systems from Eastern Michigan University, USA
Brief Resume	Mr. Ram R. Kancharla, CA, CPA serves as the President and the Chief Executive Officer of Computech Corporation with operations in USA, Canada and India. Under Mr. Kancharla's leadership, Computech is focused on rapid growth and stronger competitive position while maintaining profitability and increased value for all the stakeholders. He is a co-founder of CES Limited. Over the past 15 years, he launched a number of IT companies and grew them into multi-million operations. He formed a Joint Venture with HCL Technologies in 2001 and was director of that company until the successful divestiture. Mr. Kancharla has an extensive experience in designing and developing key technology initiatives for large organizations including Ford Motor Company, University of Alabama, and University of Connecticut.

Nature of Expertise	Entrepreneur, Business Developer, Relationship Manager, Project Manager, Sales
Directorships in Other Companies	Computech Corporation (USA) CES USA Inc. (USA) CES Information's Systems Pvt Limited CES Information Technologies Pvt Limited
Shareholding in the Company	367,150 Shares.

Details of the Director (Independent):

2. Name	Mr. Duruvasan Ramachandra
Date of joining the board	29.09.2006
Qualifications	Commerce graduate from Madras University
Brief Resume	Mr. Duruvasan Ramachandra has been Managing Director of Shriram City Union Finance Limited since June 6, 2012 and serves as its Chief Executive Officer. Mr. Ramachandra has experience in handling Sales, Marketing and Operations of various loan and savings products. He served as the Managing Director and Principal Officer of Shriram Life Insurance Co. Ltd. He has been serving the Shriram Group for for 34 years. Mr. Ramachandra played a key role as Managing Director and Principal Officer of Shriram Life Insurance Co. Ltd in the initial 5 years of its story and was greatly responsible for making synergies from the group's customers and creating a potential life insurance business for the group.
Directorships in Other Companies	Shriram City Union Finance Limited
Shareholding In the Company commencement of the meeting.	Nil

DIRECTORS' REPORT

To

The Members of

M/s. CES LIMITED

(Formerly Known as Serve All Enterprise Solutions Limited)

The Directors have pleasure in presenting the 29th Annual Report of the Company together with the Audited Accounts for the year ended on 30th June 2014 (01.07.2013 to 30.06.2014).

FINANCIAL RESULTS

	Consolidated	Standalone	
	2013-2014	2013-2014	2012-2013
	Rs.	Rs.	Rs.
Net Revenue	1,031,029,771	333,040,568	275,740,582
Profit Before Depreciation	106,929,193	90,986,195	56,627,115
Depreciation	24,881,446	4,669,740	3,632,160
Profit Before Taxation	82,047,747	86,316,455	52,994,955
Provision for Taxation	31,399,596	30,230,511	8,672,907
Profit after Taxation	50,648,151	56,085,944	44,322,047
Brought Forward Profit/(Loss)	113,032,436	95,352,462	51,030,415
Balance carried to Balance Sheet	163,680,587	151,438,406	95,352,462

BUSINESS PERFORMANCE OF THE COMPANY

Since this is the first year of Consolidation our company has not presented consolidated figures for the previous year. Our revenue (Standalone) increased to Rs: 333.041 Millions from Rs.275.74 million from the previous year, also our Profit after Tax (PAT) increased to Rs: 56.085 Millions from Rs.44.322 million from the previous year.

DECLARATION OF DIVIDEND

As the Company is still under expansion mode, there was no dividend declared for the Current Year.

PROSPECTUS & OUTLOOK

The information technology (IT) and information technology enabled services (ITeS) industry has been one of the key driving forces fuelling India's economic growth. The industry has not only transformed India's image on the global platform, but also fuelled economic growth by energizing the higher education sector (especially in engineering and computer science). It has employed almost 10 million Indians and hence, has contributed a lot to social transformation in the country. The Indian IT-business process outsourcing (BPO) sector, including the domestic and exports segments, continue to grow from strength to strength, witnessing high levels of activity both onshore as well as offshore. The companies continue to move up the value-chain to offer higher end research and analytics services to their clients.

The sector's contribution to the domestic GDP is estimated to rise to around 8.0% in FY13 from 1.2% during FY98. Further, the IT services and BPO segment is estimated to employ around 3 million people directly and nearly 9.5 million people indirectly as on FY 13 According to Nasscom, India continues to be a premier destination for global sourcing of IT and ITeS , accounting for around 52% share in the global sourcing market during FY13. In order to sustain its leadership position, the Indian IT and BPM vendors are focusing on developing end-to-end value proposition, building and maintaining customer relationship and adopting innovative business strategies.

IT-BPM revenue is estimated to grow at a higher pace during FY15, primarily driven by exports. According to Nasscom, India's total IT-BPM is estimated to increase by around 9.3% to ` 118 billion in FY14. During FY15, the total IT-BPM revenue is likely to grow by around 12%. This growth will continue to be primarily driven by exports, which is anticipated to grow between 13%-15% y-o-y, while domestic market is expected to grow between 9%-12% during FY15. The growth in exports market is expected to be fuelled by India's ability to offer solutions that integrate new business models such as SMAC (Social, Mobile, Analytics and Cloud) with traditional offerings and improvement in demand scenario with signs of revival in the global economy.

Government Initiatives

- The Central Government and the respective state governments are expected to collectively spend US\$ 6.4 billion on IT products and services in 2014, an increase of 4.3 per cent over 2013.
- The Government of India has allocated a sum of Rs 7,060 crore (US\$ 1.16 billion) in the current fiscal for the project of developing 'one hundred Smart Cities'. The Government of India also plans to launch a pan India programme 'Digital India' with an outlay of Rs.500 crore (US\$ 82.71 million).

Road Ahead

Globalization has had a profound impact in shaping the Indian IT industry with India capturing a sizeable chunk of the global market for technology sourcing and business services. Over the years, the growth drivers for this sector have been the verticals of manufacturing, telecommunication, insurance, banking, and finance and, of late, the fledgling retail revolution. As the new scenario unfolds, it is getting clear that the future growth of IT and ITeS will be fuelled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy. Traditional business strongholds will make way for new geographies, there would be new customers and more and more of SMEs will go for IT application and services.

SMAC based technology platform is expected to fuel growth of the IT and ITeS industry. SMAC based integrated offerings is expected to change the way companies do business in the near future. Increasing number of companies is exploring innovative methods to attract customers and allocate & manage resources by employing SMAC based platforms. In the near-term, it is expected to emerge as the major growth driver of the entire IT and ITeS industry, as foreign firms are expected to increase their budget on outsourcing of SMAC based software and services. This represents an attractive opportunity for India IT vendors. As per Nasscom, the combined potential of SMAC based technologies is estimated to be between US\$ 70 billion to US\$ 200 billion over the next three years.

Indian IT vendors are increasingly looking for innovation in the engagement and pricing model to establish their distinct value proposition. The transforming business scenario has led to a shift from initial FTE (Full-Time employee requirement) to fixed price or subscription based pricing models and now towards non-linear models such as hybrid based, gain-share, transaction based, outcome based and pay-per use models. In the near future, the industry is expected to witness increased acceptance of these new-age pricing and business models, which are customized as per client's needs and help in controlling cost and leveraging the benefits of resource pooling.

Our Company is growing, regardless of immense competition and swift changes in global IT Industry, by providing quality and value added services to the clients. Currently it is providing customized and varied services to its clients through its centers of excellence at both India and USA.

Changes & Developments during the year and thereafter:

Opening of the Branch office in USA:

The Company is pleased to announce that a branch office was incorporated under the name "CES Limited LLC" in Detroit, USA to spread its business. This branch is going to increase the customer base of the Company and make the

marketing, distribution and delivery of its products and easier and more effective. This branch of the Company will bring its product closer to the customers by increasing their accessibility to it.

Purchase of Property at Ramky Selenium, Gachibowli, Hyderabad:

The Company is pleased announce that it has purchased a property of 24,550 Square Feet at 7th Floor, Ramky Selenium, Nanakramaguda, Gachibowli, Hyderabad – 08 from Shriram Ventures Limited, Chennai. This property is located in the Financial District, Hyderabad, which is the new landmark for the back-office operations of banking, insurance and financial institutions. The first phase of financial district is home to TSI Business parks, IT/ITES special economic zones, Tishman Speyer's, Waverock Building, which houses multinational conglomerates like Accenture, TCS, and Dupont. US Consulate has also has been allotted the land in the Financial District for the construction of a permanent building. Company is setting up, meeting the global IT and BPO Standards, a world-class infrastructure facility with 100% power backup. The premises is inclusive of a fully equipped cafeteria, a recreation, training and development rooms to up skill the teams within. The Centre (BDC) will have bandwidth available through secure and redundant network connectivity. Site security is further ensured by both digital means and 24 x 7 x 365 physical security.

Investment in CES Information Technologies Pvt Ltd:

The Company as part of its strategic expansion plans has acquired the majority of the shares of “CES Information Technologies Pvt Ltd (Formerly known as Decatrend Enterprise Solutions Pvt Limited). CES IT is an information technology consulting company, which helps its customers with IT Solutions, Services and streamlining their business processes. CES IT caters to the business needs of its clients with mobile solutions across various platforms like Android, iOS and Windows.

Consolidation of Financials

Pursuant to Clause 41(l) e of Listing Agreement, Company shall mandatory consolidate Annual financials with its Subsidiary Company, Balance sheet & Profit & loss prepared in consolidated Form. The Company has adopted consolidated financial reporting from September 2014 quarter.

Upcoming Financial year to Nine Months i.e. 31st March 2015:

Pursuant section 2(41) of Companies Act 2013, every company has to align its financials as 31 march for year ending within period of two years from date of applicability of this section, therefore the Financial year ending for 2014-15 of the Company will be 31st march , 2015 .

Status of Warrants allotted

Pursuant to the sanctioned Scheme of Arrangement, between CES Private Limited (Transferor Company) and CES Limited (Formerly known as Serve All Enterprise Solutions Ltd) (Transferee Company), the Company issued & allotted 87,00,000 warrants to be converted into fully paid equity shares of Rs 10/- each within a period of 18 months from the date of allotment i.e. 4th March 2013, to the shareholders of CES Private Limited. And the Company has not received any request for the conversion of these warrants to equity shares within the previously mentioned period, hence the warrants lapsed on 4th September 2014. This was intimated to the Stock Exchanges where the equity shares of the Company were listed.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

At CES, human capital has always been the most valuable asset of the Company. Our employees represent the backbone of the corporate success. The Company provides its employees a transparent and level playing work environment that fosters the culture of collaborative working, meritocracy and on-the-job career progression.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses and ensuring compliance of corporate policies. Also, the Company reviews, from time-to-time, the adequacy of internal control checks in the system and covers all significant areas of the Company's operations such as software delivery, accounting and finance, procurement, employee engagement and IT processes in the Company.

The Company is pleased to announce that it has successfully achieved the Industry level best practices compliance certifications like

- **ISO 9001: 2008** **for Quality Management Systems**
- **ISO 27001** **for Information Security and Data Privacy Systems**
- **SOC -Type – 1 (Statement of Controls)**

The Company has also kicked off the achievement process for the other prestigious certifications like CMMi –SVC and SOC -Type –II (Statement of Controls), to maintain the higher Quality and IT Security standards of the industry.

ADDITIONAL INFORMATION AS REQUIRED U/S 217(1) (e) OF THE COMPANIES ACT, 1956

(a) Conservation of Energy:

This year we devoted considerable attention on methods and approaches to conserve power. Significant steps taken in this regard include the following:-

- Turning off monitors during week ends
- Hibernation of Desktops & notebook computers when not in use
- Turning off lights in all floors when not working
- Turning off the Air Conditioners during non peak hours and on weekends.

(b) (i) Technology Absorption, adaptation and innovation:-

As you would appreciate, technology is witnessing rapid change. Since our customers expect us to lead them through such change, we proactively & continuously invest in developing technology building blocks and solution frameworks which add value to our customers' business. Company uses a multi-pronged strategy for developing technology assets and to promote innovation. These technology initiatives are driven by each business unit based on the trends they see in their respective markets. These efforts help us in two ways (i) gain our customers' trust & confidence; and (ii) attract & retain key talent who see the Company as a more exciting place to work in.

(ii) Research and Development (R & D):

Your company carries out various research and development initiatives to address different market segments.

(b) Foreign Exchange Earnings and Outgo –

(In Rupees)

	30.06.2014
Foreign Exchange Earnings	348,468,347
Foreign exchange out go	1,963,000

PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors hereby report that there was an employee in receipt of remuneration of Rs.5,08,333/- per month and was employed from 04.12.2013 to 30.06.2014 and was designated as Project Manager.

S.no	Name of the employee & position	Remuneration (duration)	Whether any director is a relative-y/n along with name of the director
1.	Gaurav Jaju	5,08,333/-	No.

BOARD OF DIRECTORS

Mr. Ram Rao Kancharla(00028434) retires by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment.

DECLARATION ON CODE OF CONDUCT

Pursuant to provisions of Clause 49 (I) (D) (ii) of the Listing Agreement, that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company.

STATUTORY AUDITORS

M/s. P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. M/s. P.Murali & Co., Chartered Accountants have furnished a certificate of their eligibility u/s 141 of the Companies Act, 2013. The Board recommended to the members to reappoint the auditors for a period of 3 years and authorized the Board of Directors of the Company to fix their remuneration.

FIXED DEPOSITS

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

SUBSIDIARIES:

CES USA Inc.

The Turnover from the operations of CES USA Inc for the financial Year ending 31st March, 2014 was \$ 11.86 Million of USD and Net Profit was \$ 5098 USD.

SUBSIDIARIES:**CES USA Inc.**

The Turnover from the operations of CES USA Inc for the financial Year ending 31st March, 2014 was \$ 11.86 Million of USD and Net Profit was \$ 5098 USD.

CES Information Technologies Private Limited.

The Turnover from the operations of CES Information Technologies Private Limited for the financial Year ending 31st March, 2014 was Rs. 73.05 Lakhs and Net Profit/Loss was Rs (101.61) Lakhs.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had 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 and/ of the Profit or Loss of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Company's Equity shares are listed at

1. Bombay Stock Exchange Limited, Mumbai
2. Ahmadabad Stock Exchange Limited, Ahmadabad.

The Company has paid the Annual Listing Fees to the above Stock Exchanges.

PERSONNEL

Employees are intellectual asset of our Company and management has taken utmost care for contentment of employees. It takes suggestions, views and understand technicalities faced by them and accordingly train, nurture mark them for upcoming challenges. On the other end management has good liaison with employees. The management from time to time take feedbacks from employees and considering consensus issues address accordingly.

ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from central and state governments, financial institutions, banks, government authorities, customers, suppliers and investors during the year under review. Your Directors wish to place on record their deep sense of appreciation, of the dedicated and sincere services rendered by the employees of the Company for its success.

For CES LIMITED

(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-

MOHANA RAO KANCHARLA
DIRECTOR(00004288)

Sd/-

SRINIVASA CHAKRAVARTI YALAMATI
DIRECTOR(00052308)

PLACE: HYDERABAD

DATE : 06/12/2014

CORPORATE GOVERNANCE

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your Company also believes in taking into confidence all the stakeholders viz., Shareholders, Employees, Creditors, Clients etc. Your company is committed to take the torch of Corporate Governance forward, so that every stakeholder of the company synchronize and synergize their efforts in their growth of their company.

1. Board of Directors

A. Composition

- a) The number of Directors on the Board of the Company is 4 (Four) comprises of 1 (one) non-executive & Independent and remaining 3 (three) are from Non-executive & promoter category. The Board also consists of 2 (two) alternate Directors, who shall act on behalf of the original Directors in their absence. The composition of the Board is in conformity with clause 49 of the Listing Agreements entered into with the Stock Exchanges and meets the stipulated requirements.
- b) None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on June 30, 2014.
- c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, section 8 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Composition and category of Directors on the Board for the year 2013-14 are given below:

Name of the Director	Category	Number of Directorships in other Public Limited Companies	Number of Board Committee memberships held in other Public Companies
Sri. Ram R Kancharla	Promoter & Non-Executive Director	Nil	Nil
Sri Venkat Davarapalli	Promoter & Non-Executive Director	Nil	Nil
Sri. Mohana Rao Kancharla	Promoter & Non-Executive Director	Nil	Nil
Sri. Duruvasan R	Non-Executive Independent Director	1	4
Sri Srinivasa Chakravarti Yalamati	Non-Executive Alternate Director for Mr Venkat Davarapalli	2	Nil
Sri Appa Rao Kancherla	Non-Executive Alternate Director for Mr Ram R Kancharla	Nil	Nil

- a. During the Financial Year 2013 – 14 the Board of Directors met seven times on 30th August 2013, 21st September 2013, 11st November 2013, 09th December 2013, 14th February 2014, 24th March 2014 and 15th may 2014.
- b. The time gap between any two Board Meetings did not exceed three months.
- c. Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:
None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company.

Attendance of Directors at Board Meetings during the year under review, and at the last Annual General Meeting (AGM) held on 30th March, 2014.

Name of the Director	No. of Board Meetings attended	Whether attended the last AGM
Sri. Mohana Rao Kancharla	7	Yes
Sri. Srinivasa Chakravarti Y	7	Yes
Sri. Duruvasan R	5	Yes
Sri. Appa Rao Kancherla	7	Yes

Board's Procedure

Agenda papers along with explanatory statements were circulated to the Directors in advance for each of these meetings. All relevant information as per Clause 49 of the Listing Agreement was placed before the Board from time to time.

3. General Body Meetings

Financial Year	Date	Time	Venue	Special resolutions passed
EGM	18.10.13	11.00 AM	At Registered Office	Proposed Name Change Passed as Spl resolution
28 th AGM 2012-13	30.12.2013	4.00 PM	At Registered Office	Nil
27 th AGM 2011-12	30.03.2013	04.00 PM	At Registered Office	Nil
26 th AGM 2010-11	30.03.2012	04.00 PM	At Registered Office	Nil

4. Disclosures

The Company has not entered into transaction of material nature with related parties i.e., Directors, Management, their relatives conflicting with the Company's interest.

5. Means of Communication

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, are also posted on the Company's website, at www.cesltd.com As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

6. General Shareholder Information:

The following information would be useful to the shareholders:

a) Twenty Ninth Annual General Meeting

Date and Time : 30.12.2014, at 04.00 P.M
Venue : Registered Office i.e. # 42, Sagar Society, Road No: 2,
Banjara Hills, Hyderabad – 500 034

b) Financial Calendar 2014-15 (Tentative Schedule)

For the Quarter ended 30th September, the Company has already declared the Unaudited Financial Results on November 14, 2014.

Adoption of Quarterly results for the Quarter ending

- 30th September, 2014 : 14th of November, 2014
- 31st December, 2014 : Second week of February 2015
- 31st March, 2015 : Second week of May 2015

Note: 2014-15 financial year for Nine Months.

c) Book Closure Date

Thursday 26th December 2014 to Monday 30th December 2014 (both days inclusive)

d) Stock Code

- Stock Code / ID : BSE : 512341 / CESL
- Demat ISIN number : INE396F01013/ IN8396F01012

e) Electronic Connectivity

National Securities Depository Limited
Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 28th Floor
Dalal Street, Mumbai – 400 023.

Note: Company has Registered E-Voting with CDSL

f) Share Transfer Agents

Aarhi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad- 500 029
Tel: (040) 27642217/27638111
Fax: (040) 27632184
Email: info@aarhiconsultants.com

g) Share Transfer System

SEBI has vide its circular dated 27-12-2002, directed that all work relating to share registry, both physical and demat should be maintained at a single point. Accordingly, the Share Transfers, both physical and demat form, are done by the Registrar and Share Transfer Agents i.e., M/s. Aarhi Consultants Private Limited, Domalguda, Hyderabad. The requests received for transfer of shares in physical form are generally completed within the stipulated time.

h) Company's Website

www.cesltd.com

i) Compliance Officer of the Company for Investor Grievances

Mr. Mohana Rao Kancharla (Director & Compliance Officer)

Email id: info@cesltd.com

Phone No: 040 4040 7070

Fax No: 040 6625 9444

j) Registered Office of the Company

Plot No: 42, Sagar Society,
Road No: 2, Banjara Hills,
Hyderabad – 5000 34
Phone No: 040 4040 7070
Fax No: 040 66259444

For CES LIMITED

(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-

MOHANA RAO KANCHARLA
DIRECTOR(00004288)

Sd/-

SRINIVASA CHAKRAVARTI YALAMATI
DIRECTOR(00052308)

PLACE : HYDERABAD

DATE : 06/12/2014

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
CES Limited
(Formerly Known as Serve All Enterprise Solutions Limited)

Report on Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of **CES Limited (Formerly Known as Serve All Enterprise Solutions Limited)** ("the Company") and its subsidiaries group, which comprise the Consolidated Balance Sheet as at 30th June 2014, and the Consolidated Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Company in accordance with accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We have not audited the financial statements of CES USA Inc., whose total revenue amounting to Rs. 73,89,62,266 and total assets amounting to Rs. 25,69,44,288 was considered for the purpose of financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us for the purpose of consolidation and our opinion in so far as it relates to the amounts included in respect of the subsidiary are based solely on reports of the other auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at June 30th, 2014; and

(b) In the case of the consolidated Statement of Profit and Loss Account, of the profit for the year ended on that date;

For P. Murali & Co.,
Chartered Accountants
Firm's Registration Number: 007257S

Sd/-

P. Murali Mohana Rao
Partner
Membership Number: 023412

Place: Hyderabad
Date: 30th August, 2014

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Consolidated Balance Sheet as on 30th June, 2014

Particulars	Note No	As on 30-06-2014
		(Rs.)
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	1	13,000,000
(b) Reserves and Surplus	2	223,247,200
(c) Share warrants		87,000,000
(d) Minority Interest		(691,983)
(2) Share Application Money Pending Allotment	3	2,127,500
(3) Non-Current Liabilities		
(a) Deferred Tax Liabilities (Net)	4	6,114,320
(b) Long Term Borrowings	5	29,020,224
(c) Long Term Provisions	6	10,929,258
(4) Current Liabilities		
(a) Short Term Borrowings	7	12,018,660
(b) Trade Payables	8	83,192,065
(c) Other Current Liabilities	9	88,681,462
(d) Short-Term Provisions	10	44,135,294
Total		598,774,001
II.Assets		
(1) Non-current assets		
(a) Fixed assets	11	
(i) Tangible Assets		79,921,141
(ii) Intangible Assets		30,321,556
(iii) Capital Work in Progress		14,633,082
(b) Long Term Loans and advances	12	39,115,149
(2) Current assets		
(a) Trade receivables	13	154,887,912
(b) Cash and Bank Balances	14	89,213,426
(c) Short-Term Loans and Advances	15	121,166,739
(d) Other Current assets	16	69,514,996
Total		598,774,001

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Firm Regn. No: 007257S
Chartered Accountants

Sd/-
P.Murali Mohana Rao
Partner
M.No. 023412

For and on behalf of the Board
CES Limited
(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-
Mohana Rao Kancharla
Director

Sd/-
Srinivasa Charkravarti.Y
Director

Place : Hyderabad

Date : 30.08.2014

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Consolidated Statement of Profit and Loss Account for the year ended 30th June, 2014

Particulars	Note No	Year Ended 30-06-2014
		(Rs.)
I. Revenue from Operations	17	1,031,029,771
II. Other Income	18	6,690,300
III. Total Revenue (I +II)		1,037,720,072
<u>IV. Expenses:</u>		
Employee Benefit expenses	19	838,383,914
Other Operating Expenses	20	49,560,410
Administrative and Selling Expenses	21	39,608,633
Financial costs	22	3,237,922
Depreciation and amortization expense	11	24,881,446
V. Total Expenses		955,672,324
VI. Profit Before Tax (III - V)		82,047,747
VII. Tax expense:		
(1) Current tax		28,005,380
(2) Deferred tax		3,394,216
VIII. Profit/(Loss) for the period (VI-VII)		50,648,151
IX. Earnings per equity share: (Refer Note No. 31)		
(1) Basic		38.96
(2) Diluted		5.06

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Firm Regn. No: 007257S
Chartered Accountants

Sd/-
P.Murali Mohana Rao
Partner
M.No. 023412

For and on behalf of the Board
CES Limited
(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-
Mohana Rao Kancharla
Director

Sd/-
Srinivasa Charkravarti.Y
Director

Place : Hyderabad
Date : 30.08.2014

SIGNIFICANT ACCOUNTING POLICIES

1. Company overview

CES LIMITED (Formerly known as Serve All Enterprise Solutions Limited) together with its subsidiaries (Collectively “the Company”) is an Information Technology (IT) and Information Technology Enabled Services (ITES) provider, dedicated to serving the midsize market of global enterprises.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The Consolidated financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Indian Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.1a Principles of Consolidation:

The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements include the financial statements of CES Limited and its subsidiaries CES USA Inc. (Wholly owned subsidiary), CES Information Technologies Private Limited (70% owned). The financial statements of the parent company and its subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intercompany balances/transactions.

Minority interest in the net assets of consolidated subsidiaries is the amount of equity attributable to the minorities at the dates on which investment in a subsidiary is made and the minority’s share of movements in equity since the date of parent subsidiary relationship came into existence.

2.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from those estimates. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed assets and intangible assets. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset’s net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will

be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

2.3 Revenue recognition

Income from software services and products: Revenue from professional services consist primarily of revenue earned from services performed on a “time and material” basis. The related revenue is recognized as and when the services are performed. The Company also performs time bound fixed-price engagements, under which revenue is recognized using the percentage of completion method of accounting. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts requiring significant implementation services, where revenue is recognized as per the percentage of completion method.

Interest income is recognized using the time proportion method, based on the transactional interest rates.

2.4 Fixed Assets

Tangible assets

Tangible assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Intangible assets

Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

Depreciation

Depreciation on the Tangible Fixed Assets of the Company is provided on Straight line method on pro-rata basis and as per the rates specified in the Schedule XIV of the companies Act, 1956 and there is no change in the method of depreciation during the year. Individual assets acquired for less than Rs. 5,000 are entirely depreciated in the year of acquisition.

The cost of and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account. Lease payments under operating lease are recognized as an expense in the profit and loss account. An impairment loss is recognized wherever the carrying amount of the fixed assets exceeds its recoverable amount.

2.5 Foreign Currency transactions and translation

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non-monetary assets and liabilities are translated at the rate prevailing on the date of transaction.

Integral Operations:

Monetary assets and Liabilities are translated at the exchange rate prevailing at the date of balance sheet. Non-monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the transaction are recognized in the statement of profit and loss.

Non-integral Operations:

Assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the translation are transferred to translation reserve.

2.6 Taxes on Income

Tax expense for the year comprises of current tax and deferred tax.

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

2.7 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.8 Retirement benefits to employees

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees, based on actuarial valuation made by an independent actuary as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment.

Provident Fund/ESI

Contributions to defined Schemes such as Provident Fund/ESI are charged as incurred on accrual basis. Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the government administered authority.

2.9 Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

2.10 Segment Accounting Policies

(a) Segment Assets and Liabilities:

The assets of the Company are used interchangeably between segments, and hence the assets and liabilities of the Company are currently treated as inseparable.

(b) Segment Revenue and Expense:

The Revenue and direct cost(including the payroll cost of all the employees and consultants which can be attributed to the revenue), excepting the unallocable costs like personnel cost for the supporting services, depreciation, operating expenditure, interest income on deposits, provision for contingencies and income tax, are directly attributed to the respective segments.

2.11 Provision and Contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Consolidated Financial Statements for the year ended 30.06.2014

NOTE NO. 1 : SHARE CAPITAL

S.No.	Particulars	As on 30-06-2014
		(Rs.)
I	Equity Share Capital	
	(a) Authorised (2,01,00,000 Shares of 10/- each Current Year)	201,000,000
		201,000,000
	(b) Issued (13,00,000 Shares of 10/- each Current Year)	13,000,000
	(c) Subscribed & Fully Paid Up (13,00,000 Shares of 10/- each Current Year)	13,000,000
	Total Equity Share capital	13,000,000
	Share Warrants	
	(Pursuant to the Court order of Honorable High Court of Andhra Pradesh, Hyderabad, the Company has issued and allotted 87,00,000 warrants which are convertible into fully paid up Share of Rs. 10 Each with in a period of 18 Months)	87,000,000
II	<u>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</u>	
	Equity Shares of Rs.10Each, Fully paid up	
	At the Beginning	1,300,000
	Issued during the year	-
		1,300,000
III	<u>Details of Shareholder holding more than 5% shares of the company:</u>	% of Share Holding
	Equity Shares of Rs. 10 each Held By	
	Ram Kancharla - 367,150 Shares (C.Y)	28.24
	Venkateswara Rao.D - 315,650 Shares (C.Y)	24.28
	Pokuri Swarnalatha - 113,040 Shares (C.Y)	8.70
	M.Babu Rao - 71,800 Shares (C.Y)	5.52

NOTE NO. 2 : RESERVES AND SURPLUS

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	RESERVES AND SURPLUS	
	a) General Reserves	
	As at the commencement of the year	47,283,531
		47,283,531
	b) Surplus :	
	i) Opening Balance - Profit and Loss Account	113,032,436
	Add: Transfer from Profit & Loss Account	50,648,151
		163,680,587
	c) Foreign Currency Translation Reserve	12,283,082
	Total Reserves and Surplus	223,247,200

NOTE NO.3 : SHARE APPLICATION MONEY PENDING ALLOTMENT

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Share application money received	2,127,500
	Total Long Term Provisions	2,127,500

NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Opening Deferred tax Liability	3,698,472
	Add: Deferred Tax Liability for the year	7,983,710
	Gross Deferred tax Liability	11,682,182
	Opening Deferred tax Asset	978,368
	Add: Deferred Tax Asset for the year	4,589,494
	Gross Deferred tax Asset	5,567,862
	Deferred Tax Liability/ (Asset) - Net	6,114,320

NOTE NO. 5 : LONG TERM BORROWINGS

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	a) Long Term Loans: - Vehicle Loan from Bank of India (Secured Against Hypothecation of Car with the Bank)	981,892
	b) Other Loans	28,038,332
	Total Long Term Liabilities	29,020,224

NOTE NO. 6 : LONG TERM PROVISIONS

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	a) Provisions for employee benefits - Provision for Gratuity	10,929,258
	Total Long Term Provisions	10,929,258

NOTE NO. 7 : SHORT TERM BORROWINGS

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Loan from MB Financials	12,018,660
	Total Long Term Provisions	12,018,660

NOTE NO. 8 : TRADE PAYABLES

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	a) Trade Payables	83,192,065
	Total Trade Payables	83,192,065

NOTE NO. 9 : OTHER CURRENT LIABILITES

S.No.	Particulars	As on 30-06-2014
		(Rs.)
I	Statutory Liabilities	
	TDS Payable	750,738
	Service Tax Payable	34,743
	Professional Tax Payable	76,939
	Current Maturities of Vehicle Loan	418,108
	Other Current Liabilities	87,400,932
	Total Other Current Liabilites	88,681,459

NOTE NO.10 : SHORT TERM PROVISIONS

S.No.	Particulars	As on 30-06-2014
		(Rs.)
I	a) Provisions for employee benefits	
	Salaries Payable	15,416,495
	Bonus Payable	654,068
	ESI Payable	121,261
	PF Payable	523,717
		16,715,541
	b) Others	
	Provision for Income Tax	27,138,891
	Provision for Expenses	168,502
	Audit Fee Payable	112,360
		27,419,753
	Total Short Term Provisions	44,135,294

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

NOTE NO. 11 : TANGIBLE & INTANGIBLE ASSETS AS AT 30-06-2014

Sl. No.	Particulars	Gross Block			Depreciation/Amortization			Net Block as on 30.06.2014
		As on 01.07.2013	Additions during the year	As on 30.06.2014	Dep. As on 01.07.2013	Dep. For the year 2013-2014	Total Depreciation	
	<u>TANGIBLE ASSETS</u>							
1	Computers & Software	186,914,753	6,508,430	193,423,183	130,253,051	22,945,791	153,198,842	40,224,341
2	Office Equipment	14,115,392	678,952	14,794,344	9,510,957	758,825	10,269,782	4,524,562
3	Furniture and Fixtures	7,541,081	784,588	8,325,669	5,469,521	470,941	5,940,462	2,385,207
4	Vehicles	1,878,932	1,731,581	3,610,513	1,819,561	183,456	2,003,017	1,607,496
5	Leasehold land (SIPCOT)	2,504,250		2,504,250	185,500	25,295.45	210,795	2,293,455
6	Buildings (SIPCOT)	30,499,205		30,499,205	1,115,987	497,137	1,613,124	28,886,081
	<u>INTANGIBLE ASSETS</u>							
1	Goodwill	30,321,556		30,321,556	-	-	-	30,321,556
	<u>CAPITAL WORK IN PROGRESS</u>							
1	Leasehold Land (VSP)	6,355,170	8,277,912	14,633,082				14,633,082
	TOTAL	280,130,339	17,981,463	298,111,802	148,354,577	24,881,446	173,236,023	124,875,779

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Consolidated Financial Statements for the year ended 30.6.2014

NOTE NO. 12 : LONG TERM LOANS AND ADVANCES

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Loans and Advances to Related Parties Unsecured, Considered Good	20,446,968
	Sub Total	20,446,968
II	Security Deposit Secured, Considered Good	18,668,181
	Total Long term Loans and Advances	39,115,149

NOTE NO. 13 : TRADE RECEIVABLES

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered Good	-
	Other Receivables: Unsecured, Considered Good	154,887,912
		154,887,912
	Total Trade Receivables	154,887,912

NOTE NO. 14 : CASH AND BANK BALANCES

S. No.	Particulars	As on 30-06-2014
		(Rs.)
I	Cash and cash equivalents :	
	a) Balances with banks :	
	1) On Current Accounts	37,098,416
	2) Bank deposits with more than 12 months maturity	100,000
	3) Bank deposits with less than 12 months maturity	52,000,000
	b) Cash on hand	15,011
	Total Cash and Cash Equivalents	89,213,426

NOTE NO. 15 :SHORT TERM LOANS AND ADVANCES

		As on 30-06-2014
		(Rs.)
I	Advances Recoverable in Cash or in kind Unsecured, Considered Good	
	Loans and Advances to Employees	2,682,569
	Prepaid Expenses	1,891,983
	Advance for Expenses	1,671,797
	Service Tax Input Credit	12,177,270
	Advance Tax and TDS Receivable	40,010,520
	Other Advances	62,732,600
	Total Loans and Advances	121,166,739

NOTE NO. 16 : OTHER CURRENT ASSETS

		As on 30-06-2014
		(Rs.)
I	Interest Accrued on Deposits	1,480,358
	Other Current Assets	68,034,640
	Total Other Current Assets	69,514,998

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Consolidated Financial Statements for the year ended 30.06.2014

NOTE NO. 17 : REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
(I)	Revenue from operations	
	(a) Sale of Services	
	Domestic Sales	2,065,679
	Export Sales	1,028,964,092
	Total Revenue from Operations	1,031,029,771

NOTE NO. 18 : OTHER INCOME

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
I	(a) Interest income	6,690,300
	Total Other Income	6,690,300

NOTE NO. 19 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
I	(a) Salaries & Wages	825,110,085
	(b) Contribution to Provident & Other Funds	3,946,860
	(c) Staff Welfare Expenses	9,326,969
	Total Employee Benefit Expenses	838,383,914

NOTE NO. 20 : OTHER OPERATING EXPENSES

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
I	(a) Electricity Charges	7,220,974
	(b) Rent	15,006,105
	(c) Repairs to Computers and Equipments	1,646,026
	(d) Insurance	1,155,146
	(e) Net exchange loss / (Gain) on foreign currency transactions	1,042,829
	(f) Other Operating Expenses	23,129,778
	(g) Payment to Auditors:	
	(i) As Auditor	134,832
	(ii) For Taxation Matters	224,720
	Total Other Operating Expenses	49,560,410

NOTE NO. 21: ADMINSTRATIVE AND SELLING EXPENSES

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
I	(a) Telephone, Postage and Others	5,894,766
	(b) Advertisement Expenses	168,685
	(c) Conveyance & Travelling Expenses	11,511,067
	(d) Office Maintenance	7,386,297
	(e) Printing & Stationery Expenses/Subscriptions	525,225
	(f) Security Charges	1,442,442
	(g) Rates & Taxes (excluding Income Tax)	367,617
	(h) Computer Hire Charges	3,458,586
	(i) Professional and Consultancy fee	8,585,952
	(j) Bad Debts Written Off	267,996
	Total Administrative and Selling Expenses	39,608,633

NOTE NO. 22 : FINANCE COST

S.No.	Particulars	Year Ended 30-06-2014
		(Rs.)
I	(a) Interest Expenses	
	- Loan processing Charges & Bank Charges	1,299,434
	- Interest on Loans	1,938,488
	Total Finance Cost	3,237,922

Notes to Consolidated Financial Statements for the year ended 30th June, 2014:

23. Related Party Transactions:

During the period July 2013 to June 2014, the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board and the Govt. of India, wherever necessary.

S.No	Name of the Related Party	Nature of Relation	Nature of Transaction	2013-14
1	Computech Corporation	Common directors	Services rendered	Rs.14,46,84,741/-

24. Since the current year is the first year of consolidation, the company has not presented the comparative consolidated figures for the previous year ended 30th June, 2013, which has been provided in AS-21.
25. The post acquisition loss of Rs. 27,24,919 attributable to minority share holders of CES Information Technologies Private Limited has been adjusted against the post acquisition reserves of the Company. When the said subsidiary reports profits in the subsequent years, all such profits are allocated to the Company until the Minority share of losses currently absorbed has been recovered.
26. There are no dues to SSI units outstanding for more than 30 days.
27. The balances receivable from debtors and payable to creditors at the year-end are subject to confirmation from the respective debtors and creditors.
28. The Company has circulated letters to its suppliers seeking information about their status as mentioned in the Micro Small and Medium Enterprise Development Act, 2006. Since the information from the suppliers has not been received, the provisioning of the interest and disclosure requirement under Schedule VI to the Companies Act, 1956 could not be complied with.
29. The Company has established an overseas branch in USA during the last quarter of current financial year to provide IT Services & IT Enabled Services (ITES) to its esteemed customers. While preparing the financial statements of the company for the year, all the transactions of the overseas branch are also included in the financial statements of the company.
30. The Companies operations predominantly relate to providing IT Services in two primary business segments viz. IT Services and IT Enabled Services (ITES). The Company considers the business

segment as the Primary Segment and Geographical Segment based on the location of the customers as the Secondary Segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

BUSINESS SEGMENTS:

Profit and Loss Statements for the year ended 30th June 2014	IT Services	IT Enabled Services	Total
Revenues	17,96,27,408	85,14,02,363	1,03,10,29,771
Direct Expenses	13,06,73,806	70,77,10,108	83,83,83,914
Gross Income	4,89,53,602	14,36,92,255	19,26,45,857
Less: Un-allocated Expenses			11,40,50,489
Less: Interest and Other Expenses (NET)			32,37,922
Add: Interest Income			66,90,300
Net Profit Before Taxes			8,20,47,746
Income Taxes			3,13,99,595
Net Profit After Taxes			5,06,48,151

GEOGRAPHICAL SEGMENTS:

Profit and Loss Statements for the year ended 30th June 2014	USA	DOMESTIC	Total
Revenues	1,02,89,64,092	20,65,679	1,03,10,29,771
Direct Expenses	83,72,70,508	11,13,406	83,83,83,914
Gross Income	19,16,93,584	9,52,273	19,26,45,857
Less: Un-allocated Expenses			11,40,50,489
Less: Interest and Other Expenses (NET)			32,37,922
Add: Interest Income			66,90,300
Net Profit Before Taxes			8,20,47,746
Income Taxes			3,13,99,595
Net Profit After Taxes			5,06,48,151

31. Calculation of EPS as per the AS -20 for the year ending 30thJune, 2014.

	<u>Rs.</u>
Profit available to the equity shareholders	5,06,48,151
Weighted average number of shares outstanding	13,00,000
Basic Earnings per Share	38.96
Diluted Earnings per Share	5.06

32. The figures have been rounded off to the nearest rupee.

SIGNATURE TO NOTES 1 To 32

**As per our report of even date
For P. Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S**

**For and on behalf of the Board of Directors of
CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)**

Sd/-
P. Murali Mohana Rao
Partner
Membership No. 023412
Place: Hyderabad
Date :30.08.2014

Sd/-	Sd/-
Mohana Rao Kancharla	Srinivasa Chakravarti .Y
Director	Director

INDEPENDENT AUDITOR'S REPORT

To the Members of

CES Limited (Formerly Known as Serve All Enterprise Solutions Limited)

Report on the Financial Statements:

We have audited the accompanying financial statements of **CES LIMITED (FORMERLY KNOWN AS SERVE ALL ENTERPRISE SOLUTIONS LIMITED)** ("the Company"), which comprise the Balance Sheet as at June 30, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2014.
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) 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;

b) 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

c) The Balance Sheet, Statement of Profit and Loss and Cash flow Statement dealt with by this Report is in agreement with the books of account

d) In our opinion, the Balance Sheet and Statement of Profit and Loss and Cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956('the Act') read with the General circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect Section 133 of the Companies Act, 2013;

e) On the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S

Sd/-

P. Murali Mohana Rao

Partner

Membership No: 023412

Place : Hyderabad

Date : 30.08.2014

ANNEXURE TO THE AUDITOR'S REPORT:

THE ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF CES LIMITED (FORMERLY KNOWN AS SERVE ALL ENTERPRISE SOLUTIONS LIMITED) ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 30th JUNE 2014

- I. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management reasonable intervals and no discrepancies between the book records and the physical inventory have been noticed on such verification.
- c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- III. a) The Company has granted unsecured loans to Companies covered in the register maintained under section 301 of the Companies Act, 1956 and the balance outstanding as at the year end is **Rs. 4,06,30,200/-**.
- b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies, Firms and other parties listed in the register maintained u/s.301 of the Companies Act,1956 are not, prejudicial to the interest of the company.
- c) According to the information and explanation given to us, no repayment schedule has been specified and accordingly the clause of regularity in repaying the principal amount does not arise.
- d) Since there is no repayment schedule, the clause of taking reasonable steps by the company for recovery of overdue amount more than rupees of one lakh does not arise.
- e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
- f) As the Company has not taken any loans, the clause of whether the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
- g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties is not applicable to the company.
- IV. In our opinion and according to the information and explanation given to us, there are generally adequate internal controls commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for sale of goods and services. There is no continuing failure by the Company to correct any major weaknesses in internal control.

V. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need 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 value of rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.

VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.

VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.

VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of Sub Section (1) of Section 209 of the Companies Act, 1956.

IX. a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess, and any other statutory dues with the appropriate authorities and at the end of last financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.

X. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and not in the immediately preceding financial year.

XI. According to information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or banks.

XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of

XIII. This clause is not applicable to this Company as the Company is not covered by the provision of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.

XIV. According to the information and explanations given to us, the Company is not dealing or trading in shares securities, Debentures and other investments and hence the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.

XV. According to the information explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the Company does not arise.

XVI. According to the information and explanations given to us, since the company has not taken any term loans, the applicability of the clause whether term loans were applied for the purpose for which they are obtained does not arise.

XVII. According to the information and explanations given to us, no funds are raised by the company on short term basis. Hence the clause of short term funds being applied for long term investments does not arise.

XVIII. According to the information and explanation given to us, the Company has not made preferential allotment to parties covered in the Register maintained Under Section 301 of the Companies Act, 1956, hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.

XIX. According to the information and explanations given to us, the Company has not issued debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.

XX. According to information and explanations given to us, the Company has not raised any money by way of public issues during the year; hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.

XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P. Murali & Co.,
Chartered Accountants
Firm Registration No.:007257S

Sd/-

P. Murali Mohana Rao
Partner

Place : Hyderabad
Date : 30.08.2014

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Balance Sheet as on 30th June, 2014

Particulars	Note No	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	13,000,000	13,000,000
(b) Reserves and Surplus	2	198,721,937	142,635,993
(c) Share warrants		87,000,000	87,000,000
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	3	1,270,931	-
(b) Long Term Borrowings	4	981,892	25,890
(c) Long Term Provisions	5	10,929,258	11,911,918
(3) Current Liabilities			
(a) Trade Payables	6	23,486,649	6,482,221
(b) Other Current Liabilities	7	1,280,530	1,078,084
(c) Short-Term Provisions	8	44,135,294	28,761,849
Total		380,806,492	290,895,955
II. Assets			
(1) Non-current assets			
(a) Fixed assets	9		
(i) Tangible Assets		51,020,003	45,986,192
(ii) Intangible Assets		28,636,929	28,636,929
(iii) Capital Work in Progress		14,633,082	6,355,170
(b) Non-current investments	10	34,659,632	34,589,632
(c) Defferred tax assets (net)	3	-	954,200
(d) Long Term Loans and advances	11	59,298,381	34,979,638
(2) Current assets			
(a) Trade receivables	12	51,944,886	37,086,594
(b) Cash and Bank Balances	13	80,699,082	49,879,642
(c) Short-Term Loans and Advances	14	58,434,139	52,408,640
(d) Other Current assets	15	1,480,358	19,321
Total		380,806,492	290,895,955

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Firm Regn. No: 007257S
Chartered Accountants

For and on behalf of the Board
CES Limited
(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-
P.Murali Mohana Rao
Partner
M.No. 023412

Sd/-
Mohana Rao Kancharla
Director

Sd/-
Srinivasa Charkravarti.Y
Director

Place : Hyderabad
Date : 30.08.2014

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Statement of Profit and Loss Account for the year ended 30th June, 2014

Particulars	Note No	Year Ended	Year Ended
		30-06-2014	30-06-2013
		(Rs.)	(Rs.)
I. Revenue from Operations	16	333,040,568	275,740,581
II. Other Income	17	4,748,974	2,070,506
III. Total Revenue (I +II)		337,789,542	277,811,087
<u>IV. Expenses:</u>			
Employee Benefit expenses	18	186,304,322	149,261,701
Other Operating Expenses	19	25,200,411	26,929,459
Administrative and Selling Expenses	20	34,037,042	44,182,303
Financial costs	21	1,261,572	810,511
Depreciation and amortization expense	9	4,669,740	3,632,160
V. Total Expenses		251,473,086	224,816,134
VI. Profit Before Tax (III - V)		86,316,455	52,994,953
VII. Tax expense:			
(1) Current tax		28,005,380	10,936,474
Less: MAT Credit		-	1,883,409
Net Current Tax		28,005,380	9,053,065
(2) Deferred tax		2,225,131	(380,158)
VIII. Profit/(Loss) for the period		56,085,944	44,322,046
IX. Earnings per equity share: (Refer Note No. 29)			
(1) Basic		43.14	34.09
(2) Diluted		5.61	4.43

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Chartered Accountants
Firm Regn. No: 007257S

Sd/-
P.Murali Mohana Rao
Partner
M.No. 023412

For and on behalf of the Board
CES Limited
(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-
Mohana Rao Kancharla
Director

Sd/-
Srinivasa Charkravarti.Y
Director

Place : Hyderabad
Date : 30.08.2014

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30-06-2014

Particulars	Year Ended 30-06-2014 (Rs.)	Year Ended 30-06-2013 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	86,316,455	52,994,953
Adjustments for:		
Interest	1,261,572	810,511
Depreciation	4,669,740	3,632,160
Operating Profit before working capital changes	92,247,768	57,437,624
Adjustments for:		
Trade and other receivables	(14,858,292)	16,958,689
Short Term Loans and Advances	(6,025,499)	(13,755,524)
Other Current Liabilities	202,446	57,087
Short Term provisions	15,373,445	(6,806,315)
Trade payables	17,004,424	(13,674,457)
Other Current assets	(1,461,037)	233,022
Cash generated from operations	102,483,256	40,450,127
Direct taxes	(28,005,380)	(9,053,065)
Cash flow before extraordinary items	74,477,876	31,397,062
Extraordinary items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	74,477,876	31,397,062
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(17,981,463)	(7,452,291)
Merger of Decatrend Technologies	-	-
Investment in Computech Enterprise Solutions Pvt. Ltd.	(70,000)	-
Net Cash Used In Investing Activities	(18,051,463)	(7,452,291)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(1,261,572)	(810,511)
Long Term Liabilities	(26,658)	913,024
Long Term Loans and Advances	(24,318,743)	(15,510,543)
Net Cash Flow From Financing Activities	(25,606,973)	(15,408,030)
NET INCREASE\ (DECREASE) IN CASH AND CASH EQUIVALENTS	30,819,440	8,536,742
Cash and Cash equivalents (Opening Balance)	49,879,642	41,342,900
Cash and Cash equivalents (Closing Balance)	80,699,082	49,879,642

For and on behalf of the Board
CES Limited
(Formerly known as Serve All Enterprise Solutions Ltd)
Sd/- Sd/-
Mohana Rao Kancharla Srinivasa Chakravarti.Y.
Director Director

Place:Hyderabad
Date : 30.08.2014

CERTIFICATE

To
The Board of Directors
CES Limited
Hyderabad

We have examined the attached Cash Flow Statement of M/s CES Limited for the year ended 30 th June, 2014. The Statement has been prepared by the company in accordance with the requirement of Clause 32 of listing agreement with Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the company.

Yours faithfully,
for P. MURALI & CO.,
CHARTERED ACCOUNTANTS

PLACE: HYDERABAD
Date : 30.08.2014

Sd/-
P.MURALI MOHANA RAO
Partner
M.No.023412

SIGNIFICANT ACCOUNTING POLICIES

1. Company overview

CES LIMITED (Formerly known as Serve All Enterprise Solutions Limited) (The “Company”) is an Information Technology (IT) and Information Technology Enabled Services (ITES) provider, dedicated to serving the midsize market of global enterprises.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Indian Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from those estimates. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed assets and intangible assets. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset’s net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

2.3 Revenue recognition

Income from software services and products: Revenue from professional services consist primarily of revenue earned from services performed on a “time and material” basis. The related revenue is recognized as and when the services are performed. The Company also performs time bound fixed-price engagements, under which revenue is recognized using the percentage of completion method of accounting. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts requiring significant implementation services, where revenue is recognized as per the percentage of completion method.

Interest income is recognized using the time proportion method, based on the transactional interest rates.

2.4 Fixed Assets

Tangible assets

Tangible assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Intangible assets

Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

Depreciation

Depreciation on the Tangible Fixed Assets of the Company is provided on Straight line method on pro-rata basis and as per the rates specified in the Schedule XIV of the Companies Act, 1956 and there is no change in the method of depreciation during the year. Individual assets acquired for less than Rs. 5,000 are entirely depreciated in the year of acquisition.

The cost of and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account. Lease payments under operating lease are recognized as an expense in the profit and loss account. An impairment loss is recognized wherever the carrying amount of the fixed assets exceeds its recoverable amount.

2.5 Foreign Currency transactions and translation

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non-monetary assets and liabilities are translated at the rate prevailing on the date of transaction.

2.6 Taxes on Income

Tax expense for the year comprises of current tax and deferred tax.

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

2.7 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the

period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.8 Retirement benefits to employees

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees, based on actuarial valuation made by an independent actuary as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment.

Provident Fund/ESI

Contributions to defined Schemes such as Provident Fund/ESI are charged as incurred on accrual basis. Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the government administered authority.

2.9 Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

2.10 Segment Accounting Policies

(a) Segment Assets and Liabilities:

The assets of the Company are used interchangeably between segments, and hence the assets and liabilities of the Company are currently treated as inseparable.

(b) Segment Revenue and Expense:

The Revenue and direct cost(including the payroll cost of all the employees and consultants which can be attributed to the revenue), excepting the un-allocable costs like personnel cost for the supporting services, depreciation, operating expenditure, interest income on deposits, provision for contingencies and income tax, are directly attributed to the respective segments.

2.11 Provision and Contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Financial Statements for the year ended 30.06.2014

NOTE NO. 1 : SHARE CAPITAL

S.No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Equity Share Capital		
	(a) Authorised (2,01,00,000 Shares of 10/- each Current Year) (2,01,00,000 Shares of 10/- each Previous Year)	201,000,000 -	- 201,000,000
		201,000,000	201,000,000
	(b) Issued (13,00,000 Shares of 10/- each Current Year) (13,00,000 Shares of 10/- each Previous Year)	13,000,000 -	- 13,000,000
	(c) Subscribed & Fully Paid Up (13,00,000 Shares of 10/- each Current Year) (13,00,000 Shares of 10/- each Previous Year)	13,000,000 -	- 13,000,000
	Total Equity Share capital	13,000,000	13,000,000
	Share Warrants (Pursuant to the Court order of Honorable High Court of Andhra Pradesh, Hyderabad, the Company has issued and allotted 87,00,000 warrants which are convertible into fully paid up Share of Rs. 10 Each with in a period of 18 Months)	87,000,000	87,000,000
	II		
	<u>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</u>		
	Equity Shares of Rs.10Each, Fully paid up At the Beginning Issued during the year At the end	1,300,000 - 1,300,000	1,300,000 - 1,300,000
III			
<u>Details of Shareholder holding more than 5% shares of the company:</u>	% of Share Holding		
Equity Shares of Rs. 10 each Held By Ram Kancharla - 367,150 Shares (C.Y) 367,150 Shares (P.Y) Venkateswara Rao.D - 315,650 Shares (C.Y) 315,650 Shares (P.Y) Pokuri Swarnalatha - 113,040 Shares (C.Y) 113,040 Shares (P.Y) M.Babu Rao - 71,800 Shares (C.Y) 71,800 Shares (P.Y)	28.24 24.28 8.70 5.52	28.24 24.28 8.70 5.52	

NOTE NO. 2 : RESERVES AND SURPLUS

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	RESERVES AND SURPLUS		
	a) General Reserves As at the commencement of the year	47,283,531	1,348,500
	Reserve on account of Merger of Decatrend Technologies Private Limited	-	45,935,031
		47,283,531	47,283,531
	b) Surplus :		
	i) Opening Balance - Profit and Loss Account	95,352,462	51,030,415
	Add: Transfer from Profit & Loss Account	56,085,944	44,322,047
		151,438,406	95,352,462
		-	-
	Total Reserves and Surplus	198,721,937	142,635,993

NOTE NO. 3: DEFERRED TAX LIABILITY (NET)

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Opening Deferred tax Liability	(380,158)	-
	Add:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)	6,240,583	(380,158)
	Gross Deferred tax Liability	5,860,425	(380,158)
	Opening Deferred tax Asset	574,042	574,042
	Provision for Gratuity and Compensated Absences	4,015,452	-
	Gross Deferred tax Asset	4,589,494	574,042
	Deferred Tax Liability/ (Asset) - Net	1,270,931	(954,200)

NOTE NO. 4 : LONG TERM BORROWINGS

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	a) Long Term Loans: - Vehicle Loan from Bank of India (Secured Against Hypothecation of Car with the Bank)	981,892	-
	b) Other Loans	-	25,890
	Total Long Term Liabilities	981,892	25,890

NOTE NO. 5 : LONG TERM PROVISIONS

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	a) Provisions for employee benefits - Provision for Gratuity	10,929,258	11,911,918
	Total Long Term Provisions	10,929,258	11,911,918

NOTE NO. 6 : TRADE PAYABLES

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	a) Trade Payables	23,486,649	6,482,221
	Total Trade Payables	23,486,649	6,482,221

NOTE NO. 7 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Statutory Liabilities		
	TDS Payable	750,738	738,035
	Service Tax Payable	34,743	305,348
	Professional Tax Payable	76,939	34,700
	Current Maturities of Vehicle Loan	418,108	-
	Total Other Current Liabilities	1,280,527	1,078,083

NOTE NO. 8 : SHORT TERM PROVISIONS

S.No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	a) Provisions for employee benefits		
	Salaries Payable	15,416,495	10,587,838
	Bonus Payable	654,068	878,521
	ESI Payable	121,261	97,983
	PF Payable	523,717	466,066
		16,715,541	12,030,408
	b) Others		
	Provision for Income Tax	27,138,891	16,066,586
	Provision for Expenses	168,502	373,405
	Audit Fee Payable	112,360	291,450
		27,419,753	16,731,441
	Total Short Term Provisions	44,135,294	28,761,849

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

NOTE NO. 9 : TANGIBLE & INTANGIBLE ASSETS AS AT 30-06-2014

Sl. No.	Particulars	Gross Block			Depreciation/Amortization			Net Block as on 30.06.2014	Net Block as on 30.06.2013
		As on 01.07.2013	Additions during the year	As on 30.06.2014	Dep. As on 01.07.2013	Dep. For the year 2013-2014	Total Depreciation		
	<u>TANGIBLE ASSETS</u>								
1	Computers & Software	54,696,596	6,508,430	61,205,026	47,019,093	2,737,744	49,756,837	11,448,189	7,677,503
2	Office Equipment	11,594,717	678,952	12,273,669	7,118,927	755,166	7,874,093	4,399,576	4,475,790
3	Furniture and Fixtures	7,439,831	784,588	8,224,419	5,368,271	470,941	5,839,212	2,385,207	2,071,560
4	Vehicles	1,878,932	1,731,581	3,610,513	1,819,561	183,456	2,003,017	1,607,496	59,371
5	Leasehold land (SIPCOT)	2,504,250		2,504,250	185,500	25,295.45	210,795	2,293,455	2,318,750
6	Buildings (SIPCOT)	30,499,205		30,499,205	1,115,987	497,137	1,613,124	28,886,081	29,383,218
	<u>INTANGIBLE ASSETS</u>								
1	Goodwill	28,636,929		28,636,929	-	-	-	28,636,929	28,636,929
	<u>CAPITAL WORK IN PROGRESS</u>								
1	Leasehold Land (VSP)	6,355,170	8,277,912	14,633,082				14,633,082	6,355,170
	TOTAL	143,605,630	17,981,463	161,587,093	62,627,339	4,669,740	67,297,079	94,290,014	80,978,291
	PREVIOUS YEAR	107,516,407	7,452,292	114,968,699	58,995,179	3,632,160	62,627,338	52,341,362	48,521,228

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Financial Statements for the year ended 30.6.2014

NOTE NO. 10 : NON- CURRENT INVESTMENTS

S.No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Non- Current Assets		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	1) CES USA Inc. USA (Unquoted) -100% Holding 780,000 (previous year 780,000) equity shares of USD 1 each, fully paid Wholly owned subsidiary of the company.	34,589,632	34,589,632
	2) CES Information Technologies Pvt. Ltd. 7000 (previous Year nil) equity shares of Rs. 10/- fully paid up.	70,000	-
		34,659,632	34,589,632
	Total Non Current Investments	34,659,632	34,589,632
	Total Non - Current Investments (Net)	34,659,632	34,589,632

NOTE NO. 11 : LONG TERM LOANS AND ADVANCES

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Loans and Advances to Related Parties		
	Unsecured, Considered Good	40,630,200	24,690,019
	Sub Total	40,630,200	24,690,019
II	Security Deposit		
	Secured, Considered Good	18,668,181	10,289,619
	Total Long term Loans and Advances	59,298,381	34,979,638

NOTE NO. 12 : TRADE RECEIVABLES

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	-	-
	Other Receivables:		
	Unsecured, Considered Good	51,944,886	37,086,594
		51,944,886	37,086,594
	Total Trade Receivables	51,944,886	37,086,594

Amount due by the Companies in which any directors is director, Partner or Member

CES USA Inc	(1,778,476)	19,013,594
Computech Corporation	14,665,046	13,427,407
	12,886,570	32,441,001

NOTE NO. 13 : CASH AND BANK BALANCES

S. No.	Particulars	As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	28,587,302	49,770,498
	2) Bank deposits with more than 12 months maturity	100,000	100,000
	3) Bank deposits with less than 12 months maturity	52,000,000	-
	b) Cash on hand	11,781	9,144
	Total Cash and Cash Equivalents	80,699,082	49,879,642

NOTE NO. 14 :SHORT TERM LOANS AND ADVANCES

		As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good		
	Loans and Advances to Employees	2,682,569	2,003,383
	Prepaid Expenses	1,891,983	1,552,934
	Advance for Expenses	1,671,797	588,000
	Service Tax Input Credit	12,177,270	8,689,803
	Advance Tax and TDS Receivable	40,010,520	37,852,562
	MAT Credit	-	1,721,957
	Total Loans and Advances	58,434,139	52,408,639

NOTE NO. 15 : OTHER CURRENT ASSETS

		As on 30-06-2014	As on 30-06-2013
		(Rs.)	(Rs.)
I	Interest Accrued on Deposits	1,480,358	19,321
	Total Other Current Assets	1,480,358	19,321

CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Notes to Financial Statements for the year ended 30.06.2014

NOTE NO. 16 : REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
(I)	Revenue from operations		
	(a) Sale of Services		
	Domestic Sales	2,065,679	8,350,989
	Export Sales	330,974,889	267,389,592
	Total Revenue from Operations	333,040,568	275,740,581

NOTE NO. 17 : OTHER INCOME

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
I	(a) Interest income	4,748,974	2,070,506
	Total Other Income	4,748,974	2,070,506

NOTE NO. 18 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
I	(a) Salaries & Wages	173,488,799	138,276,530
	(b) Contribution to Provident & Other Funds	3,946,860	4,879,223
	(c) Staff Welfare Expenses	8,868,663	6,105,948
	Total Employee Benefit Expenses	186,304,322	149,261,701

NOTE NO. 19 : OTHER OPERATING EXPENSES

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
I	(a) Electricity Charges	6,739,779	5,983,918
	(b) Rent	14,936,105	16,970,828
	(c) Repairs to Computers and Equipments	1,593,435	1,060,016
	(d) Insurance	871,806	374,898
	(e) Net exchange loss / (Gain) on foreign currency transactions	722,205	2,299,799
	(f) Payment to Auditors:		
	(i) As Auditor	112,360	70,000
	(ii) For Taxation Matters	224,720	170,000
	Total Other Operating Expenses	25,200,411	26,929,459

NOTE NO. 20: ADMINSTRATIVE AND SELLING EXPENSES

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
I	(a) Telephone, Postage and Others	5,350,841	4,714,865
	(b) Advertisement Expenses	168,685	157,950
	(c) Conveyance & Travelling Expenses	7,736,898	9,370,399
	(d) Office Maintenance	6,796,331	6,090,357
	(e) Printing & Stationery Expenses/Subscriptions	505,000	1,085,401
	(f) Security Charges	1,282,633	1,141,334
	(g) Rates & Taxes (excluding Income Tax)	363,617	1,880,489
	(h) Computer Hire Charges	3,010,029	2,104,647
	(i) Professional and Consultancy fee	8,555,012	17,419,277
	(j) Bad Debts Written Off	267,996	217,584
	Total Administrative and Selling Expenses	34,037,042	44,182,303

NOTE NO. 21 : FINANCE COST

S.No.	Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
		(Rs.)	(Rs.)
I	(a) Interest Expenses		
	- Loan processing Charges & Bank Charges	1,261,572	810,511
	Total Finance Cost	1,261,572	810,511

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th JUNE, 2014:

22. Expenditure in foreign currency:

	Period Ended <u>30.06.2014(Rs)</u>	Period Ended <u>30.06.2013(Rs)</u>
Foreign travelling	19,63,000/-	52,13,370/-
Earning in foreign exchange as reported by the Company to Government of India and as certified by the management		

	Period Ended <u>30.06.2014(Rs)</u>	Period Ended <u>30.06.2013(Rs)</u>
Foreign exchange inflow	33,09,74,889/-	26,73,89,592/-

23. There are no dues to SSI units outstanding for more than 30 days.

24. The balances receivable from debtors and payable to creditors at the year-end are subject to confirmation from the respective debtors and creditors.

25. Related Party Transactions:

During the period July 2013 to June 2014, the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board and the Govt. of India, wherever necessary.

S.No	Name of the Related Party	Nature of Relation	Nature of Transaction	2013-14	2012-13
1	CES USA Inc.	Common directors	Services rendered	Rs.5,84,66,519/-	Rs.6,80,59,281/-
2	Computech Corporation	Common directors	Services rendered	Rs.14,46,84,741/-	Rs.10,27,76,330/-

26. The Company has circulated letters to its suppliers seeking information about their status as mentioned in the Micro Small and Medium Enterprise Development Act, 2006. Since the information from the suppliers has not been received, the provisioning of the interest and disclosure requirement under Schedule VI to the Companies Act, 1956 could not be complied with.
27. The Company has established an overseas branch in USA during the last quarter of current financial year to provide IT Services & IT Enabled Services (ITES) to its esteemed customers. While preparing the financial statements of the company for the year, all the transactions of the overseas branch are also included in the financial statements of the company.
28. The Companies operations predominantly relate to providing IT Services in two primary business segments viz. IT Services and IT Enabled Services (ITES). The Company considers the business segment as the Primary Segment and Geographical Segment based on the location of the customers as the Secondary Segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

BUSINESS SEGMENTS:

Profit and Loss Statements for the year ended 30th June 2014	IT Services	IT Enabled Services	Total
Revenues	10,55,88,558	22,74,52,010	33,30,40,568
Direct Expenses	5,85,13,922	10,38,63,264	16,23,77,186
Gross Income	4,70,74,636	12,35,88,746	17,06,63,382
Less: Un-allocated Expenses			8,78,34,328
Less: Interest and Other Expenses (NET)			12,61,572
Add: Interest Income			47,48,974
Net Profit Before Taxes			8,63,16,456
Income Taxes			3,02,30,512
Net Profit After Taxes			5,60,85,944

GEOGRAPHICAL SEGMENTS:

Profit and Loss Statements for the year ended 30th June 2014	USA	DOMESTIC	Total
Revenues	33,09,74,889	20,65,679	33,30,40,568
Direct Expenses	16,12,63,780	11,13,406	16,23,77,186
Gross Income	16,97,11,109	9,52,273	17,06,63,382
Less: Un-allocated Expenses			8,78,34,328
Less: Interest and Other Expenses (NET)			12,61,572
Add: Interest Income			47,48,974
Net Profit Before Taxes			8,63,16,456
Income Taxes			3,02,30,512
Net Profit After Taxes			5,60,85,944

29. Calculation of EPS as per the AS -20 for the year ending 30th June, 2014.

	<u>Rs.</u>
Profit available to the equity shareholders	5,60,85,944
Weighted average number of shares outstanding	13,00,000
Basic Earnings per Share	43.14
Diluted Earnings per Share	5.61

30. . Previous year's figures have been regrouped wherever necessary.

31. The figures have been rounded off to the nearest rupee.

SIGNATURE TO NOTES 1 To 31

As per our report of even date
For P. Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S

For and on behalf of the Board of Directors of
CES LIMITED
(Formerly known as Serve All Enterprise Solutions Ltd)

Sd/-
P. Murali Mohana Rao
Partner
Membership No. 023412
Place: Hyderabad
Date : 30.08.2014

Sd/-	Sd/-
Mohana Rao Kancharla	Srinivasa Chakravarti. Y
Director	Director

COMPLIANCE CERTIFICATE

Registration No : **045963**
CIN : **L55100TG1985PLC045963**
Nominal Capital : **Rs. 20,10,00,000**

To,
The Members
M/s. CES Limited
Hyderabad

I have examined the registers, records, books and papers of **M/s. CES Limited** (formerly Known as Serve All Enterprise Solutions Limited) ('the Company') as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 30th June, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met at frequent intervals as prescribed under the Act, in respect of which meetings proper notices were given, the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 26-12-2013 to 30-12-2013 during the financial year under review.

6. The annual general meeting for the financial year ended on 30.06.2013 was held on 30.12.2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. Extra ordinary general meeting was held during the financial year for name Change of the Company.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Sec 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Sec. 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - (i) there was no allotment/transfer of securities during the financial year.
 - (ii) not deposited any amount in a separate bank account as no dividend was declared during the financial year..
 - (iii) the Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) duly complied with the requirements of section 217 of the Act:
14. The Board of Directors of the Company is duly constituted and there was no appointments of additional directors have been made during the year.
15. The Company has not appointed any Managing Director/ whole time Director/Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company is not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.

18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Sec. 58A during the financial year.
24. The Company has not made any borrowings during the financial year that attract the provisions of Sec 293 (1) (d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny. (Serve All Enterprise Solutions Limited to CES Limited w.e.f 05th Day of November, 2013)
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its articles of association during the financial year.

31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. The Company is not deducting any contribution to Provident Fund during the financial year under scrutiny.

Place: Hyderabad
Date: 06-Dec-2014

Name of the Company Secretary: SARADA PUTCHA
C.P. No. 8735

Annexure 'A'

Registers as maintained by the Company

1. Register of Members U/s 150
2. Minutes of Meetings of Board of Directors and Proceedings of General Meetings U/s 193 of the Act
3. Books of Accounts U/s 209 of the Act
4. Register of Directors etc U/s. 303
5. Register of Director's Share Holdings U/s 307
6. Register of Director's Attendance and Share Holders Attendance
7. Register of Fixed Assets
8. Register of common seal
9. Register of Investments
10. Register of Contracts, companies and firms in which directors are interested U/s 297/299/301/301(3)

Annexure 'B'

Forms/documents and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 30th June, 2014.

<u>S.No</u>	<u>Form No./ Return</u>	<u>Filed under Section</u>	<u>For</u>	<u>Date of filing</u>	<u>Whether filed within prescribed time Yes/No</u>	<u>If delay in filing whether requisite additional fee paid Yes/No.</u>
1.	Form 1A	U/s. 21	Change of Name	21-08-2013	Yes	NA
2.	Form 1B	U/s. 21	Application for approval of the Central Government for change of name	18-10-2013	Yes	NA
2.	Form 23	U/s. 192	Filing of Agreements or Resolutions	18-10-2013	Yes	NA
3.	Form 21	U/s 391	Notice of Court Order	12-12-2013	Yes	NA
4.	Form 20B	U/s. 59	Annual Return for FY ending 31-03-2013	05-01-2014	Yes	NA
5.	Form 20B	U/s. 59	Annual Return for FY ending 30-06-2013	07-01-2014	Yes	NA
6.	Form 23AC-XBRL & 23ACA-XBRL	U/s. 220	Balance Sheet & Profit and Loss Account	29-01-2014	Yes	NA
7.	Form 66	U/s 383A	Compliance Certificate	29-01-2014	Yes	NA

Place: Hyderabad
Date: 06-Dec-2014

Name of the Company Secretary: SARADA PUTCHA
C.P. No. 8735

CES LIMITED
Plot No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500034

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L55100TG1985PLC045963

Name of the company: CES LIMITED

Registered office: Plot No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500034

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being Member /Members of CES Limited hereby appoint

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual general meeting of the company, to be held on the Tuesday, 30th Day of December 2014, at 4.00 P.m. at and at Registered office Plot No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500034 any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
	To receive, consider and adopt the Audited Balance Sheet as at 30 th June 2014 and Profit and Loss Account for the period ended on that date and the Reports of the Directors and the Auditors thereon.
	To appoint a Director in place of Sri. Ram Kancharla Who retires by rotation and being eligible, offers himself for re-appointment
	To appoint M/s. P Murali & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company for a term of three years up to conclusion 32nd Annual General Meeting till the conclusion of the next Annual General Meeting subject to ratification at every Annual General Meeting

Special Business	
	To approve related party transactions, Contract or arrangements with wholly owned subsidiary with CES USA Inc, USA
	To appoint Shri Mohana Rao Kancharla as whole-time Director of the Company
	To Appoint Shri. Duruvasan R as Independent Director.

Signed this _____ day of _____ 2014

Signature of Shareholder _____

Signature of Proxy holder (s) _____



Note:

- a. Proxy need not be a member of the Company.
- b. The Proxy Form duly filled in and signed by the Member(s) across the revenue stamp should reach the Company's Registered Office at least 48 hours before the commencement of the meeting.
- c. Corporate members intending to send their authorized representative(s) to attend the meeting are request to send a certified copy

.....cut here.....

CES LIMITED
(Formerly Known as Serve All Enterprise Solutions Limited)
 Plot. No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034

ATTENDANCE SLIP
 (Please present this slip at the entrance of the meeting venue)

Regd. Folio

Shares held

I hereby record my presence at the 29th Annual General Meeting of the Company to be held on Tuesday, the 30th December, 2014 at 04.00 PM at Plot. No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034

Name of the Shareholder :

Name of the Proxy :

Signature of member/proxy :

Note : 1) To be signed at the time of handing over this slip.

Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.