

**BOARD OF DIRECTORS**

Mr. Ram Kancharla	Director
Mr. Venkat Davarapalli	Director
Mr. Appa Rao Kancharla	Alternate Director for Ram Kancharla
Mr. Srinivasa Chakravarti Yalamati	Alternate Director for Venkat D
Mr. Duruvasan R	Independent Director
Mr. Mohana Rao Kancharla	Director

**BANKERS**

Citi Bank Limited, Hyderabad.  
Bank of India, 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.No: 040 65522335  
Fax: 040 66259444

**SHARE TRANSFER AGENTS**

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

**LISTING AT**

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

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**NOTICE**

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting of M/s. SERVE ALL ENTERPRISE SOLUTIONS LIMITED will be held on Saturday, 30<sup>th</sup> day of March 2013, 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 Audited Balance Sheet as at 30<sup>th</sup> June 2012 and Profit and Loss Account (Post Scheme of Arrangement) 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 Sri. Ram Kancharla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P.Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company to hold office from the conclusion of this annual general meeting till the conclusion of the next Annual General Meeting at remuneration as may be fixed by the Board of Directors of the Company.

BY ORDER OF THE BOARD

For **SERVE ALL ENTERPRISE SOLUTIONS LIMITED**

MOHANA RAO KANCHARLA

DIRECTOR

**PLACE:** HYDERABAD

**DATE:** 06/03/2013

**NOTES:**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b) The proxy-form appointing a proxy should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Further for the purposes of identification, it is advised to affix the signature of the proxy also in the proxy form.
- c) Members/ proxies are requested to bring the attendance slips duly filled in and signed for attending the meeting.
- d) Members who hold shares in electronic form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their folio numbers in the attendance slip for attending the meeting to facilitate identification of membership at the meeting. Members are requested to bring their attendance slip along with their copy of the annual report to the meeting.
- e) Members holding shares in physical form are requested to notify/send any change in their address to the Company's Share Transfer Agents or to the Company at its Registered Office.
- f) All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and holidays between 11.00 AM to 1.00 PM up to the date of AGM.
- g) The Company has notified closure of the Register of Members and the Share Transfer Books from 28.03.2013 to 30.03.2013 (both days inclusive).

**Details (as required under Clause 49(G) 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 Kancharla

**Date of joining the board** : 30.09.2004

**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** : Have experience in starting up and successfully establishing multiple companies in USA, Canada and India. 25 years of experience spanning general management, strategy and business development, marketing & sales, operations, product and program management responsibilities

**Nature of Expertise** : Entrepreneur, Executive, Business Developer, Relationship Manager, Project Manager, Sales, Relationship Management

**Directorships in Other Companies** : C E S Private Limited  
Decatrend Technologies Pvt. Ltd  
Infra Master Private Limited  
Computech Corporation (USA)  
CES USA Inc. (USA)  
Care Origin Inc. (USA)  
Computech Canada Inc. (Canada)

**Shareholding In the Company** : 367150 Shares

## DIRECTORS' REPORT

To

The Members of

**M/s. SERVE ALL ENTERPRISE SOLUTIONS LIMITED**

The Directors have pleasure in presenting the 27<sup>th</sup> Annual Report of the Company together with the Audited Accounts for the year ended on 30<sup>th</sup> June 2012 (01.07.2011 to 30.06.2012).

## FINANCIAL RESULTS

	<b>2011-2012</b>	<b>2010-2011*</b>
	<b>Rs.</b>	<b>Rs.</b>
Net Revenue	139,713,689	125,562,393
Profit Before Depreciation	28,277,504	29,786,955
Depreciation	2,749,465	6,038,344
Profit Before Taxation	25,528,039	23,748,611
Provision for Taxation	4,084,225	3,885,688
Profit after Taxation	21,443,814	19,862,923
Brought Forward Profit/(Loss)	27,095,187	7,232,264
Balance carried to Balance Sheet	48,539,002	27,095,187

\*FY 2010-11 financials are regrouped as per the revised Sch VI format. FY 2010-11 figures are pertaining to Post Scheme of Arrangement. The merger is effective w.e.f. 01.06.2010.

## BUSINESS PERFORMANCE OF THE COMPANY

Our revenue increased to Rs. 139.71million from Rs. 125.56 million from the previous year, Also, our Profit After Tax (PAT) increased to Rs. 214.43 million from Rs. 198.62 million from the previous year.

## **DECLARATION OF DIVIDEND**

There was no dividend declared for the Current Year.

## **PROSPECTUS & OUTLOOK**

IT/ITeS industry has been one of the key driving forces fuelling India's economic growth. As a proportion of national GDP, IT/ITeS sector's contribution has risen from 1.2% in 1997-98 to an estimated 7.5% in 2011-12.

As per NASSCOM estimates, IT/ITeS sector (excluding hardware) revenues are estimated at US\$ 87.6 billion in FY 2011-12. The sector is expected to grow by 19% during FY 2012-13.

IT/ITeS sector has also created tremendous entrepreneurial and job opportunities, generating direct and indirect employment of nearly 2.8 million and around 8.9 million respectively. Estimates reflect the growth to be more than 14 million (directly and indirectly) by 2015 and around 30 million by 2030.

India accounts for less than 5 per cent of global technology spending – tremendous untapped potential for growth of Indian IT-BPO sector, in both core as well as emerging opportunities. To achieve growth, the sector has to continue to re-invent itself – through new business models, global delivery, partnerships and transformative focus. Prevailing global megatrends presents new opportunities and risks for the industry, which will shape the technology industry landscape. IT-BPO sector will need to build on its strengths and address challenges around competition, talent, security and business environment.

### **Road Ahead**

India will be uniquely positioned to sustain its global leadership position, grow its offshore IT-ITES industries at an annual rate of 24% to 25%, sustain nearly 10 m jobs, and generate export revenues of more than US\$ 100bn by FY12-13 (as per NASSCOM estimates).

Strong economic growth, rapid advancement in technology infrastructure, increasingly competitive Indian organisations, enhanced focus by the government and emergence of business models that help provide IT to new customer segments are the key drivers for increased technology adoption in India.

The Companies to increase operational efficiencies have to reinvent and embrace new business models which will offer customers a transformed business proposition. For example, based on the customer requirement shift to transaction-based pricing which facilitates revenue-generating projects. Our Company is likely to continue growing from strength to strength, as we incorporate best in class practices from global counterparts whilst retaining the edge in terms of lower cost of labor and with its multiple initiatives to maintain profitability and be ready for new opportunities. In coming years, our Company will accomplish satisfactory growth in revenue as well as profits.

#### **SCHEME OF ARRANGEMENT**

The Company is pleased to inform that the Company Petition No: 215 of 2011 connected with Company Application No:1524 of 2011 as per the Companies Act, 1956 (1 of 1956) Under Sections 391 and 394 before the Hon'ble High Court at Andhra Pradesh is approved as per orders dated 21<sup>st</sup> January 2013, hence the Scheme of Arrangement between M/s. CES Private Limited and M/s. Serve All Enterprise Solutions Limited and their Respective Share Holders was considered and new shares and warrants were allotted per Scheme of Arrangement.

Considering the Hon'ble High Court of Andhra Pradesh orders dated 21<sup>st</sup> January 2013 on the Scheme of Arrangement between CES Pvt Ltd and Serve All Enterprise Solutions Limited and their respective shareholders, the effect of transfer of certain investments, loans, advances and assets has been given effect in the books of account of Serve All Enterprise Solutions Limited.



### **Changes & Developments during the year and thereafter**

The Scheme of Arrangement between Serve All Enterprise Solutions Limited (Transferee Company) and CES Private Limited (Transferor Company) and their respective shareholders was sanctioned by the Hon'ble High Court of Andhra Pradesh through its Order Dated 21<sup>st</sup> January 2013, which came into effective from the appointed date i.e 1<sup>st</sup> June 2010.

### **Expansion of the operations**

During the year as a part of its expansion plans the Company has expanded its operations and expanded to two new centers at Hyderabad.

### **Equity Share Capital:**

As per the sanctioned Scheme of Arrangement, Serve All Enterprise Solutions Ltd (Transferee Company) in its Board Meeting held on 4th March 2013, has allotted one fully paid up equity share of face value of Rs. 10/- and 29 warrants to be converted into equity shares of Rs. 10/- each for every 20 fully paid up equity shares of Rs. 10/- each to the shareholders of CES Pvt Ltd (Transferor Company) , on the record date, in proportion to post reduction shares of transferor company (CES Private Limited). And accordingly, the paid-up share capital of the Company rose from Rs 1, 00, 00000 (rupees one crore) to Rs 13,000,000 (rupees one crore thirty lakhs).

(Pursuant to the Court Orders of Honorable High Court of Andhra Pradesh, Hyderabad the Company issued & allotted 87,00,000 warrants to be converted into fully paid equity shares of Rs 10/- each with in a period of 18 months)

### **HUMAN RESOURCES & INDUSTRIAL RELATIONS**

At Serve All, human capital has always been the most valuable asset of the Company. Our employee represents the backbone of the corporate success. The Company provides its employees with a professionally rewarding and enriching work management system that focuses on employee development, measuring the key result areas, competencies and training needs. 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 has kicked off the achievement process for the prestigious certifications like

- **ISO 9001**
- **CMMi –SVC**
- **ISO 27001**

To maintain Quality and IT Security standards in the industry, this would add value to our customers and help us to regain their trust & confidence.

## **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 minds not working
- Turning off the Air Conditioners during non peak hours and on weekends.