

BOARD OF DIRECTORS

Mr. Ram Kancharla	Director
Mr. Venkat Davarapalli	Director
Mr.AppaRaoKancherla	Alternate Director for Ram Kancharla
Mr.SrinivasaChakravartiYalamati	Alternate Director for Venkat D
Mr. Duruvasan R	Independent Director
Mr. MohanaRao Kancharla	Director

BANKERS

Citi Bank Limited, Hyderabad.
Bank of India, Hyderabad

AUDITORS

M/sP.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

Contents

Notice to the 28 th annual general meeting	3
Director's Report	6
Corporate Governance	16
Auditor's Report	25
Balance Sheet	33
Profit & Loss Account	34
Notes to Financial Statements	35
Significant Accounting Policies	50
Cash Flow Statement	57
Balance Sheet Abstract	59
Compliance Certificate	60
Proxy Form & Attendance Slip	65

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of M/s. CES LIMITED (Formerly known as SERVE ALL ENTERPRISE SOLUTIONS LIMITED) will be held on Monday, 30th day of December 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 30th June 2013 and Profit and Loss Account (Post Scheme of Amalgamation) 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. Venkat Davarapalli 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 to hold office from the conclusion of this annual general meeting till the conclusion of the next Annual General Meeting.

BY ORDER OF THE BOARD

For **CES LIMITED**

MOHANA RAO KANCHARLA

DIRECTOR

PLACE:HYDERABAD

DATE:09/12/2013

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 26.12.2013 to 30.12.2013 (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. Venkat Davarapalli
Date of joining the board	: 30.09.2004
Qualifications	: MBA in Marketing& Finance from Maharashtra University, IndiaBachelor's Degree in Law, from Maharastra University, IndiaM S from Eastern Michigan University, USA
Brief Resume	: Have experience in starting up and successfully establishing multiple companies in USA and India. 27 years of experience spanning general management, strategy and business development, marketing & sales, operations, product and program management responsibilities
Nature of Expertise	: Entrepreneur, Business Developer, Relationship Manager, Project Manager, Sales
Directorships in Other Companies	: C E S Information Technologies Pvt Limited Computech Corporation (USA) CES USA Inc. (USA)
Shareholding In the Company	: 315650 Shares

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 28th Annual Report of the Company together with the Audited Accounts for the year ended on 30th June 2013(01.07.2012 to 30.06.2013).

FINANCIAL RESULTS

	2012-2013*	2011-2012**
	Rs.	Rs.
Net Revenue	275,740,582	164,775,757
Profit Before Depreciation	56,627,115	36,198,100
Depreciation	3,632,160	3,471,513
Profit Before Taxation	52,994,955	32,726,586
Provision for Taxation	8,672,907	6,161,185
Profit after Taxation	44,322,047	26,565,401
Brought Forward Profit/(Loss)	51,030,415	24,465,013
Balance carried to Balance Sheet	95,352,462	51,030,415

* FY 2012-13 figures are pertaining to Post Scheme of Amalgamation with Decatrend Technologies Pvt Ltd.

** FY 2011-12 figures are pertaining to Post Scheme of Arrangement with CES Pvt Ltd.

BUSINESS PERFORMANCE OF THE COMPANY

Our revenue increased to Rs. 275.74 million from Rs. 164.77million from the previous year, Also, our Profit After Tax (PAT) increased to Rs. 443.22 million from Rs. 265.65million from the previous year.

DECLARATION OF DIVIDEND

There was no dividend declared for the Current Year.

PROSPECTUS & OUTLOOK

The IT&ITeS industry in India has today become a growth engine for the economy, contributing substantially to increases in the GDP, urban employment and exports, to achieve the vision of a powerful and resilient India.

FY2012 is a landmark year – while the Indian IT-BPO industry weathered uncertainties in the global business environment, this is also the year when the industry is set to reach a significant milestone – aggregate revenue for FY2012 is expected to cross USD 100 billion. Aggregate IT software and services revenue (excluding hardware) is estimated at USD 88 billion and are expected to grow by 12-14 per cent in FY14 and to touch US\$ 225 billion by 2020.

India's total IT industry's (including hardware) share in the global market stands at 7 per cent; in the IT segment the share is 4 per cent while in the ITeS space the share is 2 per cent. The industry is dominated by large integrated players consisting of both Indian and international service providers. During the year, the share of Indian providers went up to 65 per cent-70 per cent due to the emerging trend of monetisation of captives.

IT spending in India is projected to reach US\$ 71.5 billion in 2013, an increase of 7.7 per cent as compared to US\$ 66.4 billion projected for 2012, as per a report by Gartner.

The industry continues to be a net employment generator - expected to add 230,000 jobs in FY2014, thus providing direct employment to about 2.8 million, and indirectly employing 8.9 million people.

Road Ahead

As IT is increasingly gaining traction in small and medium business activities, the sector offers impressive growth opportunities and is estimated at approximately US\$ 230 billion–US\$ 250 billion by 2020. In a bid to reduce cost, governments across the world are exploring outsourcing and global sourcing options.

Digitisation of content and increased connectivity is leading to a rise in IT adoption by media. Emerging technologies present an entire new gamut of opportunities for IT firms in India. Social, mobility, analytics and cloud (SMAC) provide US\$ 1 trillion opportunity. Cloud represents the largest opportunity under SMAC, increasing at a CAGR of approximately 30 per cent to around US\$ 650 billion–US\$ 700 billion by 2020. Social media is the second most lucrative segment for IT firms, offering a US\$ 250 billion market opportunity by 2020 and also technologies, such as telemedicine, mHealth, remote monitoring solutions and clinical information systems, would also continue to boost demand for IT service across the globe. IT sophistication in the utilities segment and the need for standardisation of the process are expected to drive demand.

While India still remains as the preferred destination for outsourcing activities, many other countries have started providing similar type of services and are fast emerging as competitive locations. The competition from countries such as China, Philippines, Vietnam, Poland, Hungary, Mexico, Brazil, and Egypt poses a great challenge for India. Currently India accounts for 20-25% of R&D offshoring whereas China is behind with 15-20% market share. Thus the Indian ITeS-BPO sector needs to make extra endeavor to remain competitive in terms of cost efficiency measures and scalability of various high end services to handle competition.

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 AMALGAMATION

The Company is pleased to inform that the Scheme of Amalgamation between CES Limited(Frmly known as Serve All Enterprise Solutions Limited) (Transferee Company) and Decatrend Technologies Private Limited (Transferor Company), Transferor Company Petition No: 182 of 2013 connected with Company Application No:815 of 2013 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 04th November 2013, hence theScheme of Amalgamation between M/s. CES Limited (Frmly known as Serve All Enterprise Solutions Limited) and M/s. Decatrend Technologies Pvt Limited was considered.

Considering the Hon'ble High Court of Andhra Pradesh orders dated 04th November 2013 on the Scheme of Amalgamation between Decatrend Technologies Pvt Ltd and CES Limited (Frmly known as Serve All Enterprise Solutions Limited), the effect of transfer of loans, advances and assets& liabilities has been given effect in the books of account of CES Limited.

Changes & Developments during the year and thereafter

The Scheme of Amalgamation between Decatrend Technologies Pvt Limited (Transferor Company) and CES Limited (Transferee Company)(Frmly known as Serve All Enterprise Solutions Limited) was sanctioned by the Hon'ble High Court of Andhra Pradesh through its OrderDated 08th November 2013, which came into effective from the appointed date i.e 1stApril 2012.

Equity Share Capital:

As per the sanctioned Scheme of Amalgamation, The Authorized Capital of Decatrend Technologies Pvt Ltd (Transferor Company) will get merged with that of CES Limited (Transferee Company) (Frmly known as Serve All Enterprise Solutions Limited) without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect. And accordingly, the authorized share capital of the Company rose from Rs20, 00, 00000(rupees twenty crores) to Rs20,10, 0000 (rupees twenty crores ten lakhs).

Listing of Equity Shares

As per the sanctioned Scheme of Arrangement, between CES Pvt Ltd (Transferor Company) and CES Limited (Frmlyknwn as Serve All Enterprise SolutionsLtd) (Transferee Company), the Company has allotted 3, 00,000 (Three Lakhs) fully paid up equity shares of face value of Rs. 10/- each to the shareholders of CES Pvt Ltd (Transferor Company) and the allotted 3, 00,000 (three lakhs) shares were listed with BSE on 04th June, 2013 and trading permission was accorded on 02nd July 2013.

Status of Warrants allotted

Pursuant to the sanctioned Scheme of Arrangement, between CES Pvt Ltd (Transferor Company) and CES Limited (Frmly knwn as Serve All Enterprise SolutionsLtd) (Transferee Company), 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 from the date of allotment i.e. 4th March 2013, to the shareholders of CES Pvt Ltd and the Company has not received any request for conversion of warrants to equity shares.