



BOARD OF DIRECTORS

Mr. Ram Kancharla (00028434)	Director
Mr. Venkat Davarapalli (00028498)	Director
Mr. Appa Rao Kancharla (2532842)	Alternate Director (Ram K)
Mr. Rama Krishna Sebbineni (01825682)	Alternate Director (Venkat D)
Mr. Duruvasan R (00223052)	Independent Director
Mr. Murali Krishna Tummala(1889806)	Independent Director
Mr. Mohana Rao Kancharla (00004288)	Whole –time Director
Mrs. Aruna Krishna Sabbineni(06997005)	Director

Corporate Identity Number (CIN): L55100TG1985PLC045963

KEY MANAGERIAL PERSONNEL

Mr. Mohana Rao Kancharla- Whole -Time Director
Mr. Benarji Mallampatti- Chief Financial Officer
Mr. Surya Prakash Mungelkar- Company Secretary

BANKERS

ICICI Bank, Hyderabad
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.

INTERNAL AUDITOR

K Rama Mohan & Associates.
Flat No.1004, Minar
Apartments,Basheerbagh
Hyderabad - 500029

SECRETARIAL AUDITOR

Sharda Putcha
8-3-168/B/10, Siddhartha
Nagar,ESI, Near A.G. Colony
Hyderabad - 500038

REGISTERED OFFICE

7th Floor, Tower –A, Ramky
Selenium, Nanakramguda,
Gachibowli, Hyderabad- 500032
Hyderabad-500 032
Ph: 040 42421122
Fax: 040 66259444
info@cesltd.com
www.cesltd.com

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
Ahmedabad Stock Exchange Limited, Ahmadabad

Table of Contents	Page No.
1. Notice of 31 st Annual General Meeting	03
2. Directors' Report	06
3. Management Discussion & Analysis Report	11
4. Corporate Governance Report	18
5. E- Voting Instructions	53
6. Proxy Form	56
7. Consolidated Auditors' Report	59
8. Consolidated Balance Sheet	68
9. Consolidated Statement of profit and Loss	69
10. Consolidated Cash Flow Statement	70
11. Notes on Consolidated Financial Statements	72
12. Standalone Auditors' Report	83
13. Balance Sheet	93
14. Profit & Loss Account	94
15. Cash Flow Statement	95
16. Notes on Financial Statements	96

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of M/s. CES LIMITED (previously known as Serve All Enterprise Solutions Limited) will be held on Thursday, 29th day of September 2016, at 4:00P.M.at the Registered Office of the Company at, **7th Floor, Tower-A, Ramky Selenium, Nanakramguda, Gachibowli, Hyderabad - 500 032** to consider the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt Standalone and Consolidated Audited Balance Sheet as at 31st march 2016 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 Mr Ram Rao 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 up to conclusion of Next Annual General Meeting in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

“RESOLVED THAT in terms of the provisions of Sections 139-142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of the members at the 31st Annual General Meeting, the appointment of M/s P.MURALI & CO, Chartered Accountants (Firm Regn No: 007257S) as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the Next Annual General Meeting of the Company to be held in the year 2017, be ratified by the members on a remuneration as may be decided by the Board of Directors”.

PLACE: HYDERABAD
DATE: 06/09/2016

BY ORDER OF THE BOARD
M. Surya Prakash
Company Secretary

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 24 September (Monday) 2016 to, 29 September (Thursday) 2016. (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 31.03.2016 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 31st 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 31st 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.



Annual Report 2015-16

10. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for the financial period ended on 31.03.2016 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 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL), Kindly Visit www.evoting.nsdl.com and select help option, you can find user manual for shareholders to caste Vote at **Annexure-IV**

BY ORDER OF THE BOARD
For CES LIMITED
(Previously known as Serve All Enterprise Solutions Ltd)

DIRECTORS' REPORT

To
The Members of
M/s. CES LIMITED
(Previously Known as Serve All Enterprise Solutions Limited)

The Directors have pleasure in presenting the 31st Annual Report of the Company together with the Audited Accounts for the year ended on 31st March 2016 (01.04.2015 to 31.03.2016).

FINANCIAL RESULTS

	Consolidated		Standalone	
	2015-2016 (12 Months)	2014-2015 (9 Months)	2015-2016 (12 Months)	2014-2015 (9 Months)
	Rs.	Rs.	Rs.	Rs.
Net Revenue	1,757,004,309	914,908,341	500,700,664	326,077,927
Profit Before Depreciation	239,175,016	103,734,406	139,308,502	80,025,829
Depreciation	36,732,642	20,876,106	18,226,311	11,486,095
Profit Before Taxation	202,442,374	82,858,300	121,082,191	68,539,734
Provision for Taxation	54,672,769	28,615,913	32,102,306	22,247,461
Profit after Taxation	147,769,606	54,242,387	88,979,885	46,292,273
Brought Forward Profit/(Loss)	216,302,294	162,059,907	197,730,679	151,438,406
Balance carried to Balance Sheet	494,593,346	216,302,294	286,710,564	197,730,679

BUSINESS PERFORMANCE OF THE COMPANY

To comply with the provisions 2(41) of Companies act 2013, during the previous financial year our company has changed its financial year ending from 1st July 2014 to 31st March 2015. As the current financials of our company are prepared for 12 months, we can't compare financial results of current year with the previous year.

Standalone: When we compare financial results (12 Months) of the current financial year with the previous period (9 Months) financial results, our revenue increased to Rs. 500.701 Million from Rs. 326.078 Million and our profit after tax (PAT) increased from Rs. 46.29 Million to Rs. 88.97 Million.

Consolidated: When we compare consolidated financial results (12 Months) of the current period with the previous period (9 Months) Consolidated financial results, our revenue increased from Rs. 914.91 Million to Rs. 1,757.00 Million and our consolidated profit after tax (PAT) increased from Rs. 54.24 Million to Rs. 147.77 Million.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Name	Designation / Category
Mr. Rama Krishna Sebbineni(01825682)	Member (Non-Executive Director)
Mr. Duruvasan Ramachandra (00223052)	Member (Independent Director)
Mr. Murali Krishna Tummala(01889806)	Member (Independent Director)

NOMINATION & REMUNERATION COMMITTEE

Name	Designation / Category
Mr. Mohan Kancharla (00004288)	Executive Director
Mr. Duruvasan Ramachandra (00223052)	Member (Independent Director)
Mr. Murali Krishna Tummala (01889806)	Member (Independent Director)

STAKEHOLDER RELATIONSHIP COMMITTEE

Name	Designation / Category
Mr. Mohan Kancharla (00004288)	Executive Director
Mr. Duruvasan Ramachandra (00223052)	Member (Independent Director)
Mr. Rama Krishna Sebbineni(01825682)	Member (Non- Executive Director)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name	Designation / Category
Mr. Mohan Kancharla (00004288)	Executive Director
Mr. Duruvasan Ramachandra (00223052)	Member (Independent Director)
Mr. Rama Krishna Sebbineni (01825682)	Member (Non- Executive Director)

DURING THE FINANCIAL YEAR 2015-16 , SEVEN BOARD MEETINGS WERE HELD AS FOLLOWS:

29th May 2015 , 14th August 2015, 4th September 2015, 26th October 2015, 14th November 2015 , 13th February 2016 and 25th March 2016.

FINANCIALS OF SUBSIDIARY COMPANY

Pursuant section 129 sub section (3), the financials of subsidiary are as per **Annexure -I**

EXTRACT OF ANNUAL RETURN

Pursuant to section 134 sub section (3) (a), the extract of annual return enclosed in **Annexure -II**

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 of the Companies Act 2013:

- (a) That in the preparation of the annual accounts/financial statements for the financial year ended 31st March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) That the accounting policies as mentioned in the financial statements were selected and applied consistently and reasonable and prudent judgments and estimates were made 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 and loss of the company for that period
- (c) That proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) That the annual accounts were prepared on a going concern basis;
- (e) That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively; and
- (f) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS -149(6)

The Company has received Certificate of Independence from Independent Director, *inter-alia*, pursuant to Section 149 of the Companies Act, 2013, confirming and certifying that they have complied with all the requirements of being an Independent Director of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT (SECTION 186)

During the financial year no such instance.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES (188(1))

All the contracts/ arrangements/ transactions that were entered into by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. The Company had entered into any contract/ arrangement with related parties i.e., with its whole own U S a Subsidiary i.e. CES USA Inc. which could be considered material in accordance with the policy of the Company on materiality of related party transaction. All Related Party Transactions are approved by the Board and Shareholders of the Company.

RAMKY SLENIUM GACHIBOWLI, HYDERABAD:

The company is pleased to announce that it has purchased another property of 26,358 square feet at Fourth Floor, Ramky selenium, Nanakramguda, Gachibowli, Hyderabad – 08 from JMKGEC Realtors Private Limited and SDNMKJ Realty Private Limited. This property is located in the financial district, Hyderabad.

AMOUNT IF ANY, IF IT PROPOSES TO CARRY TO RESERVES:

During the end of the financial year the Company has not transferred any amount to reserves.

NO DIVIDENDS DECLARED FOR FINANCIAL YEAR 2015-16:

The Company is at expansion mode; therefore, Board is of Opinion that there is no need to declare dividends.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 13 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, to this report.

(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 weekends.
- 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 segment.

(c) Foreign Exchange earnings and outgo:

Particulars	31.03.2016	31.03.2015
Foreign Exchange Earnings (Rs.)	497,385,534/-	323,197,754/-
Foreign Exchange Outgo :		
Foreign Travelling (Rs.)	9,442,838/-	2,902,188/-
Professional & Consultancy Fees (Rs.)	4,352,580/-	-
Purchase of Capital Goods (Rs.)	8,468,630/-	-



AUDITORS

Statutory / Financial Audit

M/s P. Murali & Co Chartered Accountants (Regn No. 007257S) retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received confirmation that their appointment will be within the limits prescribed under Section 141 of the Companies Act, 2013

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.Sharda Putcha Company Secretaries in Practice (C.P No.8735) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure- III**.

Internal Auditors

Pursuant to provisions of section of 138 of Companies Act 2013 and Companies (Accounts) Rules, 2014, Board of Directors appointed Ram Mohan & Associates. (Regn No.007700S) as Internal Auditors of the Company

RELATED PARTY DISCLOSURE

Loans and Advances Made By Parent Company to Subsidiary Company

The Company has Given Rs. 1,52,73,844/-Loan to its Subsidiary Company I.e CES information Technology Private Limited.