

SERVE ALL ENTERPRISE SOLUTIONS LIMITED

23rd ANNUAL REPORT
2007 - 2008

**SERVE ALL ENTERPRISE
SOLUTIONS LIMITED**

**23rd
ANNUAL REPORT
2007-2008**

SERVE ALL ENTERPRISE SOLUTIONS LIMITED

BOARD OF DIRECTORS

Mr Ram Kancharla	:	Director
Mr. Venkat Davarapalli	:	Director
Mr. Venkata Subba Rao Kancharla	:	Executive & Non-Independent Director
Mr Mohana Rao Kancharla	:	Alternate Director for Ram Kancharla
Mr Srinivasa Chakravarti Yalamati	:	Alternate Director for Venkat Davarapalli
Mr. Jeetendra Kulkarni	:	Independent Director
Mr. Duruvasan	:	Independent Director

BANKERS

Citi Bank Limited, 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
Ahmedabad Stock Exchange Limited, Ahmedabad.

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of M/s. SERVE ALL ENTERPRISE SOLUTIONS LIMITED will be held on Tuesday, 30th day of December, 2008, at 11.30 A.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 for fifteen months ending 30th June 2008 (from 01.04.2007 to 30.06.2008) and the 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 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 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**

Sd/-
MOHANA RAO KANCHARLA
DIRECTOR

PLACE: HYDERABAD
DATE : 02-12-2008

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.
- b) PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
- c) THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED 27TH DECEMBER 2008 TO 30TH DECEMBER 2008 (BOTH DAYS INCLUSIVE)
- d) 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.

DIRECTORS' REPORT

To
The Members of
M/s. SERVE ALL ENTERPRISE SOLUTIONS LIMITED

The Directors have pleasure in presenting the 23rd Annual Report of the company together with the Audited Accounts for the fifteen months period ended on 30th June 2008 (01.04.2007 to 30.06.2008).

FINANCIAL RESULTS

	Fifteen months Ended 30.06.2008 (Rs.in Lakhs)	Year Ended 31.03.2007 (Rs.in Lakhs)
Turnover	384.30	83.22
Profit (+) / Loss (-)	25.27	10.34
Balance Brought Forward	(41.20)	(51.54)
Balance Carried Forward	15.93	41.20

FINANCIAL PERFORMANCE OF THE COMPANY

Your Directors are happy to inform that the business strategies implemented during the reporting resulted in encouraging trend. The turnover for the reporting period was recorded at Rs.384.30 Lakhs as compared to 83.22 Lakhs during the previous year and the profit for the period was noted at Rs.25.27 Lakhs as against Rs.10.34 Lakhs during the pervious year.

BUSINESS PURCHASE

In view of the present business mechanisms at global level, your Directors to have decided to step into strategic business arrangements thereby purchased the business including all trade receivables and payables of Computech Enterprises Solutions Private Limited by virtue of an agreement dated 20th March, 2008. This move proved right and figured the turnover more 4 times the previous year's turnover.

EXTENSION OF ACCOUNTING YEAR

In view of the business developments and strategic business arrangements, your Directors have decided to extend the Financial Year by 3 months and closing the Accounts for fifteen months beginning from 1st April, 2007 to 30th June, 2008. In this connection the Company has applied to the Ministry of Corporate Affairs for extension of financial year and the same was approved

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

- (a) Conservation of Energy: The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) Technology Absorption, adaptation and innovation:- No technology either indigenous or Foreign is involved.
- (ii) Research and Development (R & D): No research and Development has been carried out.

(b) Foreign exchange earnings : Rs.3,57,73,559/-

Foreign exchange out go : Rs.5, 84,959/-

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 are to report that no employee was in receipt of remuneration of Rs.24,00,000/- or more per annum or Rs.2,00,000/- or more per month where employed for a part of the year.

BOARD OF DIRECTORS

Mr. Venkat Davarapalli retires by rotation at the ensuing annual general meeting and being eligible offer himself for re-appointment.

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 224(1B) of the Companies Act, 1956. The Board recommended to the members to reappoint the auditors and authorize the Board of Directors of the Company to fix their remuneration.

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. Ahmedabad Stock Exchange Limited, Ahmedabad.

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

CORPORATE GOVERNANCE

The Clause 49 of the listing Agreement relating to the corporate governance is not applicable to the Company as the Paid up Capital of the Company is Rs. One Crore only

PERSONNEL

The relations between the management and the staff were very cordial throughout this year. Your Directors take this opportunity to record their appreciation for the Co-Operation and loyal services rendered by the employees.

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.

ACKNOWLEDGEMENTS

The Directors thank the company's customers, vendors, investors, business associates, bankers and other agencies for their support to the company.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

for and on behalf of the Board
for SERVE ALL ENTERPRISE SOLUTIONS LIMITED

PLACE : HYDERABAD.
DATE : 02-12-2008

Sd/-
(Mohan Rao Kancharla)
Director

Sd/-
(Srinivas Chakravarti Yalamati)
Director

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. Name	: Mr. Venkata Davarapalli
Age	: 43 Years
Qualifications	: MS in Information Technology, B L, M B A
Expertise	: Vast experience in Marketing and Immigration
Other Directorships	: 03

AUDITORS' REPORT

To
The Members,
SERVE ALL ENTERPRISE SOLUTIONS LIMITED

We have audited the attached Balance Sheet of SERVE ALL ENTERPRISE SOLUTIONS LIMITED as at 30th June, 2008 and also the Profit & Loss Account for the period ended on the date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's Report) order 2003 and as amended by the Companies (Auditor's Report)(Amendment) Order 2004, issued by the Central Government of India in terms of the sub-section(4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our Audit ;
 - (ii) 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 ;
 - (iii) The Balance Sheet & Profit & Loss Account dealt with by this report are in agreement with the books of account ;
 - (iv) In our opinion, the Balance Sheet & Profit & Loss Account dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956 ;
 - (v) On the basis of written representations received from the Directors, as on 30th June, 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 30th June, 2008 from being appointed Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956 ;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 30th June, 2008;
 - (b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date;
- And**
- (c) In the case of the Cash Flow, of the cash flows for the period ended on that date ;

For P.MURALI & CO.,
CHARTERED ACCOUNTANTS

PLACE : HYDERABAD
DATE : 02-12-2008

PARTNER

ANNEXURE TO THE AUDITORS' REPORT

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us , the fixed assets have been physically verified by the management at reasonable intervals and no material 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 has no Inventory. Hence this clause is not applicable.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(b) As the Company has not granted any loans ,the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties , is not applicable to the company.
(d) No loans have been granted to Companies,Firms & other parties listed in the register U/s.301 of the Companies Act, 1956 , hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.
(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 & 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 explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase 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) In our opinion and according to the information and explanation given to us , since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/s.301 of the Companies Act, 1956 does not arise.
- (b) According to the information and explanations given to us, as no such contracts or arrangements made by the company , the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- 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 Act 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 last of the 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 in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not taken any loans from Banks or Financial Institutions. Hence this clause of repayment of dues to financial Institutions or banks or debenture holders and the defaulted payment therein is not applicable to the Company.
- 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 loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions 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 and 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, the company has not obtained any Term Loans, hence this clause is not applicable.
- 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 used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and 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 does not have any 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 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

PLACE : HYDERABAD

DATE : 02-12-2008

PARTNER

Serve All Enterprise Solutions Limited
Hyderabad

Balance Sheet as at June 30 th, 2008

	Schedule	As at June 30, 2008		As at March 31, 2007	
		Rs.	Rs.	Rs.	Rs.
I SOURCES OF FUNDS					
Shareholders' Funds					
Share capital	1	10,000,000		10,000,000	
Reserves and surplus	2	1,348,500	11,348,500	1,348,500	11,348,500
Deferred Tax Liability	4		3,342		21,685
			11,351,842		11,370,185
II APPLICATION OF FUNDS					
Fixed Assets	3				
Gross block		371,398		301,222	
Less : Depreciation		79,769		46,134	
Net block		291,628	291,628	255,087	255,087
Goodwill			28,443		
Deffered Tax Asset					-
Current Assets, Loans and Advances					
Sundry debtors	5	304,996		1,089,750	
Cash and bank balances	6	1,419,523		807,498	
Loans and advances	7	17,258,307		6,450,091	
			18,982,825	8,347,339	
Less: Current Liabilities & Provisions					
Current liabilities	8	9,093,946		1,354,023	
Provisions	9	449,781		(1,821)	
		9,543,727		1,352,202	
Net Current Assets			9,439,098		6,995,137
Profit and Loss Account			1,592,673		4,119,961
			11,351,842		11,370,185

Notes to Accounts

15

The Schedules referred to above and Notes to Accounts form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For P. MURALI & CO
Chartered Accountants

For and on behalf of the Board of Directors
of Serve All Enterprise Solutions Limited

Sd/-

Mukund Vijay Joshi
Partner

Place: Hyderabad

Date: 02-12-2008

Sd/-

Mohana Rao Kancharla
Director

Sd/-

Srinivasa Chakravarti Y
Director

**Serve All Enterprise Solutions Limited
Hyderabad**

Profit and Loss Account for the period from April 1st, 2007 to June 30 th, 2008

	Schedule	For the period ended June 30, 2008 Rs.	For the year ended March 31 2007 Rs.
INCOME			
Turnover (Net)	10	38,428,617	8,322,850
Other income	11	1,751	-
		38,430,369	8,322,850
EXPENDITURE			
Personnel expenses	12	24,560,021	3,923,027
Operating and other expenses	13	10,050,787	3,240,955
Interest and finance charges	14	21,048	7,256
Depreciation	3	33,635	24,405
Exchange Fluctuation Loss		803,932	86,536
		35,469,423	7,282,179
PROFIT BEFORE TAXATION		2,960,945	1,040,671
Provision for current tax		308,000	
Fringe benefit tax		144,000	2,283
Deferred tax		(18,343)	4,685
PROFIT AFTER TAXATION		2,527,288	1,033,703
Profit brought forward from previous year		(4,119,961)	(5,153,664)
Surplus carried to Balance Sheet		(1,592,673)	(4,119,961)
Earnings Per Share-Basic		2.53	1.03
Nominal Value of Shares		10	10
Notes to Accounts	15		

The Schedules referred to above and Notes to Accounts form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date

For P MURALI & CO
Chartered Accountants

Sd/-

Mukund Vijay Joshi
Partner

Place: Hyderabad

Date: 02-12-2008

For and on behalf of the Board of Directors
of Serve All Enterprise Solutions Limited

Sd/-

Mohana Rao Kancharla
Director

Sd/-

Srinivasa Chakravarti Y
Director

Serve All Enterprise Solutions Limited

Balance Sheet as at June 30, 2008

	As at June 30, 2008 Rs.	As at March 31, 2007 Rs.
1. Share Capital		
Authorised: 20,000,000 (previous year 20,000,000) Equity shares of Rs.10 each	200,000,000	200,000,000
Issued, Subscribed and Paid Up 1,000,000 (previous year 1,000,000) Equity shares of Rs 10 each fully paid up	10,000,000	10,000,000
	10,000,000	10,000,000
2. Reserves and Surplus		
Profit & loss Account Profit brought forward from previous year		
General Reserve	1,348,500	1,348,500
	1,348,500	1,348,500

Serve All Enterprise Solutions Limited

Schedules to the Balance Sheet as at June 30, 2008

(Amount in Rs.)

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2007	Additions	As at June 30, 2008	Upto April 1, 2007	For the year	Upto June 30, 2008	As at June 30, 2008	As at March 31, 2007
Computers	58,500		58,500	15,822	11,854	27,676	30,824	42,678
Air Conditioners	28,000		28,000	1,341	1,663	3,003	24,997	26,659
Office equipment	-	9,600	9,600	-	335	335	9,265	-
Furniture and fixtures	214,722	60,576	275,298	28,971	19,784	48,755	226,542	185,750
Total	301,222	70,176	371,398	46,134	33,635	79,769	291,628	255,087
Previous year	301,222		301,222	21,729	24,405	46,134		255,088

Serve All Enterprise Solutions Limited

Schedules to the Balance Sheet as at June 30, 2008

	As at June 30, 2008 Rs.	As at March 31, 2007 Rs.
4. Deferred Tax		
Difference in depreciation as per tax books and financial books	(3,342)	(21,685)
	(3,342)	(21,685)
5. Sundry Debtors		
(Unsecured)		
More than six months		
Considered good	128,779	-
Considered doubtful	-	-
Other debts		
Considered good	176,217	1,089,750
Considered doubtful		
	304,996	1,089,750
Less: Provision for doubtful debts	-	-
	304,996	1,089,750
6. Cash and Bank Balances		
Cash on hand	645	645
Balances with Scheduled Banks:		
Current accounts	1,368,878	806,853
Deposit accounts	50,000	-
	1,419,523	807,498
7. Loans and Advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received **	15,153,806	5,965,591
Trade and other deposits	2,104,501	484,500
TDS Receivables		
	17,258,307	6,450,091
8. Current Liabilities		
Sundry creditors		
- due to small scale industrial undertakings	-	-
- due to others	1,365,070	1,295,350
Advance received from customers	7,516,250	-
Other liabilities	212,626	58,673
	9,093,946	1,354,023
9. Provisions		
Income tax (net of advance payments)	307,584	(18)
Fringe benefit tax (net of Advance tax payments)	142,197	(1,803)
	449,781	(1,821)

Serve All Enterprise Solutions Limited

Schedules to Profit and Loss Account for the period Ended June 30, 2008

	For the Period Ended June 30, 2008		For the Year Ended March 31, 2007	
10. Revenue				
Sale of Services				
From exports		35,773,559		8,322,850
From domestic operations		2,655,058		
		38,428,617		8,322,850
11. Other Income				
Interest on deposits - gross		1,751		-
		1,751		-
12. Personnel expenses				
Salaries, bonus and allowances		23,625,274		3,791,776
Contribution to provident fund		130,930		3,540
Gratuity		63,897		-
Staff welfare expenses		739,920		127,711
		24,560,021		3,923,027
13. Operating and Other Expenses				
Rent		2,789,482		494,000
Rates and taxes		21,820		995,263
Insurance		36,170		-
Electricity charges		183,901		-
Subscription charges		209,338		40,629
Travelling and conveyance		1,493,187		350
Communication expenses		1,168,261		351,854
Printing and stationary		722,776		64,140
Legal and professional charges		1,904,853		510,239
Auditors' remuneration				
Statutory audit fees	33,760		25,000	
Tax audit fees	5,000		5,000	
Out of Pocket expenses/Tax	2,448	41,208	2,448	32,448
Office maintenance		739,204		68,484
Computer Maintenance		666,555		668,651
Miscellaneous expenses		74,033		14,897
		10,050,787		3,240,955
14. Interest and Finance Charges				
Interest				
on Others		353		-
Bank charges		20,695		7,256
		21,048		7,256

SCHEDULE - 15
NOTES FORMING PART OF THE ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

General :

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

Revenue Recognition :

- (i) The Company follows the Mercantile system of Accounting and recognises income and expenditure on accrual basis.
- (ii) Revenue is not recognised on the grounds of prudence, until realised in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.

Depreciation and Amortisation :

Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule XIV of the Companies Act, 1956.

Inventories:

Inventories are valued at cost or market price whichever is lower.

Taxation :

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognised for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset and liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

Investments :

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable.

Gratuity :

Provision for Gratuity has been made on Actuarial basis, As per Accounting standard -15.

B. NOTES ON ACCOUNTS

1 Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975. NIL

2. Auditor's Remuneration :	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>
Audit Fee	33,708/-	32,448 /-

3. The Company is engaged in the development of Computer Software and Services. The Production and Sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

4. Expenditure in Foreign Currency:	<u>Current Year (Rs)</u>	<u>Previous Year (Rs.)</u>
Foreingn Travelling	5,84,959	Nil

5. Earnings in Foreing Exchange as reported by the Company to Government of India and as certified by the Management.

	<u>Current Year (Rs)</u>	<u>Previous Year (Rs.)</u>
Foreing Exchange Inflow	35,773,559	8,322,850

6. There are no dues to SSI Units outstanding for more than 30 days.

7. No confirmations were obtained from Debtors/Creditors as to the balances receivable from/payble to them as at year end.

8. In accordance with Accounting standard 22 (As 22) issued by the ICAI, the Company has accounted for deffered income tax during the year. The deffered income tax provision for the current year amounts to Rs.3,342/- towards deferred incometax Liability (Previous Year Rs21,685/- towards deferred income tax asset).

- 9 BUSINESS TRANSFER : The Business of COMPUTECH ENTERPRISE SOLUTIONS PRIVATE LIMITED transferred to the SERVE ALL ENTERPRISE SOLUTIONS LIMITED, All Trade related Receivables and Payables were transferred at Book values as per Business transfer Agreement dated 20th day of march 2008 for and amount of Rs .7,17,669.23/- Subject to approvals from Government Authorities which are under process.
10. The profit and loss account has been prepared for a period of 15 months i e from 01/04/2007 to 30/06/2008, hence the pevious year figures are not comparable
11. Cash flow statement is also made for a period of 15 months.
12. Previous year's figures have been regrouped wherever necessary.
13. The figures have been rounded off to the nearest rupee.

SIGNATURES TO SCHEDULES 1 To 15

As per our report of even date
For P.MURALI & CO.,
CHARTERED ACCOUNTANTS

Mukund Vijay Joshi
Partner

Place : Hyderabad
Date: 02/12/2008

For and on behalf of the Board of Directors
SERVE ALL ENTERPRISE SOLUTIONS LIMITED

Mohan Rao Kancharla
Director

Srinivasa Chakravarti Y
Director.

CERTIFICATE

To
The Board of Directors
Serve All Enterprise Solutions Limited
Hyderabad

We have examined the attached Cash Flow Statement of M/s Serveall Enterprise Solutions Limited for the year ended 30 th June, 2008. 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 2nd December, 2008 to the member of the company.

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

Sd/-
P.MURALI MOHANA RAO
PARTNER

PLACE: HYDERABAD
DATE : 02/12/2008

SERVE ALL ENTERPRISE SOLUTIONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30-06-2008

Particulars	Year Ended 31-03-2007 (Rupees)	Year Ended 30-06-2008 (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	1,040,671	2,960,945
Adjustments for:		
Diminution in Value of Investments	-	-
Foreign Exchange fluctuations	-	803,932
other income	-	19,297
Excess Provision for Tax Reserve Back	-	-
Depreciation	24,405	33,635
	-	-
Operating Profit before working capital changes	1,065,076	3,817,809
Trade and other receivables	(1,269,013)	(10,023,462)
Trade payables	956,926	6,935,991
Cash generated from operations	752,989	730,338
Interest paid	-	(19,297)
Direct taxes	(364)	(398)
	752,625	710,643
Cash flow before extraordinary items	752,625	710,643
Extraordinary items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	752,625	710,643
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Share of Profit \ (Loss) of Partnership Firm	-	-
Purchase of Fixed Assets	-	(70,176)
good will	-	(28,443)
Interest Received	-	-
Investment (increase) \ decrease in Partnership firm	-	-
Capital work-in-progress, Pre-operative Expenses	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	(98,619)
C. NET CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	-	-
NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS	752,625	612,024
Cash and Cash equivalents (Opening Balance)	54,873	807,498
Cash and Cash equivalents (Closing Balance)	807,498	1,419,523

For and on behalf of the Board

Sd/-
Mohana Rao Kancharla
Director

Sd/-
Y.S.Chakravarthi
Director

PLACE : HYDERABAD
Date: 02-12-2008

SERVE ALL ENTERPRISE SOLUTIONS LIMITED

Plot. No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034

PROXY FORM

I/We of
..... being a member/
members of the above named company hereby appoint of
..... as my/our proxy to vote for
me/us on my/our behalf at the 23rd Annual General Meeting of the company to be held on Tuesday, the 30th
December, 2008 at 11.30 AM at Plot. No.42, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034
and at any adjournment thereof.

Signed this..... day of December 2008.



- NOTE :
- a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself.
 - b) Proxy need not be a member.
 - c) The proxy form duly completed should be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.

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

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 23rd Annual General Meeting of the company to be held on Tuesday, the 30th December, 2008 at 11.30 AM 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.