

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

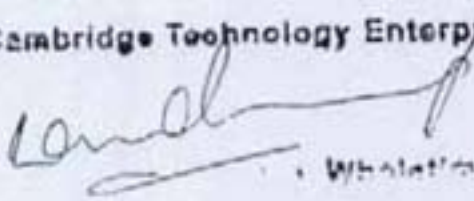
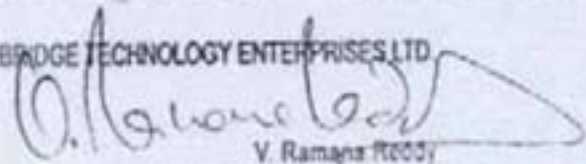

1	Name of the Company	Cambridge Technology Enterprises Limited
2	Annual Financial Statements for the year ended	31 st March, 2015
3	Type of Audit observation	i) Unqualified
4	Frequency of observation	N.A.
5	To be signed by- Whole-Time Director	<p>For Cambridge Technology Enterprises Ltd.,</p>  <p>Whole-time Director</p> <p>(Dharani Raghurama Swaroop – Whole-Time Director)</p>
	CFO	<p>For CAMBRIDGE TECHNOLOGY ENTERPRISES LTD</p>  <p>V. Ramana Reddy CFO & Company Secretary</p> <p>(VRamana Reddy, CFO & Company Secretary)</p>
	Auditors of the Company	<p>P. Murali Mohana Rao</p>  <p>(P.Murali Mohana Rao – Partner P. Murali & Co.,</p>
	Audit Committee Chairman	<p>Venkat M</p> <p>(Venkat Molaparthi) Chairman – Audit Committee</p>

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Message to the shareholders

Innovating and preparing for future growth

Dear Shareholders

FY2015 was an outstanding year for Cambridge Technology Enterprises (CTE). We ended the year as one of the companies to watch for in the coming year, in terms of our performance at the stock market and business delivery. It gives me great pleasure to extend our Annual Report.

FY2015 Highlights

Strong performance drove record revenues and earnings in FY2015. Total revenues were Rs. 3225.57 Lakhs - up 28% year-over-year, reflecting exceptional performance in acquiring new customers and delivering the best of the class services to the existing customers. Net profit rose to Rs. 312.36 Lakhs - up 182% while earnings per share rose to 1.59, surging to 184%.

CTE has emerged as one of the sought after companies in the technology marketplace, known for offering the best-of-the-breed services. Clear strategic vision, disciplined and long-term focused approach, and persistent team values have contributed immensely to the growth.

Innovative and Long Term-Focused

Our business plan entail our focus on the convergence of big data and cloud. We are one of the few companies to focus on this convergence and deliver subsequent value to our global customers. We are leveraging our partner network as well as are currently partners to Amazon Web Service, Forgerock, Rackspace, New Relic, and Oracle. As an Oracle Platinum Partner, we have developed core expertise in oracle suite, and have diversified our offerings as well as reach across verticals. Our emphasis on the mid-west region of the US has reaped us huge benefits, and we continue to focus in the US region. Apart from the US, we have also laid huge importance on India and have been able to bag contracts from some of the largest players across industries including, infrastructure, banking and finance, shipping, textiles, and manufacturing.

We thank our investors for their confidence in us, and our employees for persistent efforts and commitment that has contributed largely to our success. We look forward for continued performance going forward.

Aashish Kabra
Chairman

“ We continued to focus on our strategic business plan in FY2015 to achieve results for you.

Under a stable leadership and a focused approach, Cambridge Technology Enterprises increased its focus on customers and delivery, and is now better structured to serve customers while optimizing costs.

These are dimensions to achieve growth and maximize shareholder value. ”

Board of Directors

Aashish Kalra, Chairman

Aashish Kalra, Chairman, is a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. Initially, at CTE, Aashish Kalra was one of the co-founders of Cambridge/Samsung Partners, one of the earliest independent venture capital firm in Boston in 1996 in partnership with Samsung of Korea with a vision to provide funding and assistance for seed and early stage IT companies. Being a co-founder of Cambridge Samsung Resources, a leading Systems Integrator, he also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. As the Chairman, he foresees the global operations of CTE, providing strategic vision and leadership to the company. He is responsible for the overall company growth and expansion. He also holds a Master's degree in International Finance from Brandeis University, Waltham, USA, and graduated from St. Stephens College, Delhi with a Bachelor's degree in Economics (Honors). He did his thesis on the Japanese Financial System at Sophia University, Tokyo, Japan.

Dharani Raghurama Swaroop, Whole-time Director

Swaroop heads the overall operations in India and is responsible for the corporate governance and statutory compliances-related aspects of CTE. Prior to his association with CTE, Swaroop co-founded a successful IT systems integration company comprising of more than 150 personnel. Swaroop holds an electrical engineering degree from Jawaharlal Nehru Technological University, India.

Stefan Hetges, Director

Stefan joined CTE as a part of the acquisition of smartShift, the leading provider of tool-based modernization of complex IT systems. Stefan started his career as a consultant at Cambridge Technology Group. In 2001, Stefan acquired the assets of i-Cube from razorfish in a management buyout and formed smartShift. Stefan has a Masters in Computer from University of Constance.

Venkat Motaparthi, Independent Director

Venkat Motaparthi, a graduate in Pharmacy with Post graduation in Management has varied experience of over 25 years. He is a serial entrepreneur and had set up companies to manufacture telecom & transmission towers, industrial fasteners, and industrial chemical equipment. Currently, he is the President of VKR College and Chairman of VKR, VNR, and AGK Engineering College. He is also Chief Executive Officer of NTR Memorial Trust. He is actively associated with industries associations like FAPCCI, IALA and Non Profit Organization - Anokhi Aasha.

B. Muralidhar, Independent Director

B.Muralidhar is Director on Board of DS Unics Infotech Ltd, and is responsible for the finance and accounts of the company, he is a commerce graduate from Andhra University and MBA from Birla Institute of Technology and Science (BITS), Ranchi. He has played key role in setting up and scaling extensive IT hardware sales & services for the company and has all round exposure to software deployment, maintenance and support services for customers in India. Prior to joining DS Unics, he worked with Southern Agencies, and established the dealer network for them in and across the state in South India. He is a member of the following Committees of the board of the company viz., Audit Committee and Nomination and Remuneration Committee (formerly compensation committee). He occupies the Chairmanship in Stakeholders Relationship Committee (formerly Investors Relation & Shareholders Committee).

K. Jayalakshmi Kumari, Independent Director

Ms. Jayalakshmi Kumari holds Master's degree in Political Science from Andhra University, Master's Degree in Economics from Osmania University, Masters in Philosophy (Political Science) and Master's Degree in Education. She is an academician having extensive experience in teaching Political Science and Policy Administration. She has worked with an NGO- Human Action for Rural Development, Hyderabad (HARD). Presently, she is working a Professor in Nalanda Educational Institutions, Hyderabad.

Management Team

Sudip Kar - Vice President of Delivery

Sudip Kar heads the delivery and client management at CTE. He manages and nurtures the relationship of most of the large strategic clients in the United States. He helped CTE attain and maintain CMMi level 5. He also heads the PMO – the quality and delivery monitoring unit of CTE. Prior to joining CTE, he was a founding member of a USA based start-up in San Francisco Bay Area, and successfully merged its technology with a French conglomerate. Over his 20 years of experience in the IT industry, Sudip worked in India as well as USA for various companies like HCL, HP and Delsoft. Sudip holds a degree in Computer Science and Engineering from Jadavpur University.

Nitin Tyagi - Vice President of Enterprise Solutions

Nitin Tyagi heads the technical delivery in North America for Cloud Computing, Service-Oriented Architecture (SOA), Business Intelligence, and Data Warehousing.

He has over 15 years of professional global experience in the software industry and successfully led multiple consulting, client services, sales and delivery roles across companies. Prior to joining CTE, he led engineering, development, and commercial production efforts of ZDK-7100 Series Irdeto set-top boxes for Zintech Holding, B.V., Netherlands, a consumer electronic solution provider. He holds Masters and Bachelors in Computer Sciences.

V Ramana Reddy - Chief Financial Officer

V Ramana Reddy is the Chief Financial Officer of Cambridge Technology Enterprises. He has more than 12 years of experience in the areas of accounting, finance, and compliance in reputed organizations including Mukta Arts Limited, Reliance Industries Limited, and ICICI Bank Limited.

Ramana holds a Bachelor's Degree in Commerce. He is an Associate Member of the Institute of Company Secretaries of India, and a Certified Public Account from the American Institute of Certified Public Accountants. He is also a Level 3 student of Chartered Financial Analyst from CFA Institute, USA. Currently Mr. Ramana Reddy is also acting as Company Secretary.






T V Siva Prasad - Chief Financial Controller

T V Siva Prasad is the Chief Financial Controller of Cambridge Technology Enterprises. He has over 15 years of experience in accounting, finance and compliance. He has contributed extensively in reputed companies such as Tata Projects Ltd., Dr. Reddy's Laboratories, United Breweries and Tech Mahindra.

Siva is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He is also an associate member of the Institute of Company Secretaries of India and holds an Executive PG Diploma in Management from Indian Institute of Foreign Trade.

CTE overview

Our Brand Promise

-  Employee Centric
-  Customer Focused
-  Proactive
-  Innovative
-  Passionate



Overview

Cambridge Technology Enterprises (CTE) is an IT services leader focused on the convergence of big data and cloud. Recognized as a thought leader and innovator of enterprise solutions, CTE focuses on cloud application development and management, data warehousing, business intelligence (BI) and analytics on the cloud. Through designing and implementing enterprise IT strategies that leverage the cloud's capabilities, CTE's end-to-end services enable its customers to harness the data available to them. Its expertise across domains makes CTE a preferred choice for IT Strategy and Implementation to its customers.

CTE is building right partnerships, ensuring a strong human resource base and growing quickly as a sophisticated technology platform. Under the aegis of Aashish Kalra, the company has witnessed turnaround.

CTE is getting up to speed, making investments, setting up competencies and using management skills efficiently to be cost - effective. CTE has put together a business plan and it will take two years to realize its potential. CTE realizes the growing business potential in emerging technologies like big data and cloud and is focusing on the convergence of both the technologies. The company believes that this should yield better and quicker results considering the fact that it already achieved \$5 million in revenue, with an employee base of over 250.



Revenue

3225.57 lakhs

28%

Profit Before Tax (PBT)

364.63 lakhs

93%

Profit After Tax (PAT)

312.36 lakhs

182%

Earning Per Share (EPS)

184%

Key Financial Highlights FY2015



Our Partners

Oracle

Cambridge Technology Enterprises is an Oracle Platinum Partner, and as a Platinum partner, CTE is eligible to develop, sell, and implement the full stack of Oracle products and solutions. With its focus on cloud and the full suite of data services, CTE has partnered with Oracle to strengthen its product offering particularly with Oracle Cloud Solutions and Business Analytics.

Oracle Platinum Partners are measured on their superior product knowledge, technical expertise and commitment to Oracle. The Platinum level is for Oracle partners that have attained at least five qualifying specializations. OPN members at the Platinum level are recognized for their expertise across a broad range of products and technologies, and earn exclusive promotion and dedicated support.

Amazon Web Services (AWS)

Cambridge Technology Enterprises (CTE) has been an AWS partner since November 2009, since then CTE has developed a deep relationship with AWS spanning all disciplines in the organization and has invested heavily in the AWS technology stack. Currently CTE has more than thirty AWS certified Solutions Architects and a large percentage of our technical, sales and administrative staff have achieved the AWS Business and Technical Professional accreditation.

We have successfully delivered 100's of projects on AWS technology. CTE is committed to continue building AWS relationship and leveraging their technology for the benefit of our customers.

Rackspace

Cambridge Technology Enterprises, (CTE) has joined the Rackspace Partner Network to provide a portfolio of Hybrid Cloud solutions. Rackspace is a leading provider of hybrid clouds, which enable businesses to run their workloads where they run most effectively - whether on the public cloud, a private cloud, dedicated servers, or a combination of these platforms.

Tableau

Cambridge Technology Enterprises (CTE) has obtained the status of Preferred Alliance Partner with Tableau and as a Preferred Alliance Partner, CTE will integrate Tableau's software into its cloud and big data solutions that it deploys to help clients unlock the power of big data. The partnership will combine the global talent pool and client reach of CTE with Tableau's breakthrough analytics technology.

New Relic

CTE joined New Relic's partner program in 2014 and has been using New Relic technology since 2013. New Relic is an industry innovator that brings its leading application performance solutions to many markets currently served by CTE. By incorporating New Relic's solutions, CTE benefit from an increased top line and critical product differentiation.

CTE as a global cloud service provider we includes New Relic's functionality in its offerings to provide monitoring capabilities to a large percentage of its customer base. This gives increased flexibility in utilizing New Relics API's and makes integration even easier.

ForgeRock

Cambridge Technology Enterprises joined ForgeRock's partner program to leverage ForgeRock's identity solutions. Partnering with ForgeRock gives our customers an experience that's not just secure but also personalized to their needs and tastes.

The partnership provides both existing and new customers with an added array of application migration, development and managed services offerings coupled with ForgeRock's Access Management, Identity Management, Identity Gateway and Directory Services.

CTE has delivered a wide range of successful solutions to its customers. Our global presence and association with ForgeRock has positioned us to assist each of our customers to achieve its strategic cloud data initiatives effectively and efficiently, every time.



By leveraging partner network, CTE develops specializations that assists in business growth, increase in expertise, reaching higher levels of customer retention, and creating differentiation in the marketplace.

Director's report

DIRECTOR'S REPORT

Dear Members,

Your Directors are delighted to present the 16th Annual Report and the Company's audited financial statements for the year ended March 31, 2015.

Financial Summary

(Rs. In lakhs)

Particulars	Consolidated Results		Standalone Results	
	FY 2015	FY 2014	FY 2015	FY 2014
Revenue from operations	3225.57	2517.19	2589.77	2021.52
Expenses	(2654.69)	(2317.57)	(2275.29)	(1760.47)
Depreciation & Amortization	(308.67)	(71.18)	(308.67)	(68.74)
Profit from operations before interest, other income and exceptional items	262.21	130.11	5.82	192.31
Finance Charges	-	-	-	-
Other Income	102.42	60.41	102.42	65.11
Impairment of intangible assets	-	-	-	-
Impairment of goodwill	-	-	-	-
Prior period expenses	-	(0.16)	-	(167.44)
Change in carrying value of investments	-	-	-	-
Profit from Ordinary Activities Before Tax	364.63	188.85	108.23	255.74
Extra-ordinary item	-	-	-	-
Tax Expense	(52.27)	(78.08)	(20.39)	(76.55)
Net Profit	312.36	110.77	128.63	179.19
Profit & Loss Account Balance Brought Forward	(1632.58)	(1743.35)	(2897.42)	(3076.61)
Amount Available for Appropriation	(1340.62)	(1632.58)	(2768.79)	(2895.74)

Review of Operations for the FY 2014 - 15

During the financial year under review, the Company's total revenue increased to Rs. 2589.77 Lakhs on Standalone basis as compared to the previous year's total revenue of Rs. 2021.52 Lakhs, at a growth rate of 28%. Further, total revenue on consolidated basis increased to Rs. 3225.57 Lakhs as compared to the previous year's total revenue of Rs. 2517.19 lakhs, at a growth rate of 28%.

The Standalone PAT (Profit after Tax) stood at Rs. 128.63 Lakhs as against Rs. 179.19 Lakhs in 2014 and the Consolidated PAT increased to Rs.312.36 Lakhs as from Rs. 110.77 Lakhs in the previous year, at a growth rate of 182%.

Detailed analysis of financial statements is given in Management Discussion and Analysis Report forming part of this Annual Report.

Material changes and commitments affecting financial position between the end of financial year and date of report

There were no material changes and commitments affecting financial position of the company between 31st March, 2015 and the date of Board's Report. (i.e. 24/07/2015)

Business Overview, future outlook and prospects

Cambridge Technology Enterprises Limited (CTE) is a global business and technology services company. It is helping companies today to capitalize on convergence of Cloud and Big Data. CTE offers an end to end approach in designing and implementing enterprise IT strategies leveraging the cloud where it is possible and necessary. Because of its expertise across all relevant domains, CTE serves as a single source of IT Strategy and Implementation to its customers.

Cambridge Technology Enterprises (CTE) has multiple locations in North America, with offshore development offices in Hyderabad and Bangalore, India.

CTE is building right partnerships, ensuring a strong human resource base and growing quickly as a sophisticated technology platform. Under the leadership of Mr. Aashish Kalra, CTE is poised to grow with superior competencies and management skills. CTE realizes the growing business potential in emerging technologies like big data and cloud and is focusing on the convergence of the same.

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.

Dividend

Keeping in view the expected cash flow requirements and in order to conserve the resources for the future growth of the Company, the Board of Directors were not able to recommend any dividend for the financial year ended 31st March, 2015.

Fixed Deposits

Your Company did not accept any public deposits and no amount on account of principal or interest on public deposits was outstanding on the date of balance sheet.

Capital Structure

During the year, the authorized share capital and paid up capital of the Company remained unchanged at Rs. 300,000,000/- divided into 300,000,00 equity shares of Rs. 10/- each and Rs. 196,310,150/- divided into 19,631,015 equity shares of Rs. 10/- each respectively.

Adequacy of Internal Financial Control System

Your Company has in place adequate internal financial controls with reference to financial statements. These controls ensure the accuracy and completeness of the accounting records and preparation of reliable financial statements.

Report on Subsidiaries

During the year under review, one new company was incorporated as subsidiary to Cambridge Technology Enterprises Ltd viz., Cambridge Technology Inc USA.

As on March 31, 2015, the Company has one wholly-owned subsidiary viz., Cambridge Technology Inc USA.

During the year under review Cambridge Technology India Private Limited has ceased to be Subsidiary of Cambridge Technology Enterprises Limited. The Honorable High Court of Karnataka had approved for merger between the company and Cambridge Technology India Private Limited (formerly Q-soft Systems & Solutions Private Limited), Bangalore, vide order no. 140 dated 7th August, 2014. The merger is effective 1st April, 2012.

The consolidated financial statements of the Company including its subsidiary have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, A report on the performance and financial position of its subsidiary in the prescribed format AOC-1 as per the Companies Act, 2013 is appended as **Annexure - 1** to the Board's Report. As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary is available on the website www.ctepl.com. These documents will also be available for inspection during the business hours at the Registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

There are no Significant and material orders passed by the regulators or courts or tribunals during the year impacting the going concern status and company's operations in future.

Directors and Key Managerial Personnel

The Board of Directors of your Company comprises of 6 (six) Directors as on the date of this report representing the optimum blend of professionalism, knowledge and having varied experience in different disciplines of corporate functioning. Of these, 3 (three) Directors are Independent Directors.

Change in Designation

Mr. Stefan Hetges, Director had resigned as an Executive Director & CEO and has been re-designated as Non-Executive Director w.e.f. 14th May, 2015. The Board of Directors places on record its appreciation for the services rendered by him during his tenure as an Executive Director & CEO and welcome him on board as Non-Executive Director.

Retirement by rotation

Pursuant to provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Dharani Raghurama Swaroop (DIN: 00453250) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment to the office of directorship. Your Board of Directors recommend his re-appointment.

Appointments

Mr. Aashish Kalra (DIN: 01878010) was appointed as an Additional Director of the Company in Executive Capacity on 14th May, 2015 to hold office up to the date of ensuing Annual General Meeting and was also appointed as Chairman of the Board. Now the Board proposes to regularize the appointment of Mr. Aashish Kalra as a Director and further appoint him as a Whole - Time Director designated as Chairman and Chief Executive Officer (CEO) of the Company.

Pursuant to circular dated 17th April, 2014 issued by SEBI and provisions of Section 149 of the Companies Act, 2013, Ms. Jayalakshmi Kumari Kanukollu (DIN: 03423518) was appointed as an Additional Director of the Company during the year. She will hold office up to the date of ensuing Annual General Meeting. Now the Board proposes to appoint Ms. Jayalakshmi Kumari Kanukollu as an Independent Director of the Company. The company has received the requisite notice under Section 160 of the Companies Act, 2013 from member proposing her name for being appointed as an Independent director of the Company. The Company has received declaration from the above mentioned Independent Director of the Company confirming that she meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

A Brief profile of Mr. Aashish Kalra, Mr. Dharani Raghurama Swaroop & Ms. Jayalakshmi Kumari Kanukollu, Directors of the Company along with the nature of their expertise and the number of companies in which they hold directorship and membership / chairmanship of committees of the Board, as stipulated under Clause 49 of the listing agreement with the stock exchanges, are provided in the section on Corporate Governance in this Annual Report and also in the Explanatory Statement annexed to the notice of the Annual General Meeting.

Appropriate resolutions for the appointment/re-appointment of Directors are being placed for your approval at the ensuing Annual General Meeting.

Your Directors recommend the appointment/re-appointment of the aforesaid Directors by the Members at the ensuing Annual General Meeting.

Number of meetings of the Board

The Board met 7 (seven) times during the financial year on 30th May, 2014, 14th August, 2014, 5th November, 2014, 14th November, 2014, 22nd November, 2014, 12th February, 2015 and 14th March, 2015, in respect of which meetings, proper notices were given and proceedings were properly recorded and signed in the Minutes book maintained for the purpose. The intervening gap between any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

Declaration from Independent Directors on annual basis

The Company has received declarations from Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

Familiarization Program

Your Company, has been familiarizing the Independent Directors inducted on its Board with providing information relating to Company, its business model, strategic business plans, geographies in which Company operates and its future outlook. They are made to interact with senior management personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part which enable the Directors to contribute significantly to the Company. Details of familiarization programs extended to the Independent Directors during the year are also disclosed on the Company website from time to time at www.ctepl.com.

Performance Evaluation, Nomination and Remuneration Policy

The Board of Directors of your Company has, on recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management including criteria for determining qualifications, positive attributes, independence of director and Board evaluation.

The Nomination and Remuneration Committee identifies and ascertains the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment as per Company's Policy. While appointing Independent Directors, the Committee ensures that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business.

The level and composition of remuneration to be paid to the Whole-Time Director(s), KMPs, Senior Management Personnel and other employees are reasonable and sufficient to attract, retain and motivate directors, KMPs, Senior Management and other employees of the company. The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a remuneration/perquisites/Commission/Bonus/Performance Related Pay/ Incentive/ Fees, etc., as may be approved by the Board on the recommendation of the Committee and shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder.

The detailed policy on the same is available on the Company's website www.ctepl.com.

Annual Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 to the Listing Agreement, the Company has defined a framework for Performance Evaluation of Board, Committees & Independent Directors in the above said policy and the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees.

As per section 149(8) of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 14th March, 2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting recognized the significant contribution made by non-independent directors in the shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The performance of the Board has been evaluated based on the following parameters:

Contribution of the board to the development strategy, contribution of the board to ensuring robust and effective risk management, composition of the board and its committees, right balance of knowledge and skills to maximize performance, Board response to any problems or crisis that arose, matters specifically reserved for the board, Board communication with the management team, employees and others, updating to the Board with the latest developments in the regulatory environment and the market, Conduct of Board Meetings at suitable length, management response to the Board, receipt of timely information by the Board, etc.

Composition of Audit Committee

The Chairman of the Audit Committee is Mr. VenkatMotaparthi, Independent Director. The other members of the Audit Committee are Mr.B.Muralidhar, Independent Director and Mr. Dharani Raghurama Swaroop, Whole-Time Director.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act 2013, Your Directors confirm as under:

- (i) In preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and there were no material departures from prescribed accounting standards;
- (ii) We have selected such accounting policies and applied them consistently and made judgements 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 and loss of the company for that period;
- (iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) We have prepared the annual accounts on a going concern basis;
- (v) We have laid down internal financial controls, which are adequate and are operating effectively; and
- (vi) We have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate to operate the company effectively.

Stock Exchange Listing

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited. The Company confirms that it has paid the Annual Listing Fees due to the Stock Exchange for the year 2015-16.

Auditors & Auditors' report

M/s. P Murali & Co., Chartered Accountants, Hyderabad, statutory auditors of the company have conveyed their inability to continue as Statutory Auditors of the Company. They tendered their resignation on 16th July, 2015 vacating office from the conclusion of this Annual General Meeting.

Pursuant to the provisions of the Section 139 of the Companies Act, 2013 and Rules framed thereunder, subject to the approval of the shareholders and as per the recommendation of the Audit Committee the Board of Directors at their meeting held on 24th July, 2015, filled the casual vacancy by appointing M. Anandam & Co, Chartered Accountants, Hyderabad (Firm Regn. No 000125S) with effect from the conclusion of the ensuing Annual General Meeting. Further, the Board proposes to Shareholders that M. Anandam & Co, Chartered Accountants, Hyderabad (Firm Regn. No 000125S), be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. P Murali & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 007257S) and they shall hold office from the conclusion of this Annual General Meeting until the conclusion of next i.e., 17th Annual General meeting of the Company. M/s. Anandam & Co. Chartered Accountants have furnished the Certificate of their eligibility for appointment in compliance with Section 141 of the Companies Act, 2013. The Board recommends their appointment.

There are no qualifications/observations or adverse remarks in the Statutory Auditors Report for the financial year ended 31st March, 2015

Secretarial Audit

Ms. B. Krishnaveni, Company Secretary in Practice was appointed to conduct the audit of Secretarial and related records of the Company for the financial year 2014-15, pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and remuneration of Managerial personnel) Rules, 2014. The Secretarial Audit Report for financial year 2014-15 forms part of the Annual Report as **Annexure 2** of the Board's Report.

There are no qualifications/observations or adverse remarks in the Secretarial Auditors Report.

Extract of Annual Return

In accordance with Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure 3** of the Board's Report.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Particulars of employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 4** to the Board's Report.

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of Rs.60 lacs or more, or employed for part of financial year and in receipt of Rs.5 lac or more per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure 4** to the Board's Report.

Particulars of loans, guarantees or investments

Particulars of loans, guarantees and investments pursuant to Section 186 of the Companies Act, 2013 have been disclosed in the Financial Statements.

Particulars of contracts or arrangements with related parties

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and/or the Board of Directors for approvals. During the financial year, your Company has not entered into any material transaction with any of its related parties except with its subsidiaries / associates which might be deemed to have had a potential material conflict with the interest of the company. Disclosures on related party transactions have been made in the notes to the Financial Statements. To identify and monitor significant related party transactions, Company has also framed a policy on the related party transactions and the same is available on the Company's website www.ctepl.com. As all the transactions with related parties are on arm's lengths basis and in the ordinary course of business the particulars of the contracts or arrangements with related parties under Section 188 in Form AOC-2 is not enclosed herewith.

Transfer to Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, unclaimed or unpaid dividend relating to financial year 2007-08 amounting to Rs. 84,046/- is due for transfer on 21st November, 2015 to the Investor Education and Protection Fund established by the Central Government.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

- A. CONSERVATION OF ENERGY:** The operations of the Company involve low energy consumption. However, adequate measures have been taken to conserve energy wherever practicable.
- B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:** The Company continues to use the latest technologies for improving the quality of its operations. Provision of state of the art communication facilities to all software development centers and total technology solutions to its clients contribute to technology absorption and innovation.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**(Rs. in Lakhs)**

Particulars	Current year	Previous year
Foreign exchange earnings	2803.9	1776.6
Foreign exchange outgo:	Nil	Nil
Travel related Expenses	23.1	13.7

DISCLOSURE REQUIREMENTS**Vigil Mechanism**

During the year, the Board approved and adopted the Whistle Blower Policy. The Company had established a mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud. It also provides for adequate safeguards against the victimization of Directors and employees who avails the mechanism, and allows direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistleblower policy is available on the Company's website i.e., www.ctepl.com

Prevention of Sexual Harassment at Workplace

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013" ("Act") and Rules made thereunder, your Company has constituted Internal Complaints Committee ("ICC"), where employees can register their complaints against sexual harassment. This is supported by the Sexual Harassment Policy which ensures a free and fair enquiry process with clear timelines. During the year under review, there were no complaints received by the ICC.

Corporate Social Responsibility

Since your Company does not meet applicable requirements i.e. net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, in pursuance of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility, the Company need not adopt any Corporate Social Responsibility Policy.

Risk Management

Shareholders are requested to refer a separate section on Internal Control systems and their adequacy, which also deals with Risk Management, in Management Discussion and Analysis Report. The threats monitored in the said report are being monitored periodically.

Employee Stock Option Scheme

The details of Employee Stock Options as on 31st March, 2015 are given in Annexure-5 to this report, as per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The details of employee stock option pursuant to Regulation 14 of the aforesaid regulations are available on the Company's website i.e., www.ctepl.com

Regulation 31(2)(b) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (herein after referred to as SEBI Regulations) specifies that all listed companies having existing schemes to which these regulations apply are required to comply with these regulations in their entirety within one year of the same coming into effect. Accordingly, your Board recommended changes to the existing schemes viz., CTEL ESOP Scheme 2011, CTEL ESOP Scheme 2008, CTEL ESOP 2006, details of which forms part of Notice of this Annual General Meeting.

Corporate Governance

Your Company is committed to maintain the prescribed standards of Corporate Governance and has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of Corporate Governance Report. Certificate from Mrs. B. Krishnaveni, Company Secretary in Practice has been obtained confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement.

Appreciations and Acknowledgements

Your Directors look to the future with confidence. Your Directors wish to express their appreciation for the valuable support and co-operation received from customers, investors, lenders, business associates, bankers, various statutory authorities and society at large. The Directors also thank the State Governments, Government of India, Governments of various countries, other Government Departments and Governmental Agencies. Your Directors are especially indebted to employees of the Company and its subsidiaries at all levels, who through their dedication, co-operation, support and dynamic work have enabled the company to achieve rapid growth. Your Directors seek, and look forward to the same support during the future years of growth.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 24th July, 2015

Dharani Raghurama Swaroop
Whole-Time Director

Venkat Motaparthi
Director

Annexure - 1

Statement containing the salient features of the financial statements of subsidiaries

(in Rs in lakhs)

Name of the Subsidiary	Reporting Period	Reporting Currency & Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for Taxation	Profit after taxation	Proposed Dividend	% of share-holding
Cambridge Technology Inc., USA	31 st March, 2015	USD & 62.5908	0.062	780.39	1517.60	1517.60	0.00	1089.38	256.39	72.66	183.72	NIL	100

Note:

- Names of Subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries liquidated or sold or strike off during the year: NIL

V Ramana Reddy
CFO & Company Secretary

Dharani Raghurama Swaroop
Whole-Time Director

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013
and rule No.9 of the Companies (Appointment
and Remuneration Personnel) Rules, 2014]

To,
The Members,
Cambridge Technology Enterprises Limited
CIN:L72200TG1999PLC030997
Unit No. 04-03, Level 4,
Block 1, Cyber Pearl,
Hi-Tec City,
Madhapur,
Hyderabad – 500 081

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cambridge Technology Enterprises Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the year as there no relevant transactions during the audit period :

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that the Company has complied with the following law specifically applicable to the Company as declared by the Management of the Company:

- (i) The Information Technology Act, 2000.

I have also examined compliance with the Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India. The Secretarial Standards issued by The Institute of Company Secretaries of India are not applicable during the audit period.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that an investment in Wholly Owned Subsidiary has been made by means of Circular Resolution instead of resolution passed at Board Meeting.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. "The company's wholly owned subsidiary **M/s. Cambridge Technology India Private Limited**, Bangalore was merged with Cambridge Technology Enterprises Limited w.e.f. 1st April, 2012 as per the order dated 7th August, 2014 received from the Honorable High Court of Karnataka pursuant to Section 391 and 394 of the Companies Act, 1956" which is to be registered by the Registrar of Companies, Telangana.
2. The Company has incorporated a Wholly Owned Subsidiary viz. Cambridge Technology Inc. in US for overseas operations during the audit period.

Place : Hyderabad
Date: 24th July, 2015

B.KRISHNAVENI
ACS : 9686
C P No.:4286

Extract of Annual Return [pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72200AP1999PLC030997
2.	Registration Date	28 th January, 1999
3.	Name of the Company	Cambridge Technology Enterprises Limited
4.	Category/Sub-category of the Company	Public Company/ Limited by shares
5.	Address of the Registered office & contact details	Unit No.04-03, Level 4, Block 1, Cyber Pearl, Hitec City, Madhapur, Hyderabad - 500081
6.	Whether listed company	YES - BSE and NSE
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarathi Consultants Private Limited 1-2-285, Domalguda, Hyderabad - 500029. Telangana. Tel: +91-40-27638111 Fax: +91-40-27632184 Mail ID: info@aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Computer Programming, Consultancy and related activities	620	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name & Address of the Company	CIN/GLN Associate	Holding/Subsidiary/ held	% of Shares Section	Applicable
1	Cambridge Technology Inc.	N.A.	Subsidiary	100	2(87)

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Foreign	0	0	0	0	0	0	0	0	0
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	9209693	0	9209693	46.91	9209693	0	9209693	46.91	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other (Foreign Bodies Corporate)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	9209693	0	9209693	46.91	9209693	0	9209693	46.91	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) Foreign Companies	0	57381	53381	0.29	0	57381	57381	0.29	0
Sub-total (B)(1):-	0	57381	53381	0.29	0	57381	57381	0.29	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	668991	0	668991	3.41	670730	0	670730	3.42	0
ii) Overseas	0	0	0						0
b) Individuals	0	0	0						0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2673586	1210	2674796	13.63	2623557	1210	2624767	13.37	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2656245	0	2656245	13.53	2654869	0	2654869	13.52	0
c) Others (specify)	0	0	0	0	0	0	0		0
Foreign Bodies									0
Clearing Members	90049	0	90049	0.46	54922	0	54922	0.28	0
Non Resident Indians	1210107	546976	1757083	8.95	1294900	546976	1841876	9.38	0
Overseas corporate Bodies	2056600	309920	2366520	12.06	2056600	309920	2366520	12.06	0
Trusts	0	0	0	0	0	0	0	0	0
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	150257	150257	0.77	0	150257	150257	0.77	0
Sub-total (B)(2):-	9355578	1008363	10363941	52.79	9355578	1065744	1008363	53.09	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	9355578	1065744	10421322	53.09	9355578	1065744	10421322	53.09	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	18565271	1065744	19631015	100	18565271	1065744	19631015	100	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Cloud Computing LLC	Nil	Nil	Nil	9209693	46.92	Nil	Nil
2	Internet Business Capital Corporation*	8399269	42.80	Nil	Nil	Nil	Nil	100%
3	Cell Exchange Inc*	810424	4.13	Nil	Nil	Nil	Nil	100%

*There was an inter-se transfer of shares by promoters' viz. Internet Business Capital Corporation and CellExchange Inc., to Cloud Computing LLC.

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Internet Business Capital Corporation* At the beginning of the year Transfer on 08.07.2014* At the end of the year	8399269 (8399269) Nil	42.80 42.80 Nil	8399269 Nil Nil	42.80 Nil Nil
2	CellExchange Inc. At the beginning of the year Transfer on 08.07.2014* At the end of the year	810424 (810424) Nil	4.13 4.13 Nil	810424 Nil Nil	4.13 Nil Nil
3	Cloud Computing LLC At the beginning of the year Acquired through inter-se transfer on 08.07.2014* At the end of the year	Nil 9209693 9209693	Nil 46.92 46.92	Nil 9209693 9209693	Nil 46.92 46.92

*There was an inter-se transfer of shares by promoters' viz. Internet Business Capital Corporation and CellExchange Inc., to Cloud Computing LLC.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SmartShift AG At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	2056600 0.00 2056600	10.48 0.00 10.48	2056600 0.00 2056600	10.48 0.00 10.48
2	Sarosh Kersie Waghmar At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	630160 0 630160	3.21 0 3.21	630160 0 630160	3.21 0 3.21
3	Raymond J Lane At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	500000 0 500000	2.55 0 2.55	500000 0 500000	2.55 0 2.55

4	Bhaskar C Panigrahi At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	454423 0 454423	2.31 0 2.31	454423 0 454423	2.31 0 2.31
5	DRR Swaroop - Trustee At the beginning of the year Transfer on account of ESOP Exercise – Date: 16 th January, 2015 At the end of the year	454031 (1600) (Transfer) 452431	2.31 0.008 2.30	454031 452431 452431	2.31 2.30 2.30
6	Master Capital Services Limited At the beginning of the year Increase in Shareholding during the year At the end of the year	0 443300 443300	0 2.26 2.26	0 443300 443300	0 2.26 2.26
7	Devinder Prakash Kalra At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	393000 0 393000	2.00 0 2.00	393000 0 393000	2.00 0 2.00
8	Girish Rajeshwar Chaitanya At the beginning of the year Open Market Sale – Date: 27 th March, 2015 At the end of the year	341690 (10000) 331690	1.74 0.05 1.69	331690 331690 331690	1.69 1.69 1.69
9	OurVox Holdings LLC At the beginning of the year Open Market purchase At the end of the year	309920 0 309920	1.58 0 1.58	309920 0 309920	1.58 0 1.58
10	Suresh Gadaley At the beginning of the year Open Market Purchase At the end of the year	0 130600 81643 212243	0 0.67 0.41 1.08	0 130600 212243 212243	0 0.67 1.08 1.08

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dharani Raghurama Swaroop At the beginning of the year Increase/Decrease during the year At the end of the year	180723 0 180723	0.92 0 0.92	180723 0 180723	0.92 0 0.92
2	B Muralidhar At the beginning of the year Increase/Decrease during the year At the end of the year	288 0 288	0.001 0 0.001	288 0 288	0.001 0 0.001

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/ accrued but not due for payment: **NIL**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Remuneration to Managing Director, Whole-time Directors and/ or Manager:

S.No.	Particulars of Remuneration	Name of WTD	Total Amount
Dharani Raghurama Swaroop			
1	Gross salary	20,00,000	20,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission- as % of profit- others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	20,00,000	20,00,000
	Ceiling as per the Act	42,00,000*	42,00,000

* Note : Ceiling as per Schedule -V of the Companies Act, 2013.

B. Remuneration to other directors

Other Directors are NOT paid remuneration except the Sitting Fees.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N.A.	15,91,484	Refer Note	15,91,484
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	NIL	NIL	NIL
2	Stock Options	N.A.	25,000 stock options	NIL	25,000 stock options
3	Sweat Equity	N.A.	NIL	NIL	NIL
4	Commission	N.A.	NIL	NIL	NIL
	- as % of profit	N.A.	NIL	NIL	NIL
	others, specify...	N.A.	NIL	NIL	NIL
5	Others, please specify	N.A.	NIL	NIL	NIL
	Total	N.A.	15,91,484	N.A.	15,91,484

*Note: Mr. V Ramana Reddy occupies the position of Company Secretary and CFO.

VII. PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES:

There were NO penalties/ punishment/ compounding of offences for the year ending March 31, 201

A. Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment & Remuneration) of Managerial Personnel) Rules, 2014

- (i) Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2014-15.

Sl No	Name of Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in remuneration
1	Dharani Raghurama Swaroop	Whole-Time Director	3.91	33%
2	V Ramana Reddy	CFO & Company Secretary	Not Applicable	8.22%

- (ii) The percentage increase in the Median remuneration of employees for the financial year was 13.67%.
- (iii) The Company has 184 permanent employees on the rolls of the Company as on March 31, 2015.
- (iv) Relationship between average increase in remuneration and Company's performance:
The revenue from operations for the financial year ended March 31, 2015 increased by 28 % in comparison to March 31, 2014, whereas average increase in remuneration was 9.13 % and increase in median remuneration was 13.67 %. The average increase in median remuneration was in line with the performance of the Company.
- (v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:
Given the superior business performance and the performance of the Key Managerial Personnel, appropriate reward by way of increase in salary have been awarded to the Key Managerial Personnel for the current year. The total remuneration of Key Managerial Personnel increased by 20% in 2014-15 whereas revenue from operations increased by 28 %.
- (vi) The Market Capitalization of the Company as on March 31, 2015 was Rs. 35.28 crores as compared to Rs. 6.93 crores as on March 31, 2014. The price earnings ratio of the Company was 11.30 as at March 31, 2015 and was 3.88 as at March 31, 2014. The closing share price of the Company on BSE Ltd on March 31, 2015 being Rs. 17.97 per equity share of face value of Rs.10/- each has declined 53 % since the Initial Public offer made in the year 2007.
- (vii) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year was 9.13% whereas increase in the remuneration of managerial personnel was 20%. Given the superior business performance and the performance of the Key Managerial Personnel, appropriate reward by way of increase in remuneration have been awarded to the Key Managerial Personnel for the current year.
- (viii) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:
The total remuneration of Mr. Dharani Raghurama Swaroop, Whole - Time Director and Mr. Venna Ramana Reddy, CFO & Company Secretary increased by 33% and 8.22% respectively in 2014-15, whereas revenue from operations increased by 28 %.
- (xi) Key parameters for any variable component of remuneration to Directors: Not Applicable
- (x) The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: 0.27
- (xi) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

B. Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

None of the employees have received remuneration exceeding the limits specified as per the above stated rules during the financial year 2014-15.

Annexure - 5

Summary of status of ESOPs granted:

S.No.	Particulars	CTEL Employee Stock Option Scheme - 2006	CTEL Employee Stock Option Scheme - 2008	CTEL ESOP Scheme 2011
1	Approved options	15,00,000	15,00,000	10,45,000
2	Options Granted	12,36,542	15,00,000	6,44,000
3	Options vested	23,886	38,234	50,000
4	Options unvested	Nil	Nil	Nil
5	Options exercised	41,021	1,025,015	1,600
6	Options lapsed	11,71,635	4,36,751	5,92,400
7	Total number of options in force	23,886	38,234	50,000
8	Variation in terms of ESOP	Clause for recovery of FBT from employees incorporated	Not Applicable	Not Applicable
9	Total number of shares arising as a result of exercise of options	Nil (exercised shares issued from the ESOP Trust)	Nil (exercised shares issued from the ESOP Trust)	Not Applicable
10	Options lapsed	Nil	Nil	Nil
12	Money realized by exercise of options (Rs)	Not Applicable	Not Applicable	Not Applicable
13	Diluted EPS pursuant to issue of shares on exercise of option calculated in accordance with AS 20	Not Applicable	Not Applicable	Not Applicable
14	A description of the method and significant assumptions used during the year to estimate the fair values of the options:			
	Description	Details		
	A description of the method and significant assumptions used during the year to estimate the fair values of the options, including the following weighted average information:	The Fair value of options was calculated using the Black Scholes option pricing model. The following assumptions have been used:		
	i. Risk free interest rate	6.73% - 7.85%		
	ii. Expected life	3 - 4 years		
	iii. Expected volatility	63.77% to 72.66%		
	iv. Expected dividends	0 %		
	v. The price of the underlying share in market at the time of option grant.	Market Price		

A. Employee - wise details of options granted to:

- Key Managerial Personnel - **Not Applicable**
- Any other employee who received a grant in any one year of options amounting to 5% or more options granted during the year - **Not Applicable**
- Identified employees who were granted options during any one year equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - **Not Applicable**

B. Weighted average exercise price fair value of options granted during the year whose:

- Exercise price equals market price Yes
- Exercise price is greater than market price Nil
- Exercise price is less than market price Nil

C. The stock based compensation cost calculated as per the fair value method prescribed by SEBI, to be recognized in the financial statements for the year 2014-15 would be Rs. Nil.

Management discussion and analysis report

Industry trends and future predictions

Top trends:

- Innovation is taking on a new character, that's about innovation at scale, velocity, and low cost.
- Living in the midst of innovation communities is "the new oxygen."
- We are in a period of reassessment, and redefinition, of our organizations' core and sustainable capabilities for the 3rd Platform era.
- Massive reconfigurations of value chains - in the IT industry and in every other industry - are under way.
- Digital transformation is changing business models - including revenue models.
- Declining PC usage and increasing mobile device adoption is driving a "mobile first" world.
- Digital transformation and a proliferation of data are fundamentally changing the relationship between businesses and their customers.
- Digital disruption is changing the market context and competitive landscape of most industries.
- Work styles and the means to engage talent are becoming more agile in the digital world.

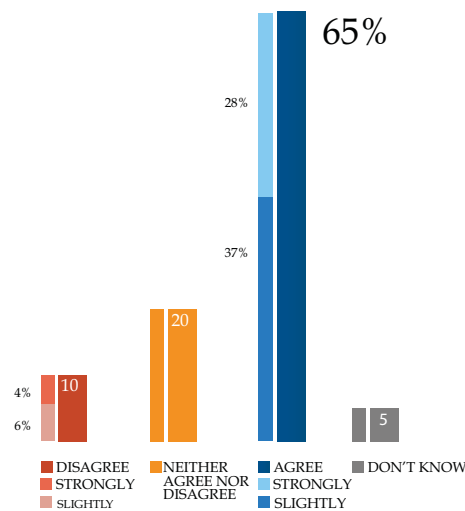
3rd Platform Datacenters:

- Underneath the cloud and mobile foundation for the 3rd Platform, we will see massive investments in IT hardware and software for next-generation datacenters.
- Datacenter growth will accelerate its shift toward cloud SPs (versus enterprise). By 2016, over 50% of raw compute capacity and 70% of raw storage capacity installed worldwide will be in cloud, mobile, and big data-optimized hyperscale datacenters.
- Cloud service providers will drive a new renaissance in hardware innovation.
- By 2020, IDC predicts that nearly half of all server units shipped will be based on custom design specifications, driven by the customer (mostly SPs) rather than server OEMs.
- Vendor consolidation will continue across the server, storage, software, and networking silos.
- The door will open wider for ODM/OEM strategic partnerships and M&A.

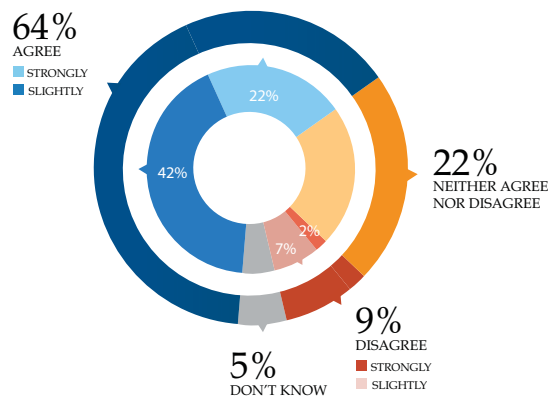
Big Data

- Rich media analytics will emerge as the key driver for BDA technology investment.
- Data as a Service (DaaS) will become a strategic supply chain for cloud platform and analytics players (including industry platforms).
- Enterprises will increase their investment in Big Data over the next three years.
- IoT will be the next critical focus for data/analytics services.
- Investment in big data over the next three years will outstrip past investment in information management.
- Big data is changing traditional business boundaries and enabling non-traditional providers to move into their industry.
- Companies see risk of becoming irrelevant and/or uncompetitive if they do not embrace big data.
- Business leaders see the monetization of data potentially becoming as valuable as existing products and services.

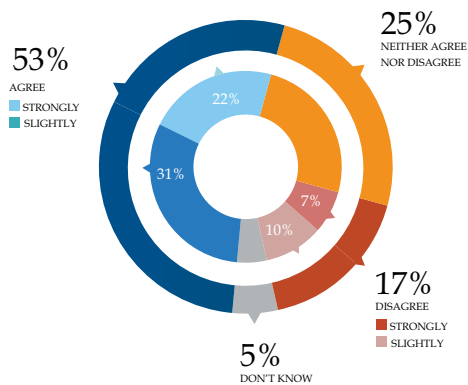
65% OF THE BUSINESS LEADERS BELIEVE COMPANIES WILL BECOME IRRELEVANT / UNCOMPETITIVE IF THEY DO NOT EMBRACE BIG DATA



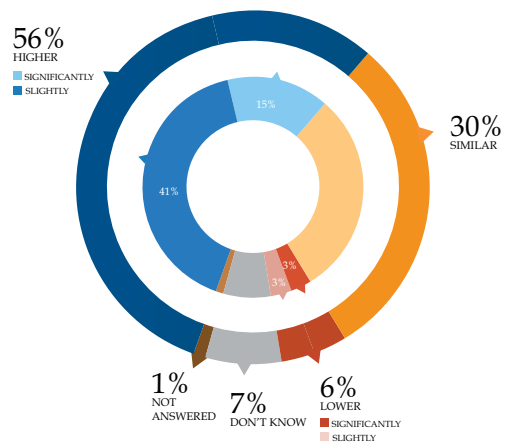
64% BUSINESS LEADERS STRONGLY BELIEVE: BIG DATA IS CHANGING TRADITIONAL BUSINESS BOUNDARIES



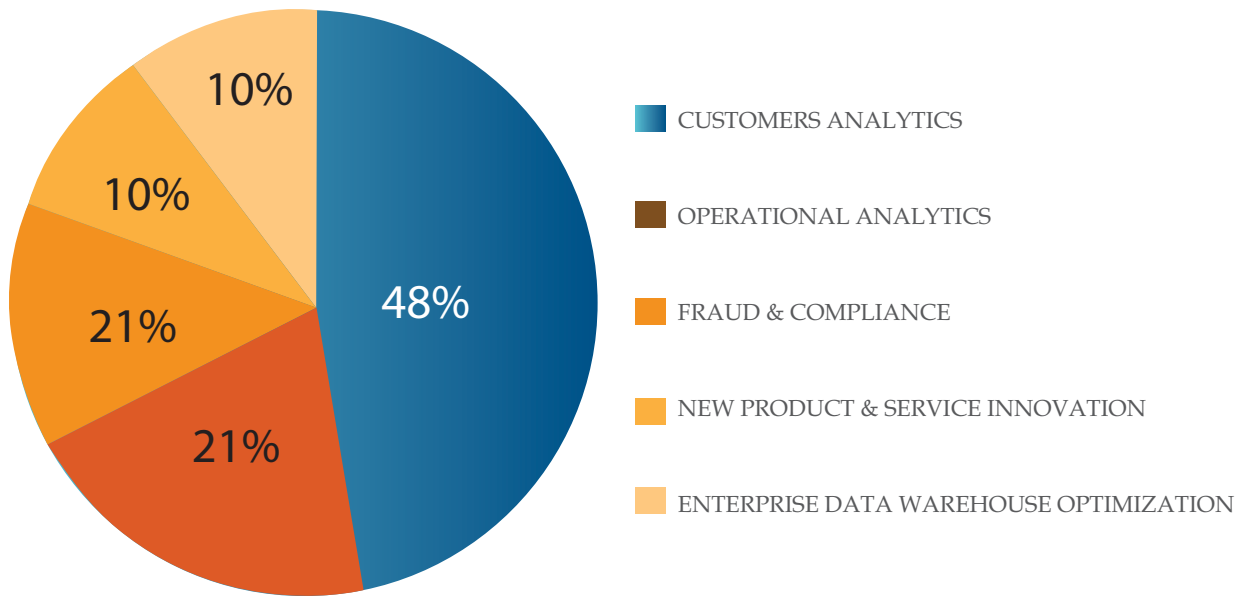
53% OF BUSINESS LEADERS ARE FACING INCREASED COMPETITION FROM DATA ENABLED START-UPS



56% OF BUSINESS LEADERS BELIEVE THERE WILL BE SIGNIFICANT FUTURE INVESTMENT IN BIG DATA IN NEXT 3 YEARS

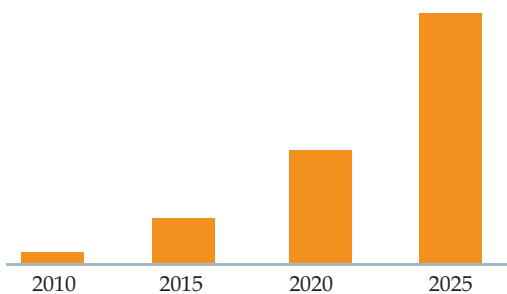


BIG DATA "USE CASES" WITHIN BUSINESSES

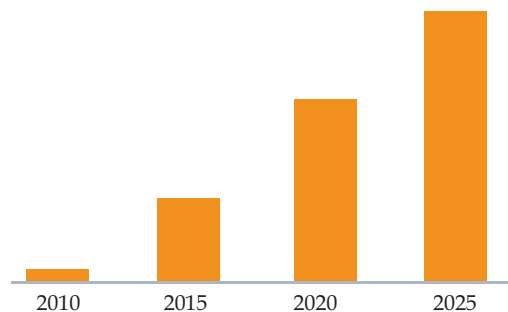


90% OF THE DATA IN THE WORLD HAS BEEN CREATED IN THE LAST TWO YEARS ALONE

GLOBAL BIG DATA TRAFFIC TO CROSS 100 ZETTABYTES ANNUALLY BY 2025



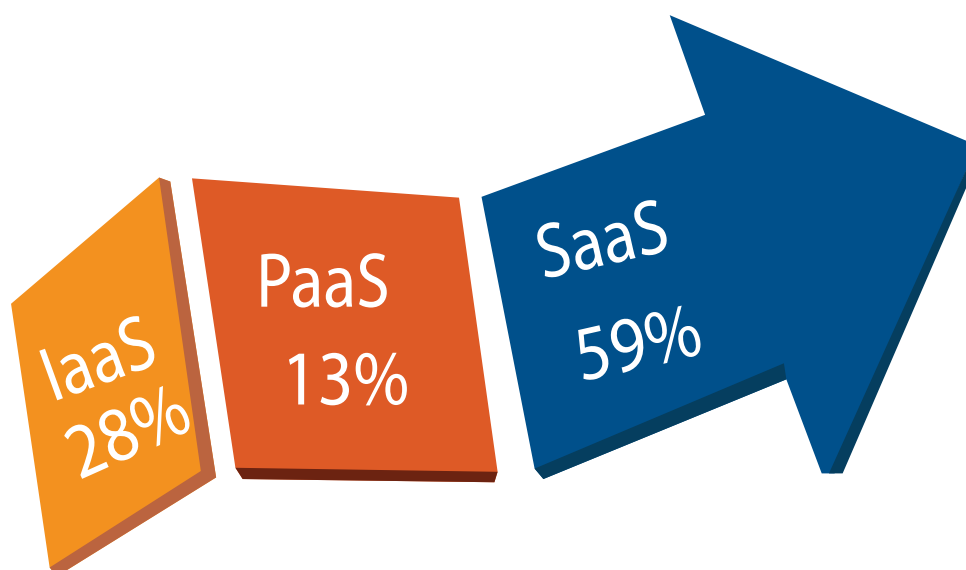
GLOBAL BIG DATA MARKET TO GENERATE A REVENUE OF OVER \$122 BILLION BY 2025



Cloud

- SaaS & cloud-based business application services revenue is forecasted to be at \$32.8B in 2016.
- Global SaaS software revenues are forecasted to reach \$106B in 2016, increasing 21% over projected 2015 spending levels.
- SaaS revenue is expected to increase to \$132.57 in 2020, attaining a CAGR of 9.14%.
- IDC predicts that by 2016, there will be an 11% shift of IT budget away from traditional in-house IT delivery, towards various versions of cloud computing as a new delivery model.
- By 2018, IDC forecasts that public cloud spending will more than double to \$127.5 billion.
- By 2016, over 80% of enterprises globally will be using IaaS, with investments in private cloud computing, showing the greater growth.
- The SaaS Supply Chain Management (SCM) market is predicted to a \$4.4B market by 2018, attaining a 19% CAGR from 2014 to 2018.
- Enterprise cloud subscription revenues are forecasted to reach \$67B by 2018, attaining a CAGR of 17.3% in the forecast period.
- By 2018, more than 60% of enterprises will have at least half of their infrastructure on cloud-based platforms.

By 2018
SAAS will be the most highly
 deployed global Cloud Service



Sources:

1. Technology Vision 2015 by Accenture
2. Top 10 Strategic Predictions for 2015 and Beyond- Gartner
3. EY Megatrends report 2015
4. 2015 KPMG technology industry outlook survey
5. Big & Fast Data: The Rise of Insight-Driven Business by EMC2 and Capgemini
6. Forbes and Forrester reports
7. IDC Predictions 2015: Accelerating Innovation - and Growth - on the 3rd Platform



Strengths

- Stable leadership team
- Our focus on partnership based revenue
- Geographical expansion
- Depth of offerings
- Investment in trainings
- Talent pool
- Quality of process execution



Opportunities

- Increased acceptance of new technologies
- Market demand of big data and cloud
- By 2018, SaaS will be the most highly deployed global cloud service
- Few companies operate in the domain of convergence of big data and cloud
- India as a mid - tapped market



Threats

- Increase in number of IT companies
- Change in economic, political and legal frameworks
- Ability to keep pace with change in technology dynamics
- Volatility in currencies

Review of Consolidated Balance Sheet

(₹ in millions)

Particulars	31 st March, 2015	31 st March, 2014
Shareholder's Funds		
(a) Share Capital	196.31	196.31
(b) Reserves and Surplus	92.94	62.46
Long term provisions	6.84	8.86
Deferred Tax Liabilities (Net)	(0.24)	1.80
TOTAL	295.85	269.43
Consolidated Goodwill	97.71	122.14
Fixed Assets	56.00	8.30
Long term loans and advances	29.38	24.56
Other Non-Current Assets	11.32	10.56
Current Assets, Loans and Advances		
(a) Sundry Debtors	77.59	109.62
(b) Cash and Bank Balances	19.64	16.31
(c) Loans and Advances	4.79	2.36
(d) Other current assets	54.11	25.70
Less: Current Liabilities and Provisions		
(a) Current Liabilities	(0.36)	(19.62)
(b) Trade payables	(19.62)	(6.81)
(c) Provisions	(34.71)	(23.37)
TOTAL	295.85	269.43

a. Paid up share capital

Paid up share capital of the Company stands at ₹196.31 Mn constituting 19,631,015 shares. There was no change in the paid up capital from previous year.

b. Reserves and Surplus

Reserves and Surplus have increased from ₹ 62.46 in FY 2013-14 to ₹ 92.95 Mn in FY 2014-15, because of increase in consolidated profit from ₹ 11.08 Mn in FY 2013-14 to ₹ 31.24 Mn during FY 2014-15.

c. Goodwill

Consequent to the merger of its erstwhile wholly owned subsidiary Cambridge Technology India Private Limited (CTIPL), the Company decided to amortize goodwill over a period of 5 years. After amortizing ₹ 24.43 Mn of goodwill, there stands ₹97.71 Mn standing in the books as on 31st March, 2015.

d. Fixed Assets

Net fixed assets have gone up from ₹ 8.30 in FY 2013-14 to ₹ 56.00 Mn in the current financial year under review, an increase of ₹ 47.70 Mn. Significant transactions in fixed assets are as below:

- 1) *Tangible Assets:* Additions to computers and software of ₹ 4.26 Mn in addition to ₹ 3.56 Mn of leasehold improvements.

Intangible Assets: The assignment rights the Company bought to the tune of ₹ 46.69 Mn as of 31st March, 2015. These rights will give Company access to intellectual property rights and rights to own potentially big projects.

e. Debtors

Receivables exceeding more than 6 months have decreased from ₹ 1.75 Mn in FY 2013-14 to ₹0.84 Mn due to better collection practices adopted by the Company during the current financial year under review. Remaining debtors are also considered good and realizable. Debtors of less than 6 months old have decreased from ₹ 107.88 Mn in FY 2013-14 to ₹ 76.75 Mn in FY 2014-15.

f. Loans & Advances

Long term loans and advances increased from ₹ 24.55 Mn in FY 2013-14 to ₹ 29.38 Mn including ₹ 21.77 Mn of fixed deposits with Bank for securing BGs. Short term loans and advances have gone up marginally ₹2.44 Mn from ₹ 2.36 Mn in FY 2013-14, to ₹ 4.79 Mn during the current year under review.

g. Current Liabilities

Current Liabilities have gone up marginally from ₹ 50.12 Mn from FY 2013-14 to ₹54.69 Mn as on 31st March, 2015. The increase is majorly attributable to creating an incremental provisions of ~ 11.01 Mn to support growing operations. Trade payables have been paid almost entirely resulting in a reduction from ₹ 19.62 Mn in FY 2013-14 to ₹ 0.37 Mn during the financial year under review.

Review of Consolidated Profit & Loss Account

(₹ in millions)

Particulars	31 st March, 2015	31 st March, 2014
Income from Operations	322.56	251.72
Profit/(loss) from Operations before other income, interest, and exceptional items	50.65	19.05
Other Income	10.21	6.04
Impairment of goodwill	24.43	-
Profit before tax	36.46	18.88
Tax Expense	5.23	7.81
Net Profit/(loss) for the year	31.24	11.08

Note : Since the corporate structure has changed in January 2015, all figures are not comparable. The Consolidated P&L figures for FY 2015 include the revenues and expenses of a wholly owned subsidiary Cambridge Technology Inc., USA from 1st January, 2015 onwards.

a. Income from Operations

Operating revenue has increased by 28% from ₹251.72 Mn in FY 2013-14 to ₹322.56 Mn in FY 2014-15. This is because of incremental revenue from newly created subsidiary Cambridge Technology Inc (CTI) in USA.

b. Expenditure

i. Employee Cost

Employee cost including salaries, bonus, and other staff welfare expenses have gone up by 11.34% from ₹170.67 Mn in FY 2013-14 to ₹ 190.02 Mn during the current financial year.

ii. Contract Employee Cost

There was a marginal increase in the contract employee cost by from ₹ 4.32 Mn in FY 2013-14 to ₹ 6.47 Mn in FY 2014-15. Executing projects with contract employees will give company flexibility to align resources with exact requirements.

iii. General and Administrative Expenses

General and administrative expenses have gone up by 73.13%, from ₹ 23.74 Mn in the previous year to ₹41.10 Mn in the current year. The increase is mainly attributable to increasing in travelling expenses with increased business traction, increase in computer hire charges and increased office maintenance costs.

c. **Depreciation**

There was a reduction in depreciation expenses from ₹ 7.12 Mn to ₹6.44 Mn in the current financial year, because of changing depreciation as per new Schedule II of the Companies Act, 2013, which mandates providing depreciation as per useful lives of the Company.

d. **Other Income**

Other income has increase by ₹4.20 Mn in 2014-15 to ₹10.24 Mn in the current period under review, contributed substantially by tax credits in erstwhile wholly owned subsidiary CTIPL to the extent of ₹5.3 Mn, exchange fluctuation gains of ₹2.96 Mn and interest income from bank deposits of ₹ 1.98 Mn.

e. **Interest and Finance charges**

There were no interest and finance costs as the Company was a debt free company at the end of the financial year under review.

f. **Profit After Tax**

The bottom line has increased from a profit of ₹11.08 Mn in FY 2013-14 to a profit of ₹ 31.24 Mn during the current year, which is an increment of about 182%, because of increase in revenue and controlling associated costs.

Review of Standalone Balance Sheet

(₹ in millions)

Particulars	31 st March, 2015	31 st March, 2014
Shareholder's Funds		
(a) Share Capital	196.31	196.31
(b) Reserves and Surplus	75.07	(42.17)
Long term provisions	6.84	6.26
Deferred Tax Liabilities	(0.24)	5.73
TOTAL	277.98	166.13
Fixed Assets	9.32	7.20
Goodwill	97.71	—
Non-current investments	59.92	135.48
Loans and advances	29.38	23.94
Other non-current assets	11.32	10.56
Current Assets, Loans and Advances		
(a) Sundry Debtors	62.00	101.26
(b) Cash and Bank Balances	4.11	14.40
(c) Loans and Advances	1.41	2.35
(d) Other current assets	28.92	1.82
Less: Current Liabilities and Provisions		
(a) Trade payables	(6.27)	(4.85)
(b) Provisions	(19.48)	(19.73)
(c) Other current liabilities	(0.36)	(106.30)
TOTAL	277.98	166.13

a. **Paid up share capital**

Paid up share capital of the Company stands at ₹ 196.31 Mn constituting 19,631,015 shares. There was no change in the paid up capital from previous year.

b. Reserves and Surplus

Reserves and Surplus has increased by ₹ 117.24 Mn in from a negative ₹42.17 Mn in the financial year 2013-14 to ₹75.07 Mn during the financial year under review. This was possible for better operating profits of the company and for accounting treatment of investments in erstwhile wholly owned subsidiary CTIPL.

c. Goodwill

This goodwill has arisen because of merger of wholly owned subsidiary. This year an amount of ₹ 24.43 Mn was amortized and rest ₹ 97.71 Mn will be amortized over the next 4 financial years.

d. Non-current Investments

During the year under review your Company made investments of its wholly owned subsidiary Cambridge Technology Inc. USA to the extent of ₹ 59.92 Mn. The Company had had an investment in CTIPL to the value of ₹135.49 Mn as of 31st March 2014. This investment has been transferred to goodwill account and proposed to amortize over the next 5 years including amortization of ₹24.43 Mn during the financial year under review, upon receipt of merger order with the holding company.

e. Short term provisions

Short term provisions dropped by 0.25 Mn from 19.72 Mn in FY 2013-14 as against 19.49 Mn in current financial year. Included in the ₹19.49 Mn of current year provisions are provision for employee benefits of ₹ 7.89 Mn, provision for statutory dues of ₹1.64 Mn, and expense provisioning of ₹ 3.70 Mn.

f. Fixed Assets

Gross fixed assets of ₹ 131.12 Mn were added during the year under review. Additions include ₹ 3.5 Mn of leasehold improvements, ₹ 1.04 Mn of computers, and ₹ 3.2 Mn of software licenses.

g. Debtors

Receivables exceeding more than 6 months 0.84 Mn and balance 61.17 Mn trade receivables are outstanding for less than 6 months. During the year the receivables have been reduce to ₹ 62.00 Mn from ₹ 101.26 Mn in FY 2013-14. With better working capital management.

h. Other current assets

Other current assets include ₹ 25.39 Mn of TDS receivable arising due to merger of its wholly owned subsidiary Cambridge Technology India Private Limited (CTIPL).

Review of Standalone Profit & Loss Account

(₹ in millions)

Particulars	31 st March, 2015	31 st March, 2014
Income from Operations	258.98	202.15
Profit/(loss) from Operations before other income, interest, and exceptional items	25.01	19.23
Other Income	10.24	6.50
Prior period expenses	0	0.16
Profit before tax	10.82	25.57
Tax Expense	(2.04)	7.65
Net Profit for the year	12.86	17.92

a. Income from Operations

Income from operations had went up by 28.11% to ₹ 258.98 Mn in the current period from ₹ 202.15 Mn in the previous year. For this financial year, Company billed revenue to our sole foreign subsidiary Cambridge Technology Inc., erstwhile subsidiary smartShift Technologies Inc., and small portion domestic clients consequent upon merger of CTIPL with the Company.

b. Other income

Other income has increase by ₹3.73 Mn in 2014-15 to ₹10.24 Mn in the current period under review, contributed substantially by tax credits in erstwhile wholly owned subsidiary CTIPL to the extent of ₹5.3 Mn, exchange fluctuation gains of ₹2.96 Mn and interest income from bank deposits of ₹ 1.98 Mn.

c. Expenditure

i. Employee Cost

Employee costs have increased by 27.11% for the year ended 31st March, 2015 which stood at ₹ 161.42 Mn as against ₹ 126.99 Mn a year ago. Incremental employee cost because of new recruitments and high wage pressure because of attrition in the software industry. Every effort is being made to reduce employee costs under control.

ii. Sub-contracting fees

The sub-contracting fees has increased by 32.53% from ₹ 1.19 Mn to ₹ 1.59 Mn in financial year under review. This is in continuation with Company's efforts to rationalize project execution with best mix of contract and full time employee and rationalize costs and increase profitability.

iii. General and Administrative Expenses

General and administrative expenses have increased by 34.77% during FY 2014-15, from that of previous financial year to ₹ 66.11 Mn. Included under this head are power & fuel ₹ 3.46 Mn (₹4.38 Mn), rent ₹ 18.25 Mn (₹ 19.75 Mn), software license cost ₹7.34 Mn (₹0.31), consultancy charges ₹ 5.00 Mn (₹ 3.23 Mn), office maintenance ₹ 6.65 Mn (₹4.77 Mn), and travelling ₹ 7.35 Mn (₹ 5.21 Mn).

d. Depreciation

There was a marginal decrease in depreciation from ₹ 6.87 Mn in FY 2013-14 to ₹6.44 Mn in FY 2014-15. A depreciation of about ₹ 1 Mn on computers, ₹0.75 Mn on leasehold improvements, and ₹ 4.15 Mn on software licenses was provided during the year under review.

e. Other Income

The other income during the FY 2014-15 was ₹10.24 Mn, whereas the same was ₹ 6.51 Mn in FY 2013-14. The Increase is majorly explained by other Misc Income was 5.30 Mn and got increased by 4.15 Mn in FY 2014-15, whereas the same was 1.16 Mn in FY 2013-14 and decrease in exchange fluctuation gain of ₹ 2.96 Mn versus ₹ 4.06 Mn in the previous year. There also bank interest of ₹ 0.69 Mn increased in the current year.

f. Amortization of goodwill

Consequent to the merger of its erstwhile wholly owned subsidiary Cambridge Technology India Private Limited (CTIPL), the Company decided to amortize goodwill over a period of 5 years. After amortizing ₹ 24.43 Mn of goodwill, there stands ₹ 97.71 Mn standing in the books as on 31st March, 2015.

g. Income Tax Expense

During the year under review Company did not create any provision for income tax and utilized deferred taxes to the extent of ₹2.04 Mn, because of accumulated losses from erstwhile wholly owned subsidiary smartShiftgroup Limited, Mauritius, standing in the books .

h. Profit After Tax

There has been a decrease in profitability from a net profit of ₹ 17.92 Mn in previous financial year to ₹ 12.86 Mn for the period under review, mainly for the amortization of goodwill the net profit for the year ending 31st March, 2015 would have been ₹ 37.29 Mn, an increase of more than 100% over previous year net profit.

Internal Control systems and their adequacy:

CTE's Board and management team monitor and make enhancements to the company's systems for internal control and risk management on an ongoing basis. The company's efforts towards this go beyond what is mandatorily required, with active monitoring and review to ensure adequacy of control systems and to identify

potential risks as well as recommend or implement measures to mitigate them.

CTE's internal control system is adequate considering the nature, size and complexity of its business. The company's internal control systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company assets. These also enable the company to adhere to procedures, guidelines, and regulations as applicable in a transparent manner.

Company's internal control systems are supplemented by an internal audit program and periodic reviews by the management. CTE has appointed an independent audit firm as its Internal Auditors, and the Audit Committee reviews its findings and recommendations at periodic intervals.

Material developments in Human Resources/Industrial Relations front, including number of people employed

Our employees are our most important and valuable assets. As of 31st March, 2015, CTE and its subsidiaries had employed approximately 184 employees. The key elements that define our culture include professional working environment, training and development, and compensation.

CORPORATE GOVERNANCE REPORT

Your Company has complied in all respects, with the requirements of the Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchanges. A report on the implementation of the Corporate Governance Code of the Listing Agreement by your Company is furnished below:-

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Cambridge Technology Enterprises Limited ("CTEL" or "the Company") shall endeavor to adhere to values of good corporate governance and ethical business practices to maintain sound standards of Business Conduct and Corporate Governance.

The Company's philosophy of corporate governance is to consistently communicate and make timely disclosures, so as to ensure transparency, integrity and accountability to enhance the value of the stakeholders and achieve sustainable growth of the Company.

A. BOARD COMPOSITION

Composition and Category of Directors

The Board consists of five Directors comprising 2 (Two) Executive Directors, 3 (three) Independent Directors, as on March 31, 2015. The composition of the Board represents with appropriate professional backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their specialized areas. The Board of directors, along with its committees, provides leadership and guidance to the management and directs and supervises the performance of the Company. The Board of the Company comprises Five Directors which includes one Women Director.

(i) The composition of the Board of Directors is as under:

Name	Age	No. of other Directorships	Committee Membership (1)	Chairmanship in Committees (2)
<i>Whole Time Director</i>				
Stefan Hetges	52	1	Nil	Nil
Dharani Raghurama Swaroop	56	1	3	Nil
<i>Independent Directors</i>				
Venkat Motaparthy	53	1	3	2
B Muralidhar	53	3	3	1
K Jayalakshmi Kumari	46	Nil	1	Nil

(1) Including memberships in Committees of CTEL

(2) Including chairmanships in Committees of CTEL

b. Director's attendance at Board and Annual General Meeting

During the financial year 2014-15, Seven Board Meetings were held. Director's attendance at Board and Annual General Meeting are as below:

Name	No. of Board Meetings held during the tenure of	No. of Board Meetings attended	Attendance in last AGM held on 29.12.14 (Yes / No)
Stefan Hetges\$	7	1	Yes
D R R Swaroop	7	7	Yes
Venkat Motaparthy	7	6	Yes
B Muralidhar	7	6	Yes
K Jayalakshmi Kumari*	7	Nil	No

*Appointed as Additional Director w.e.f. 14th March, 2015.

\$ Resigned as Whole-Time Director & CEO on 14th May, 2015 and continues to be a director.

(ii) Composition and Category of Directors as of March 31, 2015 is as follows:

Category	No. of Directors	%
Executive Directors	2	40
Independent Directors	3	60
Total	5	100

(iii) Number of Board Meetings held, dates on which held:

The Board of Directors duly met 7 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

30th May, 2014, 14th August, 2014, 5th November, 2014, 14th November, 2014, 22nd November, 2014, 12th February, 2015 and 14th March, 2015.

(iv) Particulars of Directorships of other Companies**OTHER DIRECTORSHIPS**

Name of the Director and Designation	Name of the Company	Position
Dharani Raghurama Swaroop	DS UnicsInfotech Private Ltd	Director
Stefan Hetges Whole-Time Director & CEO*	SmartshiftTecnologies Private Ltd	Director
VenkatMotaparthly Independent Director	Aikia Solution Private Limited	Director
B Muralidhar Independent Director	DS UnicsInfotech Private Ltd	Director
	Triton Aqua Tech Private Ltd	Director
	Credosys Technologies Private Ltd	Director
K Jayalakshmi Kumari Independent Director	Nil	Nil

*Resigned as Whole-Time Director & CEO on 14th May, 2015 and continues to be a director.

(v) No. of other Board Committees they are Members/ Chairman

Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee
VenkatMotaparthly - Chairman	B Muralidhar - Chairman	VenkatMotaparthly - Chairman
B Muralidhar - Member	VenkatMotaparthly - Member	B Muralidhar - Member
Dharani Raghurama Swaroop - Member	Dharani Raghurama Swaroop - Member	Dharani Raghurama Swaroop - Member

There are no 'material non-listed subsidiary company' as defined under Clause 49 of the Listing Agreement.

1. Independent Directors:

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

a. Training of Independent Directors:

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, strategic business plans, geographics in which company operates and its future outlook.

The terms of appointment of Independent Directors has been placed on the Company's website at www.ctepl.com

b. Performance Evaluation of non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

c. Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 14th March, 2015, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The manner in which the evaluation was carried out has been explained in the Board Report.

B. COMMITTEES OF THE BOARD**1. Audit Committee:****i. Terms of reference**

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is inline with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement.

ii. Composition

The Audit Committee of the Company consists of 2 Independent Directors and 1 Executive Director as Member. The Chairman of the Audit Committee is financially literate and majority of them having accounting or related financial management experience. Representative of Statutory Auditor is permanent invitee. Company Secretary acts as Secretary to the Committee.

The composition and details of the meetings of the Audit Committee as on 31 March 2015 are as follows:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Venkat Motaparthy	Chairman	4	4
B Muralidhar	Member	4	3
Dharani Raghurama Swaroop	Member	4	4

iii. No. of Meetings held during the year

During the year the Committee had 4 Meetings i.e. on 30th May, 2014, 14th August, 2014, 14th November, 2014 and 12th February, 2015

The Chairman of the Audit Committee was present at the last Annual General Meeting.

2. Nomination and Remuneration Committee

i. Terms of Reference

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

ii. Composition

The Nomination and Remuneration Committee of the Company consists of 2 Independent Directors and one Executive Director including Chairman.

The composition and details of the meetings of the Nomination and Remuneration Committee as on 31 March 2015 are as follows:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Venkat Motaparthly	Chairman	1	1
B Muralidhar	Member	1	1
Dharani Raghurama Swaroop*	Member	1	1

*Note: Ms.K.Jayalakshmi Kumari was appointed as Member w.e.f. 14.03.2015 in place of Mr. Dharani Raghurama Swaroop who has resigned from the committee

iii. No. of Meeting(s) held during the year

During the year the Committee had 1 meeting i.e. 14th March, 2015

3. Corporate Social Responsibility Committee (CSR): Pursuant to the provisions of Section 125 of the Companies Act, 2013 read with Rule 2 to 9 of the Act, are not applicable to the company as on 31st March, 2015.

4. Stakeholders Relationship Committee

i. Terms of Reference

The Committee focuses primarily on monitoring expeditious redresses investors / stakeholders grievances and also function in an efficient manner that all issues / concerns stakeholders are addressed resolved promptly.

ii. Composition of the Committee

The Stakeholders Relationship Committee looks after the Investor Grievances. The Stakeholders Relationship Committee of the Company consists of two Independent Directors and one Executive Director including Chairman.

iii. No. of meetings held and attendance during the year

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
B Muralidhar	Chairman	Nil	Nil
Venkat Motaparthly	Member	Nil	Nil
Dharani Raghurama Swaroop	Member	Nil	Nil

5. Name and Designation of Compliance Officer:

Mr. V Ramana Reddy, Company Secretary and Compliance Officer.

6. **Shareholder's Complaints:** There were no complaints either at the beginning of the year or at the end of the year.

7. **Remuneration, Shareholding and Stock Options held by Directors:**

Following table provides remuneration provided to Directors for their services during the year 2014-15 along with their shareholding and stock options:

Amount in (Rs.)

Name	Salary	Allowances/ Commission	Sitting Fees	No. of Shares held	Stock Options
DRR Swaroop	20,00,000	-	-	1,80,723	Nil
VenkatMotaparthi	-	-	1,30,000	Nil	Nil
B Muralidhar	-	-	90,000	288	Nil

8. **Profile of Directors**

As per Clause 49(I)(G) of the Listing agreement, following are the brief profile of director retiring by rotation during the financial year 2014-15 and Independent director(s)/Whole-Time Director appointed by the Board.

Dharani Raghurama Swaroop - Director retiring by rotation

Mr. Swaroop heads the overall operations in India and specifically responsible for all the corporate governance and statutory compliances related aspects of CTEL. Prior to his association with CTE Swaroop co-founded a successful IT Systems integration company with a team size of over 150 personnel. Swaroop holds Degree in Electrical Engineering from Jawaharlal Nehru Technological University from Jawaharlal Nehru Technological University, India.

Brief profile of Mr. Dharani Raghurama Swroop is given below:

Name of Director	Dharani Raghurama Swaroop
DIN	0453250
Date of birth	9th April, 1959
Date of appointment on the Board	29th January, 1999
Qualifications	Degree in Electrical Engineering from Jawaharlal Nehru Technological University.
Profile of the Director	Mr. Swaroop heads the overall operations in India and specifically responsible for all the corporate governance and statutory compliances related aspects of CTEL. Prior to his association with CTE Swaroop co-founded a successful IT Systems integration company with a team size of over 150 personnel. Swaroop holds Electrical Engineering Degree from Jawaharlal Nehru Technological University, India.
Nature of his expertise in specific functional areas	Statutory Compliances and overseeing Indian Operations.
Directorships held in other companies	DS Unics Infotech Private Limited
Chairman/Member of the Committees of the Company	Member in Audit Committee and Stakeholders Relationship Committee
Membership of Committees of the Board held in other Companies	NIL
No. of shares held in the Company	1,80,723 as on 31st March, 2015
Relationship with other directors of the Company	None

K Jayalakshmi Kumari – Independent Director

Jayalakshmi Kumari holds Master's degree in Political Science from Andhra University, Master's Degree in Economics from Osmania University, Master in Philosophy (Political Science) and Master's Degree in Education. She is an academican having extensive experience in teaching Political Science and Policy Administration. Presently she is working as Professor in Nalanda Educational Institutions, Hyderabad.

Please refer detailed profile of K Jayalakshmi Kumar under Item no.5 of explanatory statement of AGM notice.

Ashish Kalra – Additional Director in Executive Capacity

Aashish Kalra, Director of Cambridge Technology Enterprises is a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. Initially, at CTE LLC, Aashish Kalra was also one of the co-founders of Cambridge/Samsung Partners, one of the earliest independent venture capital firm in Boston in 1996 in partnership with Samsung of Korea with a vision to provide funding and assistance for seed and early stage IT companies. Being a co-founder of Cambridge Samsung Resources, a leading Systems Integrator, he also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. CTE LLC has been associated as founders and investors of several successful technology companies.

He foresees the global operations of CTE, providing strategic vision and leadership to the company. He is responsible for the overall company growth and expansion. He has been consistently quoted in leading Indian and International media and was featured in the "Young Turks" program on CNBC. He is an international speaker and has participated in several industry events in America, Europe, India, China and the Middle East. In 2008, he was named one of the "Outstanding 50 Asian Americans in Business".

Aashish attended The Doon School at Dehradun in India. He also holds a Master's degree in International Finance from Brandeis University, Waltham, USA, and graduated from St. Stephens College, Delhi with a Bachelor's degree in Economics (Honors). He did his thesis on the Japanese Financial System at Sophia University, Tokyo, Japan.

Please refer detailed profile of Aashish Kalra under Item no. 6 of explanatory statement of AGM notice

9. Disclosures

i) Related Party transaction during the year

(Rs. In Lakhs)

S.No.	Particulars of the party	Relationship	Nature of Transactions	Amount	
				2014-15	2013-14
1.	CT Inc, USA	100% Wholly Owned Subsidiary	Services Rendered	449.52	N.A.
2.	SmartShift Inc, USA	Other Company in which director is interested	Services Rendered	1,777.23	2021.52
3.	Mr. Dharani Raghurama Swaroop	Whole Time Director	Remuneration	20.00	15.00
4.	Mr. Venna Ramana	Chief Financial Officer & Company Secretary	Remuneration	15.91	14.71
5.	Mr. Stefan Hetges	Chairman & CEO	Remuneration	0.00	0.00

All related party transactions are at arm's length basis and in the ordinary course of business.

ii) Vigil Mechanism

During the year, the Board approved & adopted the Whistle Blower Policy. The Whistleblower policy is available on the Company's website i.e., www.ctepl.com. No personnel has been denied access to the Audit Committee.

iii) 'Code of Conduct' (Code) formulated by the Company has been posted in the Company's website .

10. Cases of Non-Compliances:

There has been no instance of non-compliance by the Company on any matter related to capital markets.

11. Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity: The company has not issued any GDRs/ ADRs or any commercial instrument.

12. SEBI Complaints Redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

Additional Shareholders' Information**Contact Information****1. Representing Officers**

- i. Whole Time Director
DRR Swaroop
- ii. CFO, Company Secretary & Compliance Officer
V Ramana Reddy

2. Listing on Stock Exchanges, Stock Codes and Stock data

Equity Shares	Stock Code
The Bombay Stock Exchange Ltd.	532801
The National Stock Exchange of India Ltd.	CTE

3. International Securities Identification Number ("ISIN")

ISIN is a unique identification number allotted to the Company's scrip. This number has to be quoted in each transaction relating to the dematerialized equity shares of the Company. The ISIN allotted to the Company's equity shares is INE 627H01017.

4. CIN Number

The Corporate Identity Number ("CIN") of the Company, as allotted by the Ministry of Company Affairs is L72200AP1999PLC030997.

5. Registrar and Share Transfer Agents

Aarthi Consultants Private Ltd
1-2-285, Domalguda
Hyderabad - 500 029
T +91-40-27638111
F +91-40-27632184
info@arthiconsultants.com

6. Persons holding more than 1% of the shares.

Persons holding 1 per cent or more of the shares in the Company as on 31st March, 2015:

S.No.	Name	No. of shares held	% of paid up capital
I.	Promoters		
1	Cloud Computing LLC	9,209,693	46.91
	SUB-TOTAL	9,209,693	46.91
II.	Public		
2	Smartshift AG	2,056,600	10.48
3	SaroshKersieWaghmar	630,160	3.21
4	Raymond J Lane	500,000	2.55
5	Bhaskar Panigrahi	454,423	2.31
6	D R R Swaroop (Trustee-ESOP Trust)	452,431	2.31
7	Master Capital Services Limited	443,300	2.26
8	Devinder Prakash Kalra	393,000	2.00
9	GirishRajeshwarChaitanya	331,690	1.69
10	OurVox Holdings LLC	309,920	1.58
11	Suresh Gadaley	212,243	1.08
	SUB-TOTAL	5,783,767	29.47
III.	Others	4,637,555	23.62
	GRAND TOTAL	19,631,015	100.00

7. Stock Data

The monthly high and low prices recorded in BSE and NSE during the financial year 2014-15 is as under:

Month	BSE			NSE		
	High	Low	No. of shares	High	Low	No. of shares
Apr-14	4.13	3.5	24506	3.65	3.35	5943
May-14	5.59	3.29	35763	5.25	3.50	26318
Jun-14	6	4.75	45638	6.60	5.50	5226
Jul-14	6.33	5.19	23798	6.60	5.70	5213
Aug-14	7	5.27	23592	7.15	5.90	10734
Sep-14	7.98	5.42	26309	7.70	5.60	20459
Oct-14	7.35	5.34	79571	7.15	4.90	18869
Nov-14	7.36	6	60704	7.30	5.85	68711
Dec-14	15.59	5.67	192432	15.50	5.90	108347
Jan-15	19.8	11.4	264470	19.65	11.70	218971
Feb-15	15.08	9.23	183660	14.90	9.35	88684
Mar-15	19.49	11.82	194361	19.60	11.80	118679

8. Distribution of Shareholding as on 31st March, 2015

S.No	Category	Holders	Holders %	No. of Shares	Amount	Amount %
1	1 - 5000	5752	84.16	865615	8656150	4.41
2	5001 - 10000	494	7.23	412573	4125730	2.1
3	10001 - 20000	237	3.47	371180	3711800	1.89
4	20001 - 30000	118	1.73	303292	3032920	1.54
5	30001 - 40000	45	0.66	159963	1599630	0.81
6	40001- 50000	46	0.67	218113	2181130	1.11
7	50001 -100000	81	1.19	580370	5803700	2.96
8	100001 &above	62	0.91	16719909	167199090	85.17
	Total	6835	100.00	19631015	196310150	100.00

9. Dematerialization of shares

In order to facilitate easy access of dematerialized system to the investors, the Company has signed up with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and has established connectivity with the depositories through our Registrars - Aarthi Consultants Private Ltd, Hyderabad.

Total number Demat and physical shares as on 31st March, 2015 is as below:

S.No.	Mode	No. of shares	% of total paid up
1	Demat (NSDL)	1,36,44,040	69.50
2	Demat (CDSL)	49,21,231	25.07
3	Physical	10,65,744	5.43
	TOTAL	1,96,31,015	100.00

10. Reconciliation of Share Capital Audit for reconciliation of share capital

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the stock exchanges and is placed before the board of directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

In addition to the above and pursuant to Section 204 of the Companies Act, 2013 and corresponding Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 a Secretarial Audit for FY 2015 was carried out by Mrs. B Krishnaveni, Company Secretary in practice, having more than 10 years' of experience. The Secretarial Report forms a part of this Annual Report.

11. Unclaimed Dividends

There are unclaimed dividends, due to be transferred to the Investor Education and Protection Fund administered by the Central Government. Furnished below is a table of important dates:

Financial year in which Dividend declared	Date of Declaration of dividend	Last date for claiming unpaid dividend	Total Unclaimed amount as on 31 st March, 2012	Due date for transfer to Education and Protection Fund
2007-08	23 rd October, 2008	22 nd October, 2015	Rs. 84,046/-	21 st November, 2015.

Members are requested to correspond with the Registrar and Share Transfer Agent M/s Aarthi Consultants Pvt Ltd, Hyderabad for en-cashing the unclaimed dividend if any, standing to their credit. No claims shall lie against the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims after the period of seven years from the date of declaration of such dividend.

12. General Body Meetings

a. Last three Annual General Meetings.

Year	Date and Time	Location
2013-14	29 th December, 2014	"Ruby Hall", 5 th floor, Hotel Pearl Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad - 500032,
2012-13	30 th December, 2013	Hotel Aditya Park Inn. Senate-I, Aditya Trade Centre, Ameerpet, Hyderabad - 500038 Andhra Pradesh
2011-12	28 th September, 2012	Ruby Hall, 5 th Floor, Quality Inn Pearl, Lumbini Layout, Gachibowli, Hyderabad - 500032

13. Means of Communication

- a) With a view to ensure timely and adequate disclosure of information, the Company has formed Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information' with effect from May 15, 2015 whereby the Company is committed to disclose price sensitive information by prompt dissemination of unpublished price sensitive information.
- b) The Company shall endeavor to ensure that such information is generally made available.
- c) The Company publishes the periodic financial results of the company as per cl. 41 of the Listing Agreement normally in 'Business Standard (newspapers in English) and in 'Andhra Prabha', newspaper in regional language (Telugu).
- d) Website wherein the financial results and official news releases are displayed and made available for investors: www.ctepl.com
- e) In terms of 47(f) of the Listing Agreement the company has designated e-mail exclusively for investor service: investors@ctepl.com
 - i. Quarterly Results: Tentative dates for declaration of financial results.

1 st Quarter	-	2 nd week of August, 2015
2 nd Quarter	-	2 nd week of November, 2015
3 rd Quarter	-	2 nd week of February, 2016
4 th Quarter	-	2 nd Fortnight of May, 2016

14. Risk Management

The company has been addressing various risks impacting the company and the policy of the company on risk management is provided elsewhere in this annual report in Management Discussion and Analysis.

15. Prohibition of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has instituted a code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders.

16. Internal Control Systems

The company has both external and internal audit systems in place. The Board and the management periodically reviews the work/findings of the statutory auditors and internal auditors and takes corrective actions whenever necessary.

17. CEO & CFO Certification

As required by Clause 49 of the Listing Agreement, the CEO / CFO Certification is provided in the Annual Report.

18. Green Initiative in the Corporate Governance

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

19. Software Development Locations

a. North America

USA

Topeka

Cambridge Technology Inc, 120 SE 6th Avenue, Suite 230, Topeka, Kansas 66603

b. Singapore

Cambridge Technology Investments Pte Ltd, 51, Goldhill Plaza, # 07-10/11, SINGAPORE (308900)

c. India

- i. Unit No. 04-03, Level 4, Block I, "Cyber Pearl" Hitec City, Madhapur, Hyderabad - 500 081.
- ii. No.6/1, Old Svy. No.39/2, 2nd Floor, Sagar Complex, Bannerghatta Road, Bangalore-560029.
- iii. # 136, 3rd Floor, Shyamala Tower, Arcot Road, Saligramam, Chennai - 600093
- iv. Level 4, A-Wing, Dynasty Business Park, Andheri-Kurla Road Andheri (E), Mumbai - 400059 Maharashtra.

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s. Cambridge Technology Enterprises Limited

We have examined the compliance of conditions of corporate governance by Cambridge Technology Enterprises Limited ("**the Company**") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company entered into with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and best of our information and according to the explanation given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Hyderabad
Date: 24th July 2015

B. Krishnaveni
Company Secretary in Practice
CP.4286

CEO/CFO CERTIFICATE

We Dharani Raghurama Swaroop, Whole-Time Director and V Ramana Reddy, CFO of **Cambridge Technology Enterprises Limited**, responsible for the finance function, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii) these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.
- (d) During the year under reference -
 - (i) there were no significant changes in the internal controls or overall financial reporting;
 - (ii) no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
 - (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Hyderabad
24th July, 2015

Dharani Raghurama Swaroop
Whole Time Director

Venna Ramana Reddy
Chief Financial Officer

DECLARATION

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause (II) E of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2015.

Place: Hyderabad
Date: 24th July, 2015

Dharani Raghurama Swaroop
Whole-Time Director

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of Cambridge Technology Enterprises Limited

Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Cambridge Technology Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and 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 Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements

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

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:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31 March 2015;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of its subsidiary M/s. Cambridge Technology Inc. whose financial statements / financial information reflects total assets of Rs. 15,17,60,372/- and total revenue of Rs. 10,89,38,260/- for the year ended on the date, as considered in the consolidated financial statements. These subsidiary company financials has not been audited for the year ended due to the subsidiary company is incorporated in last quarter of the current financial year. These financials of subsidiary was prepared and reports have been furnished to us by the management of the company.

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

P. Murali Mohana Rao
Partner
M.No 023412

Place: Hyderabad

Date: 29/05/2015

Consolidated Balance Sheet as at 31st March, 2015

Amount in INR

Particulars	Note No.	As at 31st March	
		2015	2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	196,310,150	196,310,150
(b) Reserves and Surplus	2	92,945,865	62,456,566
(2) Non-Current Liabilities			
(a) Deferred tax liabilities(Net)	3	(242,503)	1,796,961
(b) Long term provisions	4	6,840,817	8,865,057
(3) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	5	19,619,142	6,812,489
(c) Other current liabilities	6	365,038	19,621,440
(d) Short-term provisions	7	34,706,945	23,690,549
Total		350,545,454	319,553,214
II. ASSETS			
(1) Non-current assets			
(a) <i>Fixed assets</i>			
(i) Tangible assets	8	56,006,370	8,304,802
(b) Goodwill		97,714,002	122,142,503
(c) Long Term Loans & Advances	9	29,382,885	24,553,172
(d) Other non-current assets	10	11,320,204	10,560,596
(2) Current assets			
(a) Trade receivables	11	77,584,040	109,622,493
(b) Cash and cash equivalents	12	19,639,999	16,314,816
(c) Short-term loans and advances	13	4,791,536	2,356,291
(d) Other current assets	14	54,106,419	25,698,542
Total		350,545,454	319,553,214

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS.
AS PER OUR REPORT OF EVEN DATE

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

P.Murali Mohana Rao
Partner
Membership No. 023412

Place: Hyderabad
Date : 29-05-2015

For and on behalf of the Board of Directors

D.R.R Swaroop
Wholetime Director

Venkat Motaparthy
Director

V.Ramana Reddy
CFO & Company Secretary

Consolidated Profit and Loss Statement for the Year ended 31st March, 2015.

Particulars	Note No.	Year Ended 31-03-2015	Year Ended 31-03-2014
I. Revenue from operations	15	322,556,560	251,718,703
II. Other Income	16	10,241,804	6,041,288
III. Total Revenue (I +II)		332,798,364	257,759,990
IV. Expenses:			
Employee and benefit expenses	17	190,019,313	170,667,241
Other Operating Expenses	18	34,345,141	37,176,151
Administrative Expenses	19	41,104,311	23,746,061
Finance costs	20	-	-
Depreciation and amortization expense	8	6,438,510	7,118,476
Impaired Intangible Assets	8	24,428,501	-
Total Expenses		296,335,775	238,707,929
V. Profit before exceptional and extraordinary items and tax (III - IV)		36,462,589	19,052,061
VI. Exceptional Items			
I. Prior Period Expenses		-	167,440
II. Change in the Carrying Value of Investment			-
VII Profit before extraordinary items and tax (V - VI)		36,462,589	18,884,621
VIII Extraordinary Items		-	-
IX Profit before tax (VII - VIII)		36,462,589	18,884,621
X Tax expense:			
(1) Current tax		7,266,435	6,502,815
(2) Deferred tax		(2,039,465)	1,305,175
XI Profit(Loss) from the period from continuing operations (IX - X)		31,235,619	11,076,631
XII Profit/ (Loss) from discontinuing operations		-	-
XIII Tax expense of discounting operations		-	-
XIV Profit/ (Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/ (Loss) for the period (XI + XIV)		31,235,619	11,076,631
XVI Earning per equity share:			
(1) Basic		1.59	0.56
(2) Diluted		1.59	0.56

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS.
AS PER OUR REPORT OF EVEN DATE

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

P.Murali Mohana Rao
Partner
Membership No. 023412

Place: Hyderabad
Date : 29-05-2015

For and on behalf of the Board of Directors

D.R.R Swaroop **Venkat Motaparthy**
Wholetime Director Director

V.Ramana Reddy
CFO & Company Secretary

Consolidated Cashflow for the period ended 31st March, 2015.

Details		For the Period ended with 31st March, 2015	For the Period ended with 31st March, 2014
A. Cash Flow from Operating Activities			
Net Profit / (Loss) before tax		36,462,589	18,884,621
Adjustment for :			
Depreciation & Amortization		30,867,011	7,118,476
Dividend Income from Mutual Funds		-	-
Interest Income		(1,980,103)	(1,418,834)
Financial Cost		-	-
Provision for Gratuity & Leave encashment		(2,024,240)	1,027,129
Loss on sale of Assets(Net)		-	218,537
Loss on sale of Investment		-	-
Operating profit before working capital changes		63,325,256	25,829,929
Adjustment for:			
Change in Trade receivables		32,038,452	(14,729,836)
Change in Short-term loans and advances		(2,435,245)	-
Change in Short-term Provisions		11,016,396	(707,984)
Change in other current assets		(28,407,877)	(7,551,708)
Change in Short term Borrowings		-	-
Change in Trade Payables		12,806,652	-
Change in Current Liabilities		(19,256,402)	(7,325,566)
Cash generated from operations		69,087,233	(4,485,164)
Income tax (paid)/ refunded		(7,266,435)	(6,502,815)
Net cash from operating activities	A	61,820,798	(10,987,979)
B. Cash Flow from Investing Activities			
Sale of Fixed Assets		-	(5,676,160)
Purchase of Fixed Assets		(54,389,000)	-
Adjustments to Fixed Assets		-	-
Payment for Acquisitions		-	-
Loss on Sale of Fixed Assets		-	-
(Purchase) / Sale of Investments		-	-
Interest received		-	1,418,834
Dividend Income from Mutual Funds		-	-
FCTR		(497,396)	-
Purchase of Investments in subsidiary		-	-
Change in other non current assets		(759,608)	-
Long Term Loans & Advances(Deposits)		(4,829,713)	2,355,776
Net cash from investing activities	B	(60,475,717)	(1,901,550)
C. Cash Flows from Financing Activities			
Proceeds from issue of preference issue		-	-
Increase (Decrease) in Loan		-	-
Interest Received		1,980,103	-
Dividend paid		-	-
Increase (Decrease) in Share Capital		-	-
Net cash used from financing activities	C	1,980,103	-
Net change in cash (A+B+C)		3,325,184	(12,889,529)
Cash and cash equivalents at beginning of year		16,314,816	29,204,345
Cash and cash equivalents at end of year		19,639,999	16,314,816

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,

Firm Regn. No: 007257S
Chartered AccountantsP.Murali Mohana Rao
Partner
Membership No. 023412

For and on behalf of the Board of Directors

D.R.R Swaroop
Wholetime DirectorVenkat Motaparthy
DirectorPlace: Hyderabad
Date: 29-05-2015V.Ramana Reddy
CFO & Company Secretary

Notes to Consolidated Financial Statements

NOTE NO. 1 : SHARE CAPITAL

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
a	Equity Share Capital		
	(a) Authorised (No. of Shares 3,00,00,000 Current Year) (No. of Shares 3,00,00,000 Previous Year)	300,000,000	300,000,000
	(b) Issued (No. of Shares 1,96,31,015 Current Year) (No. of Shares 1,96,31,015 Previous Year)	196,310,150	196,310,150
	(c) Subscribed & Fully Paid Up (No. of Shares 1,96,31,015 Current Year) (No. of Shares 1,96,31,015 Previous Year)	196,310,150	196,310,150
	(d) Subscribed & not fully paid up	-	-
	(e) Par Value per share Rs. 10/-		
	Total share Capital	196,310,150	196,310,150
b	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		
	Equity Shares of Rs.10 Each, Fully paid up		
	At the Beginning	19,631,015	15,824,415
	Issued during the year - Bonus Issue	-	3,806,600
	Issued during the year - Cash Issue	-	-
	Issued during the year - ESOP	-	-
	Forfeited / Bought Back during the year	19,631,015	19,631,015
	At the end		
	Details of Shareholder holding more than 5% shares of the company:		
	Equity Shares of Rs. 10 each Held By		
	Share Holder Name	No. of Shares	
		31-Mar-15	31-Mar-14
	1. Internet Business Corporation	-	8,399,269
	2. Cloud Computing LLC	9,209,693	-
	3. SmartShift AG	2,056,600	2,056,600
		-	42.79%
		46.91%	-
		10.48%	10.48%

NOTE NO. 2 : RESERVES & SURPLUS

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
I	RESERVES AND SURPLUS:		
	(a) Capital Redemption Reserve		
	As at the commencement of the year	499,000	499,000
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		499,000	499,000
	(b) Securities Premium Account		
	As at the commencement of the year	225,215,578	171,923,178
	Add: Additions during the year	-	53,292,400
	Less: Utilised for during the year	-	-
		225,215,578	225,215,578
	(c) Revaluation reserve	-	-
	(d) Surplus :		
	Opening Balance - Profit and Loss Account	(163,506,936)	(174,334,643)
	Add: Transfer from Profit & Loss Account	31,235,619	11,076,631
	Less: Transfer To General Reserve	-	-
	Foreign currency Translation Reserve	(497,396)	-
		(132,768,713)	(163,258,012)
	Total Reserves and Surplus	92,945,865	62,456,566

NOTE NO. 3 : DEFERRED TAX LIABILITY(NET)

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Opening deferred tax Liability	21,045,836	15,824,959
	Add:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)	186,341	
	Deferred Tax Liability for the year (Due to Others)		
	Gross Deferred tax Liability	21,232,177	15,824,959
	Opening deferred tax Asset	19,248,875	14,027,998
	Provision for Gratuity and Compensated Absences and doubtful debts	2,225,805	
	Gross Deferred tax Asset	21,474,680	14,027,998
	Net Deferred tax Liability	(242,503)	1,796,961

NOTE NO. 4 : LONG TERM PROVISIONS

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Provision for employee benefits		
	(1) Provision for Gratuity	5,993,914	7,778,760
	(2) Provision for Privilege Leave Encashment	846,903	1,086,297
	Total Long Term Provisions	6,840,817	8,865,057

NOTE NO. 5 : TRADE PAYABLES

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Trade Payables		
	(a) Outstanding for a period exceeding six months	-	-
	(b) Outstanding for a period not exceeding six months	19,619,141	6,812,489
	(c) Others	-	-
	Total Trade Payables	19,619,141	6,812,489

NOTE NO. 6 : OTHER CURRENT LIABILITIES

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
	a) Provision for Dividend	83,286	83,286
	b) Other Payables	281,752	19,538,154
	Total Other Current Liabilities	365,038	19,621,440

NOTE NO. 7 : SHORT TERM PROVISIONS

S.No	Particulars	As on 31-03-2015	As on 31-03-2014
I	(a) Provision for Employee Benefits		
	Salaries & Benefits	3,235,129	156,889
	Variable component	5,021,353	8,757,841
	(b) Other Provisions		
	Provision for Income Tax	15,152,173	7,885,738
	Statutory Dues	1,854,299	2,539,765
	Audit Fee	750,000	840,000
	Expenses	8,331,557	3,186,428
	Provision for Gratuity & Leave Encashment	362,435	323,888
	Total Short term Provisions	34,706,945	23,690,549

Notes to Consolidated Financial Statements for the year ended March 31st, 2015

Note No: 8

FIXED ASSETS :

i Tangible Assets

S. No.	Name of Asset	Gross Block				Depreciation				Net Block		
		Cost as at 01.04.2014	Additions During the Period	Deletions during the period	Cost as at 31.03.2015	Up to 01.04.2014	For the Period	Deletions during the period	Impairment	Total upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Plant & Machinery	1,010,001		160,000	850,001	484,612	65,292	153,804		396,100	453,901	525,389
2	Electrical Fittings	85,690		-	85,690	32,974	7,739	-		40,713	44,977	52,716
3	Furniture & Fixtures	1,270,706	648,048	54,616	1,864,138	1,009,827	142,743	45,932		1,106,638	757,500	291,217
4	Computers	20,840,393	1,039,579	1,438,287	20,441,685	18,662,474	961,293	178,832	105,979	19,550,914	890,771	2,352,014
5	Server & Networking	2,371,380	385,560	-	2,756,940	2,130,922	100,163	-	142,943	2,231,085	525,855	832,922
6	Office Equipment	4,309,267	128,936	972	4,437,231	2,705,434	264,754	-		3,113,131	1,324,100	
7	Leasehold Improvement	255,227	3,560,192		3,815,419	154,505	746,850			901,355	2,914,064	-
	Total	30,142,664	5,762,315	1,653,875	34,251,104	25,180,748	2,288,835	378,568	248,922	27,339,937	6,911,167	4,054,258
ii	Intangible Assets											
1	Software Licenses	33,030,127	3,216,144		36,246,271	29,687,241	4,149,678			33,836,919	2,409,352	3,342,886
2	Goodwill (Purchase)		122,142,503		122,142,503		24,428,501			24,428,501	97,714,002	-
3	Assignment Rights		46,685,851		46,685,851					-	46,685,851	-
	Total	63,172,791	177,806,813	1,653,875	239,325,729	54,867,989	30,867,014	378,568	248,922	85,605,357	153,720,372	7,397,144
	Previous Year	71,930,809	5,782,106	14,540,124	63,172,791	61,965,152	7,118,476	14,215,639	-	54,867,989	8,304,802	9,965,657

NOTE NO. 9 : LONG TERM LOANS AND ADVANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Secured, Considered good		
	a) Rent Deposit	7,233,590	15,876,290
	b) Guest House Rent-Srinagar Colony	-	66,000
	c) Other Deposits	379,512	705,130
	d) Fixed Deposit With Banks for BG's	21,769,783	7,905,752
	Total Long Term Loans and Advances	29,382,885	24,553,172

NOTE NO. 10 : OTHER NON CURRENT ASSETS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) MAT Entitlement Receivable	2,447,259	2,447,259
	b) Input Service Tax	6,286,367	5,528,434
	c) Service Tax Protest	2,501,675	2,500,000
	d) Income Tax Refund	84,903	84,903
	Total Other Non Current Assets	11,320,204	10,560,596

NOTE NO. 11 : TRADE RECEIVABLES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	8,36,481	17,45,308
	Doubtful	-	-
		8,36,481	17,45,308
	Less: Allowance for Bad & Doubtful Debts	-	-
		8,36,481	17,45,308
II	Other Receivables		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	76,747,559	107,877,185
	Doubtful	-	-
		76,747,559	107,877,185
	Less: Allowance for Bad & Doubtful Debts	-	-
		76,747,559	107,877,185
	Total Trade Receivables	77,584,040	109,622,493

NOTE NO. 12 : CASH AND BANK BALANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Cash and Cash Equivalents		
	(a) Balances with Bank		
	(i) Current Account Balances	19,611,315	15,334,183
	(ii) Fixed Deposit	-	882,464
	(b) Cash on hand	28,685	98,169
	Total Cash and Bank Balances	19,640,000	16,314,816

NOTE NO. 13 : SHORT TERM LOANS AND ADVANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Advances to Vendors	3,333,432	1,821,625
	b) Advances to Employees	998,315	36,668
	c) Others	459,789	497,998
	Total Short Term Loans and Advances	4,791,536	2,356,291

NOTE NO. 14 : OTHER CURRENT ASSETS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) TDS Receivables	25,394,456	22,897,474
	b) Prepaid Expenses	3,538,587	1,866,677
	c) Unbilled Revenue	25,173,377	-
	Total Other Current Assets	54,106,419	25,698,542

NOTE NO. 15 : REVENUE FROM OPERATIONS

S. No	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
(i)	Revenue from operations in respect of non-finance company		
	(a) Sale of Services	322,556,560	251,718,703
	Total Revenue from Operations	322,556,560	251,718,703

NOTE NO. 16 : OTHER INCOME

S. No	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Interest Income (on Bank Deposits)	1,980,103	1,418,834
	(b) Exchange Fluctuation gain	2,960,010	4,061,007
	(c) Other Misc. Incomes	5,301,691	561,447
	Total Other Income	10,241,804	6,041,288

NOTE NO. 17 : EMPLOYEE AND BENEFIT EXPENSES

S. No	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Salaries and bonus	164,363,476	154,907,812
	(b) Fees to Contract Employees	6,473,291	4,315,974
	(c) Staff Welfare Expenses	1,194,014	2,370,070
	(d) Employee other benefit expenses	17,988,532	9,073,385
	Total Employee Benefit Expenses	190,019,313	170,667,241

NOTE NO. 18 : OTHER OPERATING EXPENSES

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Power & Fuel	3,461,906	4,471,428
	(b) Rent	18,245,838	21,336,561
	(c) Insurance	614,579	867,585
	(d) Dues & Subscriptions	810,865	665,368
	(e) Payment to Auditors:		
	(i) As Auditor	675,000	765,000
	(ii) For Taxation Matters	75,000	75,000
	(iii) For Internal auditor	350,000	350,000
	(f) Net loss on sale of assets	95,038	218,537
	(g) Purchase of software product/ licenses	9,006,803	6,362,841
	(h) Bad Debts	446,389	3,192
	(i) Miscellaneous Expenses	563,723	2,060,639
	Total Other Expenses	34,345,141	37,176,151

NOTE NO. 19 : ADMINSTRATIVE EXPENSES

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Telephone, Postage and Others	3,013,720	2,954,503
	(b) Office Maintenance	6,650,012	5,129,071
	(c) Managerial Remuneration	2,000,001	1,500,000
	(d) Directors Sitting Fee	220,000	70,000
	(e) Traveling and Conveyance	10,988,874	6,099,014
	(f) Consultancy Charges	8,791,737	4,102,038
	(g) Interest on Tds Payable	67,673	152,612
	(h) Rates and Taxes	288,420	49,941
	(i) Computer hire charges	8,733,566	3,583,884
	(j) Bank Charges	350,308	104,998
	Total Administrative Expenses	41,104,311	23,746,061

NOTE NO. 20 : FINANCE COST

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Interest on Working Capital Loan	-	-
	(b) Interest on other Loans	-	-
	Total Finance Cost	-	-

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(All amounts have been presented in Rupees unless otherwise specified)

1. Group overview

Cambridge Technology Enterprises Limited, “the Company”, its subsidiary (collectively referred to as “the Group”) are primarily global technology services and outsourcing Group dedicated to serving the midsize market enterprises and the midsize units of Global 2000 enterprises across the spectrum of business industries. The Group is recognised as a thought leader and innovator of comprehensive Service Oriented Architecture (SOA)-based enterprise transformation and integration solutions and services.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost conversion on accrual basis, except certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act 1956, shall continue to apply. Consequently these financial statements have been prepared to comply in all material respects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies Accounting Standards Rules, 2006 as amended) and the relevant provisions of the Companies Act, 2013 (“the Act”). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.2 Basis of Consolidation

The Group financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the accounting standard on Consolidation Financial Statements issued by the Institute of Chartered Accountants of India. The Group financial statements incorporate the financial information of Cambridge Technology Enterprises Limited, its Subsidiaries made up to March 31, 2015. Subsidiaries are those entities that are controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of the enterprise so as to obtain benefits from its activities. Subsidiaries are consolidated from the date on which control is acquired by the Group and no longer consolidated from the date such control ceases. The financial statements of the parent company and subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and any resulting unrealized gain/loss arising from intra group transactions. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered. Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

2.3 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 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.

2.4 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.

Amounts received or billed in advance of services performed are recorded as advance from customers/ unearned revenue. Unbilled revenue, included in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms. Unearned revenue is calculated on the basis of the unutilized period of time at the Balance Sheet and represents revenue which is expected to be earned in future periods in respect of internet, e-mail services, electronic data interchange and web hosting services.

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.

Other income

Interest is recognized using the time-proportion method, based on rates implicit in the transaction.

2.5 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

Effective 1st April, 2014, Company depreciates the Fixed Assets over the useful life in the manner prescribed in Schedule II of The Companies Act, 2013 as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of The Companies Act 1956.

Depreciation for additions to Fixed Assets of the Company is provided as per Schedule II of the Companies Act, 2013 on pro-rata basis.

Individual assets acquired for less than Rs.5,000/- are entirely depreciated in the year of acquisition. Leasehold improvements are written off over the lower of, the remaining primary period of lease or the life of the asset.

The carrying value of Fixed Assets whose life has completed as per Schedule II of The Companies Act, 2013 is transferred to Retained earnings amounting to Rs.2,48,922/-.

Amortization

Software used in development for projects are amortized over the license period or estimated useful life of two years, whichever is lower. Cost of internally developed software including the incidental costs is amortized over a period of five years.

The company CTE has made investments in Cambridge Technology India Private Limited (CTIPL) which is a 100% subsidiary and CTIPL got merged with the CTE with effective from 1st April 2012. The excess of

investment over share capital of CTIPL is treated as goodwill which is an amount of Rs. 12,21,42,503/-. The Goodwill arisen on the basis of merger is decided to write-off for a period of 5 years from the current Financial Year by the Board of Directors. The goodwill amount amortized in the Current Financial Year is Rs. 2,44,28,501/-.

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.

2.6 Finance leases

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower. Depreciation on the assets taken on lease is charged at the rate applicable to similar type of owned fixed assets refer accounting policy 2.4. Lease payments made are apportioned between the finance charges and reduction of the outstanding liability in respect of assets taken on lease.

2.7 Investments

Investments are either classified as current or long-term, based on the Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

2.8 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.

2.9 Employee Stock Option Scheme

Stock options granted to the employees under the stock option schemes established after June 19, 1999 are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 issued by Securities and Exchange Board of India and the Guidance Note on Accounting for employee share-based payments issued by the Institute of Chartered Accountants of India. Accordingly the Company measures the compensation cost relating to employee stock options using the intrinsic value method. The compensation cost is amortized on a straight line basis over the total vesting period of the stock options.

2.10 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. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

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.

2.11 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.

2.12 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

Contributions to defined Schemes such as Provident Fund 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.

Notes to Consolidated Financial Statements

21. Subsidiaries considered for consolidation

The subsidiary considered in the preparation of these consolidated financial statements are:

Name of subsidiary	Country of Incorporation	Percentage of Ownership interest	
		March 31, 2015	March 31, 2014
Cambridge Technology Inc.	USA	100%	-

NOTE: Cambridge Technology Inc. is a subsidiary of Cambridge Technology Enterprises w.e.f 9th December, 2014.

22. The Company has written-off the trade receivables amounting to Rs.21,48,81,750/- during the previous year 2012-13, due from erstwhile wholly owned step down subsidiary Cambridge Technology Enterprises Inc. The company has made an application to RBI through the authorized dealer for the approval of the same.
23. The Company has written-off the trade receivables amounting to Rs.4,46,389/- during the current year 2014-15.
24. M/s. Cambridge Technology India Private Limited which is a 100% subsidiary of CTE has got merged in CTE with effective from 1st April 2012 under the method Amalgamation by Merger as per the Honorable Karnataka High Court Order dated 7th August, 2014. All the Assets and liabilities of M/s. Cambridge Technology India Private Limited has taken into books of accounts of CTE on 1st April 2014 at book values. There is no allotment of equity shares of CTE to M/s. Cambridge Technology India Private Limited share holders since it is a 100% subsidiary to CTE.

25. As per the Amalgamation order the Cambridge Technology India Private Limited merged with Cambridge Technology Enterprises Limited with effect from 1st April 2012. Due to this necessary adjustments in opening balances and closing balances of Cambridge Technology India Private Limited are considered in the financials of Cambridge Technology enterprises Limited for the year ending 31st March, 2015.
26. The Cambridge Technology Enterprises Limited income is including the Cambridge Technology India Private Limited income as per the court order. Necessary TDS credits and income of Cambridge Technology India Private Limited are included in Cambridge Technology Enterprises Limited for the year ending 31st March, 2015.
27. The Company CTE has sold its assets for an amount of Rs. 12,75,308/- and it has incurred a loss of Rs. 95,038/-.

28. Details of Deposits

Deposit amount consists of Rental Deposit of Cyber Pearl building for Hyderabad Office premises, Chandrasagar Enterprises for Bangalore Branch, Regus Chennai Office Centre Pvt Ltd for Chennai Office Premises and Regus Suburbs Centre Pvt Ltd for Mumbai Office Premises. Fixed Deposits in Axis Bank and SBH and others.

29. Employee Stock Option Scheme

The Group has three stock option plans that are currently operational.

CTEL ESOP 2006

The 2006 Plan was approved by the board of directors on April 13, 2006 and by the shareholders on April 21, 2006, under which scheme 1,236,542 options were granted till date of 31st March, 2015.

Changes in number of options outstanding were as follows:

	As at March 31	
	2015	2014
Options outstanding beginning of period	112,538	116,538
Granted during the year	Nil	Nil
Less: Exercised	Nil	Nil
Lapsed *	66,985	4,000
Options outstanding end of period	43,953	112,538

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options

CTEL ESOP SCHEME 2008

The 2008 Plan was approved by the board of directors on March 20, 2008 and by the shareholders through postal ballot results of which was declared on March 5, 2008, under which scheme 1,500,000 options were granted till date of 31st March, 2015.

Changes in the number of options outstanding:

	As at March 31	
	2015	2014
Options outstanding beginning of period	69,620	73,881
Granted during the year	Nil	Nil
Less: Exercised	Nil	Nil
Lapsed *	29,786	4,261
Options outstanding end of period	38,234	69,620

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options

CTEL ESOP SCHEME 2011

The 2011 Plan was approved by the board of directors on December 10, 2010 and by the shareholders through postal ballot results of which was declared on January 24, 2011, under which scheme 644,000 options were granted till date of 31st March, 2015.

Changes in the number of options outstanding:

	As at March 31	
	2015	2014
Options outstanding beginning of period	159,500	1,64,000
Granted during the year	Nil	Nil
Less: Exercised	1,600	Nil
Lapsed*	107,900	4,500
Options outstanding end of period	50,000	1,59,500

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options.

Pro forma Disclosure

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, had the compensation cost for associate stock option plans been recognized based on the fair value at the date of grant in accordance with Black Scholes' model, the pro forma amounts of the Group's net profit and earnings per share would have been as follows:

(Amount in Rs.)

	Year ended March 31,	
	2015	2014
Net Profit/Loss (as reported)	12,785,886	17,919,076
Add: Stock based employee compensation		-
Less: Stock based compensation expenses determined under fair value method (pro forma)		-
Net Profit (Pro forma)	12,785,886	17,919,076
Earnings per share (Rs.)		
Basic - as reported		-
- as pro forma		-
Diluted - as reported		-
- as pro forma		-

The key assumptions used in Black-Scholes' model for calculating fair value are: risk-free interest rate ranging from 6.73% to 7.85% (2012 - 6.73% to 7.85%), expected life: 3 years to 4 years (2012 - 3 years to 4 years), expected volatility of shares 63.77% to 72.66% (2012 - 63.77% to 72.66%), dividend yield 0% (2012 - 0%). The range variables detailed herein represent the highs and the lows of the assumptions during the pendency of the grant dates.

30. Related party transactions*Key Management Personnel*

Stefan Hetges	Whole-time Director and Chief Executive Officer
D.R.R Swaroop	Whole-time Director
V Ramana Reddy	Chief Financial Officer and Company Secretary

Enterprises over which Control exists

Cambridge Technology Inc. Wholly owned subsidiary w.e.f December 2014

Smart Shift Technologies Inc. Associate company (common Director)

Enterprises over which significant influence exercised by key management personnel/close family member of key management personnel

D.S. UnicsInfotech limited D.R.R. Swaroop is a Director in the Company

SmartShift Technologies Inc. Stefan Hetges is a Director in the Company

Nature of Transaction	Year ended March 31	
	2015	2014
<i>Transactions with key management personnel</i>		
Remuneration *		
-D.R.R. Swaroop	2,000,000	1,500,000
-Stefan Hetges	-	-
-V Ramana Reddy	15,91,484	14,70,636
-Amount Payable		
-D.R.R. Swaroop	-	-
Amount Receivables	-	-
-D.R.R. Swaroop		

Transactions with enterprises over which Control exists

Nature of Transaction	Year ended March 31	
	2015	2014
Sale of services – SmartShift Technologies Inc.	177,723,594	202,151,624
Expenses reimbursement, net- – SmartShift Technologies Inc.	459,789	497,999
Balance receivable/(payable)	3,986,123	101,753,939
Investment in Shares- Cambridge Technology Inc.	59,921,995	-
Sale of services – Cambridge Technology Inc.-	44,951,740	-
Expenses reimbursement, net- – Cambridge Technology Inc.-	36,790	-
Balance receivable/(payable)-	45,395,951	-
Loans and advances		
Loans and advances given		
-Cambridge Technology India Pvt. Ltd.	-	5,305,860
Repayment of loans and advances		
-Cambridge Technology India Pvt. Ltd.	-	11,068,491
Balance outstanding		
- Cambridge Technology India Pvt. Ltd.	-	-87,134,931

31. Reconciliation of basic and diluted shares used in computing earnings per share

	As at March 31,	
	2015	2014
Number of shares considered as basic weighted average shares outstanding	19,631,015	19,631,015
Add: Effect of dilutive issue of stock options	-	-
Number of shares considered as weighted average shares and potential shares outstanding	19,631,015	19,631,015

32. Leases**Operating Lease**

The Company hires office premises under operating lease agreement that is renewable on a periodic basis at the option of both the lessor and the lessee. Rental expense under those leases was Rs.17,658,188/- (Previous year Rs. 19,218,457/-).

Finance Leases

The Company is not having any finance lease agreements as at March 31, 2015.

33. Segment reporting

As required by the Accounting Standard - 17, 'Segment reporting', the Company is mainly engaged in the area of software development and related services. Hence segment reporting is not applicable to the Company and to the nature of business.

34. Managerial Remuneration

The key management personnel comprise our directors and statutory officers. Particulars of remuneration and other benefits provided to key management personnel during the year ended March 31, 2015 and 2014 are as follows:

	Year ended March 31,	
	2015	2014
Remuneration*	35,91,484	29,70,636
Perquisites and Allowances	-	-
Directors sitting fee	2,20,000	70,000

*Remuneration is net of accrual towards Gratuity, a defined benefit plan and provident fund which is managed for the Company as a whole. Contributions to defined benefit plan and provident fund and other perquisites and allowances have been included in Schedule 18 and 20.

35. Details of advances and loans given to subsidiary Companies

Name of subsidiary	Balance outstanding as at March 31,		Maximum balance outstanding as at March 31,	
	2015	2014	2015	2014
CTIPL (Cambridge Technology India Pvt. Ltd.) Cambridge Technology Inc.	—	(87,134,931)	—	(90,886,991)

NOTE: Balance Outstanding as per 31st March, 2015 is nil because Cambridge Technology India Pvt Ltd got merged with Cambridge Technology Enterprises Limited with effect from 1.04.2014.

36. Retirement benefits to employees

Defined contribution plan

During year ended March 31, 2014, the Group contributed Rs. 5,164,472/- to provident fund (Previous Year Rs.38, 19,331/- was contributed to provident fund).

Defined benefit plan – gratuity and privilege leave.

The amounts recognized in the balance sheet as at March 31, 2015 are as follows:

	31 st Mar'15	31 st Mar'14
Present value of funded obligations	7,203,252	9,188,945
Fair value of plan assets		
Net liability	7,203,252	9,188,945
Amount in balance sheet		
Liability	7,203,252	9,188,945
Asset	-	
Net Liability	7,203,252	9,188,945

The amounts recognized in the profit and loss account for the year ended March 31, 2015 are as follows.

	31 st Mar' 2015	31 st Mar' 2014
Current service cost	462,245	611,760
Interest cost	526,669	652,945
Expected return on plan assets		-
Recognized net actuarial loss	7,209,242	1,028,841
Net Benefit Expense	8,198,156	2,293,546

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 st Mar'2015	31 st Mar'2014
Defined benefit obligation at beginning of the year	6,583,366	8,161,816
Current service cost	462,245	611,760
Interest cost	526,669	652,945
Benefits paid	(7,578,270)	(1,266,417)
Actuarial loss/(gains)	7,209,242	1,028,841
Defined benefit obligation at end of the year	7,203,252	9,188,945

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

	31 st Mar'2015	31 st Mar' 2014
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gains	-	-
by employer	7,578,270	1,266,417
Benefits paid	7,578,270	1,266,417
Fair value of plan assets at the end of the year	-	-
The assumptions used in accounting for the gratuity plan are set out as below:		
Discount Rate	8.00%	8.00%
Expected return on plan assets	5.00%	5.00%
Salary Escalation	7.00%	7.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Company evaluates these assumptions annually based on its long term plans of growth and industry standards.

37. Contingent Liabilities:

i) The company is having the following disputed liabilities with the Service Tax Dept. and Income Tax Dept.

S.No	Nature of liability	Assessment year	Demand in Rs.	Status
1	Service Tax	2007-08 to 2009-10	3,25,76,183	Pending before Service Tax Tribunal and received stay order dated 30 th October 2013 against recovery by Tax the Service dept.
2	Income Tax	2010-11	7,38,54,455	ITAT Appeal Filed

38. Supplementary Information

(i) Earnings in foreign currency (FOB), on accrual basis

	Year ended March 31,	
	2015	2014
Software development and services	229,849,679	202,151,624
Total	229,849,679	202,151,624

(ii) Expenditure in foreign currency, on accrual basis

	Year ended March 31,	
	2015	2014
Travelling & Others	23,08,574	1,371,791
Total	23,08,574	1,371,791

39. Payables to micro enterprises and small enterprises

There were no overdue principal amounts (and interest thereon) payable to micro enterprises and small enterprises, as at March 31, 2015.

40. Quantitative details

The Company is engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not practicable to give the quantitative details of sales and certain other information as required under paragraphs 3, 4A, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

41. Prior year comparatives.

Previous years' figures have been regrouped and reclassified wherever necessary to confirm to current year's classification.

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

For and on behalf of board of Directors

P.MuraliMohana Rao
Membership No: 23412

D.R.R.Swaroop **VenkatMotaparthi**
Whole-time Director Director

V. Ramana Reddy
CFO & Company Secretary

Place: Hyderabad
Date: 29-05-2015

Standalone Balance Sheet as at 31st March, 2015.

Amount in INR

Particulars	Note No.	As at 31st March	
		2015	2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	196,310,150	196,310,150
(b) Reserves and Surplus	2	75,070,448	(42,165,663)
(2) Non-Current Liabilities			
(a) Deferred tax liabilities(Net)	3	(242,503)	5,729,781
(b) Long term provisions	4	6,840,817	6,259,478
(3) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	5	6,270,344	4,845,663
(c) Other current liabilities	6	365,038	106,309,131
(d) Short-term provisions	7	19,488,733	19,727,300
Total		304,103,027	297,015,839
II. ASSETS			
(1) Non-current assets			
(a) <i>Fixed assets</i>			
(i) Tangible assets	8	9,320,519	7,200,389
(b) Goodwill		97,714,002	-
(c) Non-current investments	9	59,921,995	135,485,546
(d) Long Term Loans & Advances	10	29,382,885	23,945,562
(e) Other non-current assets	11	11,320,204	10,560,596
(2) Current assets			
(a) Trade receivables	12	62,002,319	101,255,940
(b) Cash and cash equivalents	13	4,109,072	14,402,104
(c) Short-term loans and advances	14	1,407,992	2,348,291
(d) Other current assets	15	28,924,039	1,817,411
Total		304,103,027	297,015,839

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS.

AS PER OUR REPORT OF EVEN DATE

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

P.Murali Mohana Rao
Partner
Membership No. 023412

Place: Hyderabad
Date : 29-05-2015

For and on behalf of the Board of Directors

D.R.R Swaroop
Wholetime Director

Venkat Motaparthy
Director

V.Ramana Reddy
CFO & Company Secretary

Standalone Profit and Loss Statement for the Year ended 31st March, 2015

Particulars	Note No.	Year Ended 31-03-2015	Year Ended 31-03-2014
I. Revenue from operations	16	258,977,461	202,151,624
II. Other Income	17	10,241,804	6,510,752
III. Total Revenue (I +II)		269,219,265	208,662,376
IV. Expenses:			
Employee and benefit expenses	18	161,416,886	126,992,781
Other Operating Expenses	19	32,515,409	28,562,788
Administrative Expenses	20	33,596,619	20,491,768
Finance costs	21	-	-
Depreciation and amortization expense	8	6,438,510	6,873,647
Impaired Intangible Assets	8	24,428,501	-
Total Expenses		258,395,924	182,920,984
V. Profit before exceptional and extraordinary items and tax (III - IV)		10,823,341	25,741,392
VI. Exceptional Items			
I. Prior Period Expenses		-	167,440
II. Change in the Carrying Value of Investment			-
VII. Profit before extraordinary items and tax (V - VI)		10,823,341	25,573,952
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		10,823,341	25,573,952
X. Tax expense:			
(1) Current tax		-	6,502,815
(2) Deferred tax		(2,039,464)	1,152,061
XI. Profit(Loss) from the period from continuing operations (IX - X)		12,862,806	17,919,076
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		12,862,806	17,919,076
XVI. Earning per equity share:			
(1) Basic		0.66	0.91
(2) Diluted		0.66	0.91

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS.
AS PER OUR REPORT OF EVEN DATE

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

P.Murali Mohana Rao
Partner
Membership No. 023412

Place: Hyderabad
Date : 29-05-2015

For and on behalf of the Board of Directors

D.R.R Swaroop
Wholetime Director

Venkat Motaparthy
Director

V.Ramana Reddy
CFO & Company Secretary

Cambridge Technology Enterprises Limited
Standalone Cashflow for the period ended 31st March, 2015.

Details		For the Period ended with 31st March, 2015	For the Period ended with 31st March, 2014
A. Cash Flow from Operating Activities			
Net Profit / (Loss) before tax		10,823,341	25,573,952
Adjustment for :			
Depreciation & Amortization		30,867,011	6,873,647
Interest Income		(1,980,103)	(1,294,158)
Provision for Gratuity & Leave encashment			1,342,528
Loss on sale of Assets(Net)			-
Operating profit before working capital changes		39,710,249	32,495,969
Adjustment for:			
Changes in Trade Payables		1,424,681	-
Changes in Other Current Liabilities		(105,944,093)	-
Changes in Short Term Provisions		(238,567)	-
Change in Other Current Assets		(27,106,628)	-
Change in Trade receivables		39,253,621	(28,861,095)
Change in Short-term loans and advances		940,299	(834,252)
Change in Non Current asset		(759,608)	327,156
Cash generated from operations		(52,720,046)	3,127,778
Income tax (paid)/ refunded		-	(6,502,815)
Net cash from operating activities	A	(52,720,046)	(3,375,037)
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets		(130,950,065)	(5,761,156)
Sale of Fixed Assets			-
Interest received		1,980,103	1,294,158
Adjustments of Fixed Assets			
Reserves of CTIPL		104,622,229	-
Sale of Investments in subsidiary		75,563,551	-
Long Term Loans & Advances(Deposits)		(5,437,323)	(946,063)
deferred tax Asset of CTIPL		(3,932,820)	-
Net cash from investing activities	B	41,845,676	(5,413,061)
C. Cash Flows from Financing Activities			
Increase (Decrease) in working capital Loan (net)			-
Change in Long Term Provisions		581,339	-
		-	-
Increase (Decrease) in Share Capital		-	-
Net cash used from financing activities	C	581,339	-
Net change in cash (A+B+C)		(10,293,031)	(8,788,098)
Cash and cash equivalents at beginning of year		14,402,104	23,190,205
Cash and cash equivalents at end of year		4,109,072	14,402,104

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,

Firm Regn. No: 007257S
Chartered AccountantsP.Murali Mohana Rao
Partner
Membership No. 023412Place: Hyderabad
Date: 29-05-2015

For and on behalf of the Board of Directors

D.R.R Swaroop
Wholetime DirectorVenkat Motaparthy
DirectorV.Ramana Reddy
CFO & Company Secretary

Notes to Standalone Financial Statements
NOTE NO. 1 : SHARE CAPITAL

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
a	Equity Share Capital		
	(a) Authorised (No. of Shares 3,00,00,000 Current Year) (No. of Shares 3,00,00,000 Previous Year)	300,000,000	300,000,000
	(b) Issued (No. of Shares 1,96,31,015 Current Year) (No. of Shares 1,96,31,015 Previous Year)	196,310,150	196,310,150
	(c) Subscribed & Fully Paid Up (No. of Shares 1,96,31,015 Current Year) (No. of Shares 1,96,31,015 Previous Year)	196,310,150	196,310,150
	(d) Subscribed & not fully paid up	-	-
	(e) Par Value per share Rs. 10/-		
	Total share Capital	196,310,150	196,310,150
b	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		
	Equity Shares of Rs.10Each, Fully paid up		
	At the Beginning	19,631,015	15,824,415
	Issued during the year - Bonus Issue	-	3,806,600
	Issued during the year - Cash Issue	-	-
	Issued during the year - ESOP	-	-
	Forfeited / Bought Back during the year	19,631,015	19,631,015
	At the end		
		% of Share Holding	
	Details of Shareholder holding more than 5% shares of the company:		
	Equity Shares of Rs. 10 each Held By		
	Share Holder Name	No. of Shares	
		31-Mar-15	31-Mar-14
	1. Internet Business Capital Corporation	-	8,399,269
	2. Cloud Computing LLC	9,209,693	-
	3. Smart Shift AG	2,056,600	2,056,600
		-	42.79%
		46.91%	-
		10.48%	10.48%

NOTE NO. 2 : RESERVES & SURPLUS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	RESERVES AND SURPLUS:		
	(a) Capital Redemption Reserve		
	As at the commencement of the year	499,000	499,000
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		499,000	499,000
	(b) Securities Premium Account		
	As at the commencement of the year	225,215,578	171,923,178
	Add: Additions during the year	-	53,292,400
	Less: Utilised for during the year	-	-
		225,215,578	225,215,578
	(c) Revaluation reserve	-	-
	(d) Surplus :		
	Opening Balance - Profit and Loss Account	(163,506,936)	(285,799,317)
	Add: Transfer from Profit & Loss Account	12,862,806	17,919,076
		(150,644,130)	(267,880,241)
	Total Reserves and Surplus	75,070,448	(42,165,663)

NOTE NO. 3 : DEFERRED TAX LIABILITY(NET)

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Opening deferred tax Liability	21,045,836	19,544,828
	Add:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)	186,341	1,501,008
	Deferred Tax Liability for the year (Due to Others)		
	Gross Deferred tax Liability	21,232,177	21,045,836
	Opening deferred tax Asset	19,248,875	14,967,108
	Provision for Gratuity and Compensated Absences and doubtful debts	2,225,805	348,947
	Gross Deferred tax Asset	21,474,680	15,316,055
	Net Deferred tax Asset	(242,503)	5,729,781

NOTE NO. 4 : LONG TERM PROVISIONS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Provision for employee benefits		
	(1) Provision for Gratuity	5,993,914	5,487,286
	(2) Provision for Privilege Leave Encashment	846,903	772,192
	Total Long Term Provisions	6,840,817	6,259,478

NOTE NO. 5 : TRADE PAYABLES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Trade Payables		
	(a) Outstanding for a period exceeding six months	-	-
	(b) Outstanding for a period not exceeding six months	6,270,344	4,845,663
	(c) Others	-	-
	Total Trade Payables	6,270,344	4,845,663

NOTE NO. 6 : OTHER CURRENT LIABILITIES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Inter Company loans & Advances		
	a) Inter Company loans & Advances	-	87,134,931
	b) Provision for Dividend	83,286	83,286
	c) Other Payables	281,752	19,090,914
	Total Other Current Liabilities	365,038	106,309,131

NOTE NO. 7 : SHORT TERM PROVISIONS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	(a) Provision for Employee Benefits		
	Salaries & Benefits	133,182	80,419
	Variable component	5,021,353	7,868,875
	(b) Other Provisions		
	Provision for Income Tax	7,885,738	5,797,334
	Statutory Dues	1,636,597	1,849,395
	Audit Fee	750,000	750,000
	Expenses	3,699,428	3,057,389
	Provision for Gratuity & Leave Encashment	362,435	323,888
	Total Short term Provisions	19,488,732	19,727,300

Notes to Standalone Financial Statements for the year ended March 31st, 2015

Note No: 8

FIXED ASSETS :

i Tangible Assets

S. No.	Name of Asset	Gross Block			Depreciation			Amount in Rs.				
		Cost as at 01.04.2014	Additions During the Period	Deletions during the period	Cost as at 31.03.2015	Up to 01.04.2014	For the Period	Deletions during the period	Transfer to Retained Earnings	Total upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Plant & Machinery	1,010,001	-	160,000	850,001	484,612	65,292	153,804	-	396,100	453,901	525,389
2	Electrical Fittings	85,690	-	-	85,690	32,974	7,739	-	-	40,713	44,977	52,716
3	Furniture & Fixtures	1,270,706	648,048	54,616	1,864,138	1,009,827	142,743	45,932	-	1,106,638	757,500	94,462
4	Computers	20,840,393	1,039,579	1,438,287	20,441,685	18,662,474	961,293	178,832	105,979	19,550,914	890,771	2,352,014
5	Server & Networking	2,371,380	385,560	-	2,756,940	2,130,922	100,163	-	-	2,231,085	525,855	-
6	Office Equipment	4,309,267	128,936	972	4,437,231	2,705,434	264,754	-	142,943	3,113,131	1,324,100	832,922
7	Leasehold Improvement	255,227	3,560,192	-	3,815,419	154,505	746,850	-	-	901,355	2,914,064	-
	Total	30,142,664	5,762,315	1,653,875	34,251,104	25,180,748	2,288,835	378,568	248,922	27,339,937	6,911,167	3,857,503
ii	Intangible Assets											
1	Software Licenses	33,030,127	3,216,144	-	36,246,271	29,687,241	4,149,678	-	-	33,836,919	2,409,352	3,342,886
2	Goodwill (Purchase)	-	122,142,503	-	122,142,503	-	24,428,501	-	-	24,428,501	97,714,002	-
	Total	33,030,127	125,358,647	-	158,388,774	29,687,241	28,578,179	-	-	58,265,420	100,123,354	3,342,886
1	Total	63,172,791	131,120,962	1,653,875	192,639,878	54,867,989	30,867,014	378,568	248,922	85,605,357	107,034,521	7,200,389
	Previous Year	52,409,613	5,761,156	3,905,196	54,265,573	44,096,733	6,873,647	3,905,196	-	47,065,184	7,200,389	8,312,880

NOTE NO. 9 : NON-CURRENT INVESTMENTS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	(1) Investments in Subsidiaries		
	(a) Equity Shares		
	Cambridge Technology India Pvt Ltd (100% Holding)	-	135,485,546
	Cambridge Technology Inc ((100% Holding)	59,921,995	-
	Total Non-Current Assets	59,921,995	135,485,546

NOTE NO. 10 : LONG TERM LOANS AND ADVANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Secured, Considered good		
	a) Rent Deposit	7,233,590	15,463,310
	b) Guest House Rent-Srinagar Colony	-	66,000
	c) Other Deposits	379,512	210,500
	d) Fixed Deposit With Banks for BG's	21,769,783	8,205,752
	Total Long Term Loans and Advances	29,382,885	23,945,562

NOTE NO. 11 : OTHER NON CURRENT ASSETS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) MAT Entitlement Receivable	2,447,259	2,447,259
	b) Input Service Tax	6,286,367	5,528,434
	c) Service Tax Protest	2,501,675	2,500,000
	d) Income Tax Refund	84,903	84,903
	Total Other Non Current Assets	11,320,204	10,560,596

NOTE NO. 12 : TRADE RECEIVABLES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	836,481	-
	Doubtful	-	-
		836,481	-
	Less: Allowance for Bad & Doubtful Debts	-	-
		836,481	-
II	Other Receivables		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	61,165,838	101,255,940
	Doubtful	-	-
		61,165,838	101,255,940
	Less: Allowance for Bad & Doubtful Debts	-	-
		61,165,838	101,255,940
	Total Trade Receivables	62,002,319	101,255,940

Notes to Standalone Financial Statements

NOTE NO. 13 : CASH AND BANK BALANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	Cash and Cash Equivalents		
	(a) Balances with Bank		
	(i) Current Account Balances	4,080,388	13,526,106
	(ii) Fixed Deposit	-	835,947
	(b) Cash on hand	28,685	40,051
	Cash and Bank Balances	4,109,073	14,402,104

NOTE NO. 14 : SHORT TERM LOANS AND ADVANCES

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) Advances to Vendors	-	1,821,625
	b) Advances to Employees	911,413	28,668
	c) Others	496,579	497,998
	Total Short Term Loans and Advances	1,407,992	2,348,291

NOTE NO. 15 : OTHER CURRENT ASSETS

S. No	Particulars	As on 31-03-2015	As on 31-03-2014
I	a) TDS Receivables	25,394,455	255,832
	b) Prepaid Expenses	3,249,446	1,561,579
	c) Unbilled Revenue	280,139	-
	Total Other Current Assets	28,924,040	1,817,411

NOTE NO. 16 : REVENUE FROM OPERATIONS

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
(i)	Revenue from operations in respect of non-finance company		
	(a) Sale of Services	258,977,461	202,151,624
	Total Revenue from Operations	258,977,461	202,151,624

NOTE NO. 17 : OTHER INCOME

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Interest Income (on Bank Deposits)	1,980,103	1,294,158
	(b) Exchange Fluctuation gain	2,960,010	4,061,007
	(c) Other Misc. Income	5,301,691	1,155,587
	Total Other Income	10,241,804	6,510,752

NOTE NO. 18 : EMPLOYEE AND BENEFIT EXPENSES

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Salaries and bonus	144,467,398	116,256,050
	(b) Fees to Contract Employees	1,588,180	1,198,327
	(c) Staff Welfare Expenses	1,194,014	2,342,392
	(d) Employee other benefit expenses	14,167,294	7,196,012
	Total Employee Benefit Expenses	161,416,886	126,992,781

NOTE NO. 19 : OTHER OPERATING EXPENSES

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Power & Fuel	3,461,906	4,382,730
	(b) Rent	18,245,838	19,752,157
	(c) Insurance	614,579	832,079
	(d) Dues & Subscriptions	785,331	637,052
	(e) Payment to Auditors:		
	(i) As Auditor	675,000	675,000
	(ii) For Taxation Matters	75,000	75,000
	(iii) For Internal auditor	350,000	350,000
	(f) Net loss on sale of assets	95,038	-
	(g) Purchase of software product/ licenses	7,336,500	310,113
	(h) Bad Debts	446,389	-
	(i) Miscellaneous Expenses	429,828	1,548,658
	Total Other Expenses	32,515,409	28,562,788

NOTE NO. 20 : ADMINSTRATIVE EXPENSES

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Telephone, Postage and Others	2,953,191	2,304,054
	(b) Office Maintenance	6,647,904	4,766,230
	(c) Managerial Remuneration	2,000,001	1,500,000
	(d) Directors Sitting Fee	220,000	70,000
	(e) Traveling and Conveyance	7,345,557	5,213,682
	(f) Consultancy Charges	4,998,651	3,236,444
	(g) Interest on Tds Payable	67,673	86,115
	(h) Rates and Taxes	288,420	39,119
	(i) Computer hire charges	8,733,566	3,176,976
	(j) Bank Charges	341,656	99,148
	Total Administrative Expenses	33,596,619	20,491,768

NOTE NO. 21 : FINANCE COST

S. No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I	(a) Interest on Working Capital Loan	-	-
	(b) Interest on other Loans	-	-
	Total Finance Cost	-	-

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(All amounts have been presented in Rupees unless otherwise specified)

1. Company overview

Cambridge Technology Enterprises Limited (CTE), “the Company” is an information technology services provider dedicated to serving the midsize market enterprises and the midsize units of Global 2000 enterprises across the spectrum of business industries. The Company was incorporated on January 28, 1999 in Hyderabad, Andhra Pradesh, India.

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, 2014 and the relevant provisions of the Indian Companies Act, 2013. 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 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.

Amounts received or billed in advance of services performed are recorded as advance from customers/ unearned revenue. Unbilled revenue, included in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms. Unearned revenue is calculated on the basis of the unutilized period of time at the Balance Sheet and represents revenue which is expected to be earned in future periods in respect of internet, e-mail services, electronic data interchange and web hosting services.

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.

Other income

Interest is recognized using the time-proportion method, based on rates implicit in the transaction.

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

Effective 1st April, 2014, Company depreciates the Fixed Assets over the useful life in the manner prescribed in Schedule II of The Companies Act, 2013 as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of The Companies Act 1956.

Depreciation for additions to Fixed Assets of the Company is provided as per Schedule II of the Companies Act, 2013 on pro-rata basis.

Individual assets acquired for less than Rs.5,000/- are entirely depreciated in the year of acquisition. Leasehold improvements are written off over the lower of, the remaining primary period of lease or the life of the asset.

The carrying value of Fixed Assets whose life has completed as per Schedule II of The Companies Act, 2013 is transferred to Retained earnings amounting to Rs.2,48,922/-.

Amortization

Software used in development for projects are amortized over the license period or estimated useful life of two years, whichever is lower. Cost of internally developed software including the incidental costs is amortized over a period of five years.

The company CTE has made investments in Cambridge Technology India Private Limited (CTIPL) which is an 100% subsidiary and CTIPL got merged with the CTE with effective from 1st April 2012. The excess of investment over share capital of CTIPL is treated as goodwill which is an amount of Rs. 12,21,42,503/-. The Goodwill arisen on the basis of merger is decided to write-off for a period of 5 years from the current Financial Year by the Board of Directors. The goodwill amount amortized in the Current Financial Year is Rs. 2,44,28,501/-.

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 Finance leases

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower. Depreciation on the assets taken on lease is charged at the rate applicable to similar type of owned fixed assets refer accounting policy 2.4. Lease payments made are apportioned between the finance charges and reduction of the outstanding liability in respect of assets taken on lease.

2.6 Investments

Investments are either classified as current or long-term, based on the Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

2.7 Foreign Currency transactions and translation

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction (RBI rates). 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.

2.8 Employee Stock Option Scheme

Stock options granted to the employees under the stock option schemes established after June 19, 1999 are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 issued by Securities and Exchange Board of India and the Guidance Note on Accounting for employee share-based payments issued by the Institute of Chartered Accountants of India. Accordingly the Company measures the compensation cost relating to employee stock options using the intrinsic value method. The compensation cost is amortized on a straight line basis over the total vesting period of the stock options.

2.9 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. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

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.

2.10 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.

2.11 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

Contributions to defined Schemes such as Provident Fund 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.

Notes to Financial Statements

22. The Company has written-off the trade receivables amounting to Rs.21, 48, 81,750/- during the previous financial year 2012-13, due from erstwhile wholly owned step down subsidiary Cambridge Technology Enterprises Inc. The company has made an application to RBI through the authorized dealer for the approval of the same which is pending for the year ended 31-03-2015.
23. The Company has written-off the domestic trade receivables amounting to Rs.4, 46,389/- during the current year 2014-15.
24. M/s. Cambridge Technology India Private Limited which is a 100% subsidiary of CTE has got merged in CTE with effective from 1st April 2012 under the method Amalgamation by Merger as per the Honorable Karnataka High Court Order dated 7th August, 2014. All the Assets and liabilities of M/s. Cambridge Technology India Private Limited has taken into books of accounts of CTE on 1st April 2014 at book values. There is no allotment of equity shares of CTE to M/s. Cambridge Technology India Private Limited share holders since it is a 100% subsidiary to CTE.
25. As per the Amalgamation order the Cambridge Technology India Private Limited merged with Cambridge Technology Enterprises Limited with effect from 1st April 2012. Due to this necessary adjustments in opening balances and closing balances of Cambridge Technology India Private Limited are considered in the financials of Cambridge Technology enterprises Limited for the year ending 31st March 2015.
26. The Cambridge Technology Enterprises Limited income is including the Cambridge Technology India Private Limited income as per the court order. Necessary TDS credits and income of Cambridge Technology India Private Limited are included in Cambridge Technology Enterprises Limited for the year ending 31st March 2015.
27. The Company CTE has sold its Assets for an amount of Rs. 12,75,308/- and it has incurred a loss of Rs. 95,038/-.

28. Details of Deposits

Deposit amount consists of Rental Deposit of Cyber Pearl building for Hyderabad Office premises, Chandrasagar Enterprises for Bangalore Branch, Regus Chennai Office Centre Pvt Ltd for Chennai Office Premises and Regus Suburbs Centre Pvt Ltd for Mumbai Office Premises. Fixed Deposits in Axis Bank, State Bank Hyderabad and others.

29. Employee Stock Option Scheme- Pending

The Group has three stock option plans that are currently operational.

CTEL ESOP 2006

The 2006 Plan was approved by the board of directors on April 13, 2006 and by the shareholders on April 21, 2006, under which scheme 1,236,542 options were granted till date of 31st March, 2015.

Changes in number of options outstanding were as follows:

	As at March 31	
	2015	2014
Options outstanding beginning of period	112,538	116,538
Granted during the year	Nil	Nil
Less: Exercised	Nil	Nil
Lapsed *	66,985	4,000
Options outstanding end of period	43,953	112,538

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options

CTEL ESOP SCHEME 2008

The 2008 Plan was approved by the board of directors on March 20, 2008 and by the shareholders through postal ballot results of which was declared on March 5, 2008, under which scheme 1,500,000 options were granted till date of 31st March, 2015.

Changes in the number of options outstanding:

	As at March 31	
	2015	2014
Options outstanding beginning of period	69,620	73,881
Granted during the year	Nil	Nil
Less: Exercised	Nil	Nil
Lapsed *	29,786	4,261
Options outstanding end of period	38,234	69,620

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options

CTEL ESOP SCHEME 2011

The 2011 Plan was approved by the board of directors on December 10, 2010 and by the shareholders through postal ballot results of which was declared on January 24, 2011, under which scheme 644,000 options were granted till date of 31st March, 2015.

Changes in the number of options outstanding:

	As at March 31	
	2015	2014
Options outstanding beginning of period	159,500	1,64,000
Granted during the year	Nil	Nil
Less: Exercised	1,600	Nil
Lapsed*	107,900	4,500
Options outstanding end of period	50,000	1,59,500

* Options were lapsed for those who had left the company or didn't exercise their options during the vesting period of their options

Pro forma Disclosure

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, had the compensation cost for associate stock option plans been recognized based on the fair value at the date of grant in accordance with Black Scholes' model, the pro forma amounts of the Group's net profit and earnings per share would have been as follows:

(Amount in Rs.)

	Year ended March 31,	
	2015	2014
Net Profit/Loss (as reported)	12,785,886	17,919,076
Add: Stock based employee compensation		-
Less: Stock based compensation expenses determined under fair value method (pro forma)		-
Net Profit (Pro forma)	12,785,886	17,919,076
Earnings per share (Rs.)		
Basic - as reported		-
- as pro forma		-
Diluted - as reported		-
- as pro forma		-

The key assumptions used in Black-Scholes' model for calculating fair value are: risk-free interest rate ranging from 6.73% to 7.85% (2012 - 6.73% to 7.85%), expected life: 3 years to 4 years (2012 - 3 years to 4 years), expected volatility of shares 63.77% to 72.66% (2012 - 63.77% to 72.66%), dividend yield 0% (2012 - 0%). The range variables detailed herein represent the highs and the lows of the assumptions during the pendency of the grant dates.

30. Related party transactions

Key Management Personnel

Stefan Hetges	Whole-time Director and Chief Executive Officer
D.R.R Swaroop	Whole-time Director
V Ramana Reddy	Chief Financial Officer and Company Secretary

Enterprises over which Control exists

Cambridge Technology Inc.	Wholly owned subsidiary w.e.f January 2015
SmartShift Technologies Inc.	Associate company (common Director)

Enterprises over which significant influence exercised by key management personnel/close family member of key management personnel

D.S. Unics Infotech limited	D.R.R. Swaroop is a Director in the Company
SmartShift Technologies Inc. (Formerly known as Cambridge Technology Enterprises Inc.)	Stefan Hetges is a Director in the Company

Nature of Transaction	Year ended March 31	
	2015	2014
<i>Transactions with key management personnel</i>		
Remuneration *		
- D.R.R. Swaroop	2,000,000	1,500,000
- Stefan Hetges	-	-
- V Ramana Reddy	15,91,484	14,70,636
-Amount Payable		
-D.R.R. Swaroop	-	-
Amount Receivables	-	-
-D.R.R. Swaroop		

Transactions with enterprises over which Control exists

Nature of Transaction	Year ended March 31	
	2015	2014
Sale of services - SmartShift Technologies Inc. (Formerly Cambridge Technology Enterprises Inc.)	177,723,594	202,151,624
Expenses reimbursement, net- - SmartShift Technologies Inc. (Formerly CambridgeTechnology Enterprises Inc.)	459,789	497,999
Balance receivable/ (payable)	3,986,123	101,753,939
Investment in Shares- Cambridge Technology Inc.	59,921,995	-
Sale of services - CambridgeTechnology Inc.	44,951,740	-
Expenses reimbursement, net- - CambridgeTechnology Inc.	36,790	-
Balance receivable/ (payable)	45,395,951	-

Nature of Transaction	Year ended March 31	
	2015	2014
Loans and advances		
Loans and advances given		
-Cambridge Technology India Pvt. Ltd.	-	5,305,860
Repayment of loans and advances		
-Cambridge Technology India Pvt. Ltd.	-	11,068,491
Balance outstanding		
- Cambridge Technology India Pvt. Ltd.	-	-87,134,931

31. Reconciliation of basic and diluted shares used in computing earnings per share

	As at March 31,	
	2015	2014
Number of shares considered as basic weighted average shares outstanding	19,631,015	19,631,015
Add: Effect of dilutive issue of stock options		-
Number of shares considered as weighted average shares and potential shares outstanding	19,631,015	19,631,015

32. Leases

Operating Lease

The Company hires office premises under operating lease agreement that is renewable on a periodic basis at the option of the both the lessor and the lessee. Rental expense under those leases was Rs.17, 658,188/- (Previous year Rs.19, 218,457/-).

Finance Leases

The Company is not having any finance lease agreements as at March 31, 2015.

33. Segment reporting

As required by the Accounting Standard - 17, 'Segment reporting', the Company is mainly engaged in the area of software development and related services. Hence segment reporting is not applicable to the Company and to the nature of business.

34. Managerial Remuneration

The key management personnel comprise our directors and statutory officers. Particulars of remuneration and other benefits provided to key management personnel during the year ended March 31, 2015 and 2014 are as follows:

	Year ended March 31,	
	2015	2014
Remuneration*	35,91,484	29,70,636
Perquisites and Allowances	-	-
Directors sitting fee	2,20,000	70,000

*Remuneration is net of accrual towards Gratuity, a defined benefit plan and provident fund which is managed for the Company as a whole. Contributions to defined benefit plan and provident fund and other perquisites and allowances have been included in Schedule 19 and 21.

35. Details of advances and loans given to subsidiary Companies

Name of subsidiary	Balance outstanding as at March 31,		Maximum balance outstanding as at March 31,	
	2015	2014	2015	2014
CTIPL(Cambridge Technology India Pvt. Ltd.)	—	(87,134,931)	—	(90,886,991)
Cambridge Technology Inc.	—	—	—	—

NOTE: Balance Outstanding as per 31st March, 2015 is nil because Cambridge Technology India Pvt Ltd got merged with Cambridge Technology Enterprises Limited with effect from 1.04.2014.

36. Retirement benefits to employees

Defined contribution plan

During year ended March 31, 2015, the Company contributed Rs.47,52,337/- to provident fund (Previous Year Rs.2,528,264/- was contributed to provident fund).

Defined benefit plan – gratuity and privilege leave

The amounts recognized in the balance sheet as at March 31, 2015 are as follows:

	31 st Mar'15	31 st Mar'14
Present value of funded obligations	7,203,252	6,583,366
Fair value of plan assets		
Net liability	7,203,252	6,583,366
Amount in balance sheet		
Liability	7,203,252	6,583,366
Asset		
Net Liability	7,203,252	6,583,366

The amounts recognized in the profit and loss account for the year ended March 31, 2015 are as follows.

	31 st Mar' 2015	31 st Mar' 2014
Current service cost	462,245	506,380
Interest cost	526,669	440,629
Expected return on plan assets		
Recognized net actuarial loss/gain	7,209,242	1,080,147
Net Benefit Expense	8,198,156	20,27,156

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 st Mar' 2015	31 st Mar' 2014
Defined benefit obligation at beginning of the year	6,583,366	5,507,863
Current service cost	462,245	506,380
Interest cost	526,669	440,629
Benefits paid	(7,578,270)	(951,653)
Actuarial loss/(gains)	7,209,242	1,080,147
Defined benefit obligation at end of the year	7,203,252	6,583,366

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

	31 st Mar'2015	31 st Mar' 2014
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gains	-	-
Contribution by employer	7,578,270	951,653
Benefits paid	7,578,270	951,653
Fair value of plan assets at the end of the year	-	-
The assumptions used in accounting for the gratuity plan are set out as below:		
Discount Rate	8.00%	8.00%
Expected return on plan assets	5.00%	5.00%
Salary Escalation	7.00%	7.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Company evaluates these assumptions annually based on its long term plans of growth and industry standards.

37. Contingent Liabilities:

- i) The Company is having the following disputed Liabilities with the Service Tax Dept and Income Tax Dept.

S.No	Nature of liability	Assessment year	Demand in Rs.	Status
1	Service Tax	2007-08 to 2009-10	3,25,76,183	Pending before Service Tax Tribunal and received stay order dated 30 th October 2013 against recovery by Tax the Service dept.
2	Income Tax	2010-11	7,38,54,455	ITAT Appeal Filed

38. Supplementary Information

- (i) Earnings in foreign currency (FOB), on accrual basis

	Year ended March 31,	
	2015	2014
Software development and services	229,849,679	202,151,624
Total	229,849,679	202,151,624

- (ii) Expenditure in foreign currency, on accrual basis

	Year ended March 31,	
	2015	2014
Travelling & Others	23,08,574	1,371,791
Total	23,08,574	1,371,791

39. Payables to micro enterprises and small enterprises

There were no overdue principal amounts (and interest thereon) payable to micro enterprises and small enterprises, as at March 31, 2015.

40. Quantitative details

The Company is engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not practicable to give the quantitative details of sales and certain other information as required under paragraphs 3, 4A, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

41. Prior year comparatives.

Previous years' figures have been regrouped and reclassified wherever necessary to confirm to current year's classification.

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

P.Murali Mohana Rao
Membership No: 23412

For and on behalf of board of Directors

D.R.R.Swaroop
Whole-time Director

Venkat Motaparthi
Director

V. Ramana Reddy
CFO & Company Secretary

Place: Hyderabad
Date: 29-05-2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Cambridge Technology Enterprises Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Cambridge Technology Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, 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 on the financial statements:

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at 31st March 2015, its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we further report that:
- a) we have sought and 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 are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 .
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial statements – refer to note no. 40 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

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

P. Murali Mohana Rao
Partner
M.No. 023412

Place: Hyderabad
Date: 29/05/2015

Annexure referred to in paragraph 1 of Our Report of even date to the members of Cambridge Technology Enterprises Limited on the accounts of the company for the year ended 31st March, 2015 Under "Report on other Legal & Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- ii. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records

of the Company and according to the information and explanations given to us, no major weakness has not been noticed or reported.

- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Income-tax, professional tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India ;
 - (b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues in arrears as at 31st March 2015 for a period of more than 6 months for the date they became payable.
 - (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes except the below given disputes:

S.No	Nature of liability	Assessment year	Demand in Rs.	Status
1	Service Tax	2007-08 to 2009-10	3,25,76,183	Pending before Service Tax Tribunal and received stay order dated 30 th October 2013 against recovery by Tax the Service dept.
2	Income Tax	2010-11	7,38,54,455	ITAT Appeal Filed

- (d) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
- viii. The Company does not have accumulated losses at the end of the financial year and the company does not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion, and according to the information and explanations given to us, the company has not obtained loans from financial institution/banks. Hence the clause default in repayments of loans by the company is not applicable. The company has not issued any debentures.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institutions.
- xi. In our opinion, and according to the information and explanations given to us, the company has not raised any term loans during the year.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

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

P. Murali Mohana Rao
Partner
M.No. 023412
Place: Hyderabad
Date: 29/05/2015

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of Cambridge Technology Enterprises Limited will be held on Monday, the 7th day of September, 2015 at 3.30 p.m. at **Vega Hall, First Level, Avasa Hotel**, Plot No: 15,24,25 & 26, Sector-1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad-500081, to transact the following:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements consisting of the Balance Sheet of the Company as at 31st March, 2015 and the Statement of Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Dharani Raghurama Swaroop (DIN: 00453250), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To Appoint M. Anandam & Co (ICAI Regn. No. 000125S), Chartered Accountants, Hyderabad as Statutory Auditors of the Company to fill casual vacancy caused by resignation of P. Murali & Co.

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

"RESOLVED THAT pursuant to the provisions of Section 139(8), 140, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M. Anandam & Co, Chartered Accountants, Hyderabad (Firm's Regn. No. 000125S) be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. P Murali & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 007257S).

"RESOLVED FURTHER THAT M. Anandam & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 000125S) be and are hereby appointed as Statutory Auditors of the Company and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with the auditors in addition to reimbursement of all out of pocket expenses and such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and Board of Directors."

Special Business:

4. Amendment of Articles of Association 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 provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Article 187 (a) be added after Article 187 of the Articles of Association as under:

187 (a) "The Company may from time to time appoint an individual both as Chairperson as well as the Managing Director or Chief Executive Officer of the Company".

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) and the Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. Appointment of Mrs. K. Jayalakshmi Kumari as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules,

2014, read with Schedule IV to the Act, as amended from time to time, subject to such other laws, rules and provisions as may be applicable from time to time, Mrs. K. Jayalakshmi Kumari (DIN 03423518), who was appointed as an 'Additional Director' in the Board of the Company on 14.03.2015 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company, and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. K. Jayalakshmi Kumari as a candidate for the office of a director of the company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the Conclusion of Annual General Meeting in the year 2020.

6. Appointment of Mr. Aashish Kalra as a Director:

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

"RESOLVED THAT Pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder and subject to the Articles of Association of the Company, Mr. Aashish Kalra (DIN: 01878010), who was appointed as an Additional Director of the Company in Executive Capacity by the Board of Directors with effect from 14th May, 2015 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Aashish Kalra as a candidate for the office of a director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. Appointment of Mr. Aashish Kalra as a Chairman & Whole-Time Director:

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 Sections 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 subject to the approval of Central Government or other Government authority, if any, and subject to such other approvals and consents as may be necessary, Mr. Aashish Kalra (DIN: 01878010) be and is hereby appointed as Whole - Time Director of the Company for a period of 5 years w.e.f 14th May, 2015, on the terms and conditions as specified in the Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 annexed to this notice and on remuneration and other terms, which is as follows:

I. Remuneration:

- a. Consolidated Salary, perquisites, performance bonus, variable pay etc: Nil

II. He shall be entitled to receive the following:

- i. All expenses relating to telephone, mobile bills, travelling, boarding, lodging and other expenses incurred for the purpose of business of the company.
- ii. Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the rules made thereunder, Income Tax Act, 1961/ Rules made thereunder, FEMA Guidelines as per RBI Regulations and Clause (i).

III. He will not be eligible for any sitting Fees for attending the Company's Board/Committee Meetings.

"RESOLVED FURTHER THAT Mr. Aashish Kalra be and is hereby also appointed as the Chairman of the Company and will be designated as Chairman & Chief Executive Officer of the Company w.e.f 8th September, 2015."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to this resolution."

8. Amendment to CTEL ESOP Scheme 2011

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 62(1)(b), and all other applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time and Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended, modified or re-enacted from time to time, approval of the Company be and is hereby accorded to amend the CTEL ESOP Scheme 2011 by revising the terms of the Scheme as mentioned in Explanatory Statement set out in this notice at Item no. 8.”

“RESOLVED FURTHER THAT the Board/ Compensation/ Nomination and Remuneration Committee be and are hereby authorized to make modifications, changes, variations, alterations or revisions in the said Scheme, settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI Regulations and any other applicable laws.”

9. Amendment to CTEL ESOP Scheme 2 - 2008

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 62(1)(b), and all other applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time and Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended, modified or re-enacted from time to time, approval of the Company be and is hereby accorded to amend the existing CTEL ESOP Scheme 2 - 2008 as mentioned in Explanatory Statement set out in this notice at Item no.9.”

“RESOLVED FURTHER THAT the Board/ Compensation/ Nomination and Remuneration Committee be and are hereby authorized to make modifications, changes, variations, alterations or revisions in the said Scheme, settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI Regulations and any other applicable laws.”

10. Amendment to CTEL ESOP - 2006:

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 62(1)(b), and all other applicable provisions, if any, of the Companies Act, 2013 as amended, modified or re-enacted from time to time and Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended, modified or re-enacted from time to time, approval of the Company be and is hereby accorded to amend the existing CTEL ESOP 2006 (CTEL ESOP Scheme 1 - 2006) as mentioned in Explanatory Statement set out in this notice at Item no. 10”.

“RESOLVED FURTHER THAT the Board/ Compensation/ Nomination and Remuneration Committee be and are hereby authorized to make modifications, changes, variations, alterations or revisions in the said Scheme, settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI Regulations and any other applicable laws.”

**By order of the Board of Directors
for CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED**

**Date: 24th July, 2015
Place: Hyderabad**

**Dharani Raghurama Swaroop
Whole Time Director**

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY, HOWEVER, NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before commencement of the meeting. A Proxy form for the AGM is enclosed to this Annual Report.**
3. Corporate members intending to send their Authorized Representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their Representative to attend and vote on their behalf.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
5. In case of joint holders, the first joint holder will be entitled to vote in the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 2nd September, 2015 to Monday, the 7th September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2015 are being sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to investors@ctopl.com. The Members may also note that the said notice & Reports are also being uploaded on the website of the Company at www.ctopl.com. For members who havenot registered their email address, physical copies of the Annual Report for 2014-2015 is beingsent in the permitted mode.
8. Members are requested to quote their Registered Folio Number, Client ID, Number of shares in all correspondences with the Company/RTA and notify the Company’s RTA, or the Depository Participants, the change of registered address, if any.
9. Non-Resident Indian Members are requested to inform the Company’s RTA immediately of their:
 - (i) Change in their Residential status on return to India for permanent settlement.
 - (ii) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
10. The Company has designated an exclusive email ID investors@ctopl.com, which would enable the investors/ shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.
11. Queries concerning Annual Accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.
12. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and clause 35B of the listing agreement, the Company is pleased to provide the e-voting facility to its Members to enable them to cast their vote by electronic means and the business may be transacted through e – voting services provided by CDSL. Further, the facility for voting, either through electronic voting system or ballot or polling paper, will also be made available at the AGM. However, the Members attending the AGM and who cannot cast their votes by remote e-voting, can also exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. Shareholders, who do not have access to

e-voting facility and who cannot attend AGM, may contact the registered office of the Company, on or before 24th August, 2015, to cast their vote through Physical Ballot form. In this regard, the Company has appointed Ms. B. Krishnaveni, Practising Company Secretary, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to scrutinize voting through physical means and electronic voting process in a fair and transparent manner.

13. The e-voting facility will be available at the link <http://www.evotingindia.com/> during the voting period.
14. The login ID and password for e-voting along with process, manner and instructions is being sent to the members along with email/ physical copy of the Notice.
15. For the purpose of sending AGM Notice, 7th August, 2015 has been taken as the initial cut - off date to determine the list of shareholders who are entitled to receive this notice as per the Act. However the voting rights shall be determined as per the number of equity shares actually held by the Member(s) as on Tuesday, 1st September, 2015 being final cut-off date. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of final cut-off date i.e., 1st September, 2015, 2015 may obtain the login ID and password by sending a request at CDSL/ www.evotingindia.com. However, if you are already registered with CDSL for e-voting, then you can use your existing User ID and password for casting your vote.
16. Members are requested to note that remote e-voting will commence at 9.30 a.m. on Thursday, 3rd September, 2015 and will end at 5.00 p.m. on Sunday, 6th September, 2015. The remote e- voting shall not be allowed beyond 5 p.m. on 6th September, 2015.

17. The procedure and instructions for Shareholders voting electronically are as follows:

- (i) The remote e - voting period begins on 3rd September, 2015 at 9.30 A.M. and ends on 6th September, 2015 at 5.00 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 1st September, 2015 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both 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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company name <Cambridge Technology Enterprises Limited> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **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 linked in the login 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.
- (xx) 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

The Company had appointed M/s. P Murali & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 007257S) as the Statutory Auditors of the Company at the 15th Annual General Meeting (AGM) held on 29th December, 2014 to hold office till the conclusion of the 20th AGM of the Company. M/s. P Murali & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 007257S) have tendered their resignation on 16th July, 2015 vacating

office from the conclusion of this Annual General Meeting, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by 139(8) of the Companies Act, 2013 ("Act").

Subject to the approval of the shareholders and as per the recommendation of the Audit Committee, the Board of Directors at their meeting held on 24th July, 2015, filled the casual vacancy by appointing M. Anandam & Co, Chartered Accountants, Hyderabad (Firm Regn. No 000125S) with effect from the conclusion of the ensuing Annual General Meeting. The Board proposes that M. Anandam & Co, Chartered Accountants, Hyderabad (Firm Regn. No 000125S), be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. P Murali & Co., Chartered Accountants, Hyderabad (Firm's Regn. No. 007257S) and they shall hold office from the conclusion of this Annual General Meeting until the conclusion of next i.e., 17th Annual General meeting of the Company. M. Anandam & Co, Chartered Accountants have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under section 139(1) of the Act.

Accordingly, Board recommends the resolution for your approval as an Ordinary Resolution. None of the Directors, Key Managerial Persons or their relatives, is in any way, concerned or interested in the said resolution.

Item No. 4

It is proposed to amend the Articles of Association of the Company with the insertion of 187(a) after Article 187 providing for the appointment of an individual both as Chairperson and Managing Director or CEO of the Company from time to time for such period/periods as the Board may propose to appoint to address the dynamic business requirements of the company.

Amendment of Articles of Association requires the approval of Shareholders by means of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Aashish Kalra, is concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 4 of the Notice.

The resolution as set out in item no. 4 has been recommended by the Board of Directors for approval of the Members by special resolution.

The proposed new draft of Articles of Association is also available for inspection by the Members at the Registered Office of the Company on any working day excluding public holidays, Saturdays and Sundays from the date here up to 7th September, 2015.

Item No. 5

Mrs. K. Jayalakshmi Kumari was appointed as an Additional Director on 14th March 2015, in terms of Section 161 (1) of the Companies Act, 2013, in the category of 'Non-Executive Independent' and is continuing as 'Independent Director'. In terms of the aforesaid section of the Companies Act, 2013, an Additional Director shall hold office upto the date of the next Annual General Meeting and be eligible for appointment to the office of a director at any General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under section 160 of the Companies Act 2013, along with requisite deposit proposing the candidature of Mrs. K. Jayalakshmi Kumari for the office of director under the category of Independent Director.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made thereunder and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mrs. K. Jayalakshmi Kumari as an 'Independent Director' for a term up to the conclusion of the Annual General Meeting of the Company in the year 2020, and pass the resolution set out at Item No. 5. The appointment of Mrs. K. Jayalakshmi Kumari is required to be in compliance with the provisions of Section 160 of the Companies Act, 2013.

Mrs. K. Jayalakshmi Kumari has confirmed compliance with the criteria of Independence as provided under Section 149 (6) of the Act. The Board is of the opinion that her association with the Company would be of benefit to the Company. Further, in the opinion of the Board Mrs. K. Jayalakshmi Kumari fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder, and she is independent of the Management.

The Board recommends the Ordinary Resolution as set out at item no. 5 for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director, Mrs. K. Jayalakshmi Kumari is concerned or interested, financially or otherwise, in this Resolution.

Brief profile of Mrs. K. Jayalakshmi Kumari is given below:

Name of Director	K. Jayalakshmi Kumari
DIN	03423518
Date of birth	8 th August, 1968
Date of appointment on the Board	March 14, 2015
Qualifications	M.A., M.Phil, M.Ed.,
Profile of the Director	Mrs. Jayalakshmi Kumari holds Master's degree in Political Science from Andhra University, Master's Degree in Economics from Osmania University, Master in Philosophy (Political Science) and Master's Degree in Education. She is an academician having extensive experience in teaching Political Science and Policy Administration. Presently she is working as Professor in Nalanda Educational Institutions, Hyderabad.
Nature of her expertise in specific functional areas	Economics and Political science, worked in NGO - Human Action for Rural Development, Hyderabad (HARD).
Directorships held in other companies	NIL
Chairman/Member of the Committees of the Company	Member in Nomination and Remuneration Committee
Membership of Committees of the Board held in other Companies	NIL
No. of shares held in the Company	NIL
Relationship with other directors of the Company	None

ITEM NO. 6& 7:

The Board at its meeting held on 14th May, 2015, appointed Mr. Aashish Kalra (DIN: 01878010) as an Additional Director of the Company in Executive Capacity to hold office up to the date of ensuing Annual General Meeting and was also designated as Chairman of the Board. In terms of the section 161 of the Companies Act, 2013, an Additional Director shall hold office up to the date of the next Annual General Meeting and be eligible for appointment to the office of a director at any General Meeting.

The Board of Directors at its meeting held on 24th July, 2015, recommended to Shareholders to appoint Mr. Aashish Kalra (DIN 01878010) as Whole-time Director of the Company for a period of 5 years w.e.f 14th May, 2015 on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee as set out herein.

- I. Remuneration:
 - a. Consolidated Salary, perquisites, performance bonus, variable pay etc: Nil
- II. He shall be entitled to receive the following:
 - i. All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the company.
 - ii. Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the rules made thereunder, Income Tax Act, 1961/ Rules made thereunder, FEMA Guidelines as per RBI Regulations and Clause (i) above.
- III. He will not be eligible for any sitting Fees of the Company's Board/ Committee Meetings.
- IV. Mr. Aashish Kalra is responsible for the day to day operations and overseeing key corporate functions. Mr. Aashish Kalra will perform all the usual duties of Whole - time Director, Chairman & CEO as provided under Companies Act, 2013 and the rules made thereunder, Articles of Association of the Company, applicable Listing Agreement including attendance at Board meetings, the annual general meeting and

other board events together with additional duties as may be agreed with the Board, and which may relate to the business of the Company.

- V. Mr. Aashish Kalra will follow the Policies and Code adopted by the Company from time to time as envisaged under the Companies Act, Listing Agreement and other laws applicable to the Company.

The Company has received a notice under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing his candidature for the office of director. The Company, pursuant to provisions of the Companies Act 2013 & the rules made thereunder, has received from Mr. Aashish Kalra: (i) consent in writing to act as director in Form DIR – 2 and (ii) intimation in Form DIR – 8 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

The appointment of Mr. Ashish Kalra is appropriate and in the best interest of the Company. The resolution seeks approval of the members in terms of provisions of Companies Act, 2013 for regularization of his appointment as Director. Further, the resolution also seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. Aashish Kalra as the Whole – time Director for a period of 5 (five) years commencing from 14th May, 2015. He is further proposed to be appointed as Chairman of the Company & CEO w.e.f 8th September, 2015. Necessary approvals, if any from the Central Government or such other Government authority will be obtained.

Accordingly, the Board of Directors recommend passing of the Ordinary Resolutions at item no. 6 and Special Resolution at Item No. 7.

Except, Mr. Aashish Kalra, none of the other Directors, Key Managerial Personnel or their relatives is interested or concerned in the resolution relating to his appointment except and to the extent they are member of the Company.

Brief profile of Mr. Aashish Kalra as required under Clause 49 is given below:

Name of Director	Mr. Aashish Kalra
DIN	01878010
Date of birth	12 th February, 1971
Date of appointment on the Board	14.05.2015
Qualifications	Mr. Aashish Kalra attended The Doon School at Dehradun in India. He also holds a Master's degree in International Finance from Brandeis University, Waltham, USA, and graduated from St. Stephens College, Delhi with a Bachelor's degree in Economics (Honors). He did his thesis on the Japanese Financial System at Sophia University, Tokyo, Japan.
Profile of the Director	Mr. Aashish Kalra is a business professional and a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. He was the founder and Managing Director of Trikona Capital, where he deployed US \$1 Billion in Indian infrastructure development and created value of approximately US \$10 Billion. He co-founded Cambridge Samsung Resources Worldwide. He was a Managing Director and Co-Founder at Spydre Technologies, where he built a portfolio of a dozen companies. He is a Co-Founder and Director of India Infrastructure and Urban Development Company (IIUDC). He also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. He is often quoted in international media outlets and was featured in the "Young Turks" program on CNBC. He is a frequent speaker and has participated in industry events in New York, Europe, India, China, and the Middle East. In 2008, he was named one of the "Outstanding 50 Asian Americans in Business". He is a socially conscious investor and often lent support to new companies with finance, strategic recruitment, planning and partnerships. Mr. Aashish Kalra is also a venture capitalist.

Nature of his expertise in specific functional areas	Wide experience in the field of investment, finance, business strategy and management, private equity, technology, infrastructure, energy, partnerships and joint ventures.
Directorships held in other companies	Sankalp Buildwell Private Ltd Mahakumbh Capital Advisors Private Ltd Cambridge Energy Renewable Resources Private Ltd
Chairman/ Member of the Committees of the Company	NIL
Membership of Committees of the Board held in other Companies	NIL
No. of shares held in the Company	NIL
Relationship with other directors of the Company	NONE

Item No. 8, 9&10:

The Company has adopted three Employees Stock Option schemes by name CTEL ESOP Scheme 2011, CTEL ESOP Scheme 2 - 2008 & CTEL ESOP - 2006 by obtaining shareholders' approval pursuant to Companies Act, 1956 & Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. SEBI has prescribed SEBI (Share Based Employee Benefits) Regulations, 2014 with effect from 28th October, 2014 repealing the erstwhile SEBI Guidelines.

Regulation 31(2)(b) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (herein after referred to as SEBI Regulations) specifies that all listed companies having existing schemes to which these regulations apply are required to comply with these regulations in their entirety within one year of the same coming into effect. Accordingly, In pursuance of proviso to Regulation 7(1) of SEBI (Share Based Employee Benefits) Regulations, 2014, the Board of Directors at their meeting held on 24th July, 2015 have adopted the mandatory changes suggested by Securities and Exchange Board of India vide its Circular No. CIR/CFD/POLICY CELL/2/2015 to CTEL ESOP Scheme 2011, CTEL ESOP Scheme 2 - 2008 & CTEL ESOP - 2006. The Board of Directors further suggested non-mandatory changes to the said Scheme.

Pursuant to Regulation 7(4) & 6(2) of the SEBI Regulations, the following are the details of non-mandatory amendments to the Schemes, the rationale thereof and the details of the employees who are beneficiaries of such variation and the contents of explanatory statement:

A (Item No.8). CTEL ESOP Scheme 2011

S. No	Details of Variation		Rationale thereof
	Existing Clause	Amended Clause	
1	NA	A new clause i.e, clause Viii(e) is inserted after as follows after viii(d): "Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the board/committee for this purpose."	To cover the future changes to the law
2	9	Existing clause 9 is re-numbered as 9(a) and a new sub -clause is inserted as follows:9(b). The options will be exercised by the employee only when the Company receives Exercise Price along with the application, as may be prescribed by Board/Committee from time to time.	To give more clarity to the scheme about payment of exercise price
3	9(b)	Existing clause is re-numbered as 9(c) and the following words are inserted after the words 'Stock Exchange on which the shares of the Company are listed':- 'Less discount as may be decided by the Committee, subject to maximum discount of 20%	To give more clarity to the scheme about payment of exercise price
4	NA	The following sub-clauses are inserted in clause 10. 10(i). Transfer or movement of Option Grantee from the Company to the Subsidiary or Associate Companies or resignation of Option Grantee from the Company and joining of such Option Grantee in the Subsidiary or Associate Company shall not have any effect on the CTEL ESOP Scheme 2011 as applicable to him/her. The terms and conditions of CTEL ESOP Scheme 2011 shall be applicable to such participant as if he is an employee of the Company itself. 10(j). The Company reserves the right to carry forward the lapsed, unexercised and forfeited options to a new scheme.	The Company foresees that there may be transfer of employees from the Company to its Associate, Subsidiary and Joint Venture Companies in future and vice - versa hence in the interest of Option Grantees the proposed change is made.
5	NA	A new clause 13 is added as follows after clause 12. "The Employees are free to surrender their options voluntarily, whether vested or not, if in their opinion, the options granted are not beneficial to them, even before the expiry of their exercise period."	This clause is incorporated with a view to facilitate the surrender of options which have become unattractive and could join back the pool so same can be re-distributed to the eligible employees on more attractive terms
6	NA	A new clause 14 is added as follows: "All the options that are lapsed/ surrendered/ cancelled/ forfeited shall be available for re-issue to the Committee."	This clause is incorporated with a view to facilitate to reissue to the eligible employees on more attractive terms

The variations mentioned in the above table are beneficial to all the Eligible employees except for Point No. 2 and 3 which is Clarification to all the eligible employees.

Salient features pursuant to Regulation 6(2) of SEBI Regulations:

The **salient features of CTEL ESOP Scheme 2011** pursuant to original scheme, mandatory amendments and non - mandatory amendments shall be as follows:

1. Brief description of the scheme:

This Scheme shall be called the "CTEL ESOP Scheme 2011". The Company has structured CTEL ESOP Scheme 2011 for granting Stock Options to its employees under the said Scheme. The CTEL ESOP Scheme 2011 was formulated in accordance with the Companies Act, 1956 and SEBI guidelines and being amended in accordance with the Companies Act, 2013 and SEBI Regulations.

2. The total number of options to be granted:

The total number of options to be granted under this scheme cannot exceed 1,045,000 options with each such Option conferring a right upon the Employee to apply for one equity share of Rs.10/- each of the Company each. In case of any corporate action, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 1,045,000 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

Employees entitled to participate in the CTEL ESOP Scheme 2011 are:

- a. a permanent employee of the Company working in India or out of India; or
- b. a Director, whether a whole time director or not but excluding an Independent Director
- c. Nominee Director, provided the contract/agreement entered into between the nominating institution and the Director so appointed, specifically provides for acceptance of Employee Stock Options of the Company by such Director and a copy thereof is filed with the Company; or
- d. permanent employee of the Company's subsidiary working in India or out of India, or of a holding company of the company or of an associate company but excludes, an employee who is a promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.
- e. Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the Board/Committee for this purpose.

An employee who is a promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company shall not be eligible to participate in CTEL ESOP Scheme 2011.

4. Requirements of vesting and period of vesting and the maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the Options shall be vested:

The Vesting Period shall commence after twelve months from the date of Grant of the Option. The maximum period within which the Options to be vested shall be 5 years from the date of Grant. Vesting of Options would be subject to Employee's continued employment with the Company. The Committee may also specify certain performance parameters subject to which the Options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the Employee at the time of Grant of Options. The Committee is empowered to amend or modify such parameters at its sole discretion from time to time taking into account all relevant factors, including but not limited to the market conditions then prevailing; the business environment; Rupee-Dollar exchange rate; impact of acquisitions and consolidation, if any. The decision of the Committee with regard to the terms under which Options would Vest shall be final and binding on the employee.

5. Exercise price or pricing formula

The Exercise Price shall mean the latest available closing price, prior to the date of the meeting of the Committee, in which options are granted, on the stock exchange on which the shares of the company are listed less discount as may be decided by the Committee, subject to maximum discount of 20%. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered. Subject to the condition that the exercise price will not be less than the face value of the share under any circumstances.

6. Exercise period and process of exercise

The Employee Stock Options granted shall be capable of being exercised immediately on vesting up to five years from the date of vesting. The Employee can Exercise the Vested Options at any time during the exercise period, subject to continuance of his employment with the Company. The options will be exercised by the employee only when a company receives exercise price along with a written application to exercise the options in such manner, and on execution of such documents as may be prescribed by the Committee / Board from time to time.

7. The appraisal process for determining the eligibility of employees for the scheme

In determining the Eligible Employee to receive an Option as well as in determining the number of Options to be granted to an Employee, the Committee may consider the position and responsibilities of the Eligible Employee, the nature and value of his services to the Company and accomplishments whether directly or indirectly, tenure, scale, performance, merit, expertise brought to the Company, present and potential contribution and conduct of the Employee and such other factors as the Committee may deem relevant.

8. Maximum number of options to be issued per employee and in aggregate

The maximum number of Options that can be granted per Employee/Director during any one year shall not

exceed 1% of the issued capital (excluding warrants and conversions) at the time of Grant of Options except with the express approval of the shareholders and in aggregate shall not exceed 5% of the paid up equity capital of the company.

9. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

The CTEL ESOP Scheme 2011 shall be administered by the Committee or the Board of the Company and it shall be implemented by the Committee/ Board through a trust set up for the same (known as Cambridge Technology Enterprises Trust).

10. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both

The Scheme involves new issue of shares by the Company through a trust set up for the purpose of implementing the CTEL ESOP Scheme 2011.

11. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc. Not Applicable

12. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s): Not Applicable

13. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company hereby state that it shall conform to the Accounting policies as specified in regulation 15 of SEBI (Share based Employee Benefits) Regulations, 2014 as may be applicable from time to time.

14. The method which the company shall use to value its options:

Intrinsic Value

15. The following statement, if applicable:

In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

B (Item No. 9). CTEL ESOP Scheme 2 - 2008:

S. No	Details of Variation		Rationale thereof
	Existing Clause	Amended Clause	
1	its termination by the Board	its termination by the Board in accordance with applicable laws or	More clarity
2	NA	A new clause after VIII(iv) above is inserted as follows: "Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the board/committee for this purpose."	To cover the future changes to the law
3	8(a). The exercise price shall be as mentioned in the Grant letter or as may be decided by the Board of Directors while granting such Options. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favor of the company or in such other manner as the Board may decide.	8(a). The exercise price shall be as mentioned in the Grant letter or as may be decided by the Committee while granting such Options. The Exercise Price shall mean Market Price less discount as may be decided by the Committee, subject to maximum discount of 20%. Subject to the condition that the exercise price will not be less than the face value of the share under any circumstances. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favor of the company or in such other manner as the Committee may decide.	To give more clarity to the scheme about exercise price

S. No	Details of Variation		Rationale thereof
	Existing Clause	Amended Clause	
4	8(b). The Employee Stock Options granted shall be capable of being exercised immediately on the expiry of the vesting period mentioned in the Letter of Grant. The employee can exercise the vested options at any time during the continuance of employment with the Company.	8(b). The Employee Stock Options granted shall be capable of being exercised immediately on the expiry of the vesting period mentioned in the Letter of Grant. The employee can exercise the vested options at any time during the continuance of employment with the Company. The options will be exercised by the employee by a written application to exercise the options in such manner, and on execution of such documents as may be prescribed by the Committee / Board from time to time. The options will be exercised by the employee only when the Company receives Exercise Price along with the above mentioned application.	To give more clarity to the scheme.
5	9. Other terms & Conditions	The Sub clauses of Clause 9 are numbered alphabetically & following sub-clauses are inserted in clause 9. 9(g). Transfer or movement of Option Grantee from the Company to the Subsidiary or Associate Companies or resignation of Option Grantee from the Company and joining of such Option Grantee in the Subsidiary or Associate Company shall not have any effect on the CTEL ESOP Scheme 2 - 2008 as applicable to him/her. The terms and conditions of CTEL ESOP Scheme 2 - 2008 shall be applicable to such participant as if he is an employee of the Company itself. 9(h). The Company reserves the right to carry forward the lapsed, unexercised and forfeited options to a new scheme.	The Company foresee that there may be transfer of employees from the Company to its Associate, Subsidiary and Joint Venture Companies in future and vice - versa hence in the interest of Option Grantees the proposed change is made.
6	NA	A new clause 16 is added as follows after clause 15. "The Employees are free to surrender their options voluntarily, whether vested or not, if in their opinion, the options granted are not beneficial to them, even before the expiry of their exercise period."	This clause is incorporated with a view to facilitate the surrender of options which have become unattractive and could join back the pool so same can be re-distributed to the eligible employees on more attractive terms
7	NA	A new clause 17 is added as follows: "All the options that are lapsed/surrendered/cancelled/forfeited shall be available for re-issue to the Committee."	This clause is incorporated with a view to facilitate to reissue to the eligible employees on more attractive terms

The variations mentioned in the above table are beneficial to all the Eligible employees except for Point No. 3 & 4 which are Clarification to all the eligible employees

Salient features pursuant to Regulation 6(2) of SEBI Regulations:

The salient features of CTEL ESOP Scheme 2 - 2008 pursuant to original scheme, mandatory amendments and non - mandatory amendments shall be as follows:

1. Brief description of the scheme:

This Scheme shall be called the "CTEL ESOP Scheme 2 - 2008". The Company has structured CTEL ESOP Scheme 2 - 2008 for granting Stock Options to its employees under the said Scheme. The CTEL ESOP Scheme 2 - 2008 was formulated in accordance with the Companies Act, 1956 and SEBI guidelines and being amended in accordance with the Companies Act, 2013 and SEBI Regulations.

2. The total number of options to be granted:

The total number of options to be granted under this scheme cannot exceed 15,00,000 options with each such Option conferring a right upon the Employee to apply for one equity share of Rs.10/- each of the Company each.

3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

Employees entitled to participate in the CTEL ESOP Scheme 2 - 2008 are:

“**Employee**” means (i) a permanent employee of the Company working in India or out of India; (ii) Director, whether a whole time director or not but excluding an Independent Director; (iii) permanent employee of the Company’s subsidiary working in India or out of India, or of a holding company of the company or of an associate company. (iv) Such other persons, as may from time to time, be allowed under prevailing laws and regulations and as may be approved by the board/committee for this purpose.

An employee who is a promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company shall not be eligible to participate in CTEL ESOP Scheme 2 - 2008.

4. Requirements of vesting and period of vesting and the maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the Options shall be vested:

Options granted under CTEL ESOP Scheme 2 - 2008 would vest not less than one year and not more than 3 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and thus the options would vest on passage of time. In addition to this, the Board may also specify certain performance parameters subject to which the options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the option grantee at the time of grant of options.

5. Exercise price or pricing formula:

The exercise price shall be as mentioned in the Grant letter or as may be decided by the Committee while granting such Options. The Exercise Price shall mean Market Price less discount as may be decided by the Committee, subject to maximum discount of 20%. Subject to the condition that the exercise price will not be less than the face value of the share under any circumstances.

6. Exercise period and process of exercise:

The Employee Stock Options granted shall be capable of being exercised immediately on the expiry of the vesting period mentioned in the Letter of Grant. The employee can exercise the vested options at any time during the continuance of employment with the Company. The options will be exercised by the employee by a written application to exercise the options in such manner, and on execution of such documents as may be prescribed by the Committee / Board from time to time. The options will be exercised by the employee only when the Company receives Exercise Price along with the above mentioned application.

7. The appraisal process for determining the eligibility of employees for the scheme:

In determining the Eligible Employee to receive an Option as well as in determining the number of Options to be granted to a Participant, the Committee may consider the position and responsibilities of the Eligible Employee, the nature and value to the Company of his services and accomplishments whether directly or indirectly, length of service, grade, performance, merit, strength of experience brought to the Company, present and potential contribution and conduct of the Eligible Employee and such other factors as the Board may deem relevant.

8. Maximum number of options to be issued per employee and in aggregate:

The maximum number of Options that can be granted per Employee/Director during any one year shall not exceed 1% of the issued capital (excluding warrants and conversions) at the time of Grant of Options except with the express approval of the shareholders and in aggregate shall not exceed 5% of the paid up equity capital of the company.

9. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

The CTEL ESOP Scheme 2 - 2008 shall be administered by the Committee or the Board of the Company and it shall be implemented by the Committee/Board through a trust set up for the same (known as Cambridge Technology Enterprises Trust).

10. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:

The Scheme involves new issue of shares by the Company through a trust set up for the purpose of implementing the CTEL ESOP Scheme 2 - 2008.

11. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:

Not Applicable

12. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s):

Not Applicable

13. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company hereby state that that it shall confirm to the Accounting policies as specified in regulation 15 of SEBI (Share based Employee Benefits) Regulations, 2014 as may be applicable from time to time.

14. The method which the company shall use to value its options:

Fair Value

C (Item No. 10). CTEL ESOP - 2006

S. No	Details of Variation		Rationale thereof
	Existing Clause	Amended Clause	
1	Nil	Definitions in accordance with SEBI Regulations and Interpretation is added	Definitions and Interpretation for better understanding of the scheme
2	Nil	Inserted the following clause as new clause iii(a): \Notwithstanding anything contained in anything contained in the Scheme the Committee may grant 100 % Options with one year vesting period.	To give power to the committee to give better vesting period
3	Clause xi para 1 has amended to the extent of format of exercise notice	Changed to "prescribed by Board/Committee" . The format of exercise notice as prescribed by the Board or Committee.	To make it more flexible to suit the changing law
4	Clause xi para 2 Share Transfer Committee	Changed to : Committee	For more flexibility
5	Nil	The following sub-clause are inserted in clause xii as clauses a to d and the existing sub-clauses a to e are renumbered as e to i: Xii. Other terms & conditions: d. The Employees are free to surrender their options voluntarily, whether vested or not, if in their opinion, the options granted are not beneficial to them, even before the expiry of their exercise period. e. All the options that are lapsed/surrendered/cancelled/forfeited shall be available for re-issue to the Committee. g. Transfer or movement of Option Grantee from the Company to the Subsidiary or Associate Companies or resignation of Option Grantee from the Company and joining of such Option Grantee in the Subsidiary or Associate Company shall not have any effect on the CTEL ESOP Scheme 2 - 2008 as applicable to him/her. The terms and conditions of CTEL ESOP Scheme 2 - 2008 shall be applicable to such participant as if he is an employee of the Company itself. h. The Company reserves the right to carry forward the lapsed, unexercised and forfeited options to a new scheme.	This clause is incorporated with a view to facilitate the surrender of options which have become unattractive and could join back the pool and with a view to facilitate to reissue to the eligible employees on more attractive terms. The Company may also foresee that there may be transfer of employees from the Company to its Associate, Subsidiary and Joint Venture Companies in future and vice versa. Hence in the interest of Option Grantees the proposed change is made.

The variations mentioned in the above table are beneficial to all the employees except for Point No.1&2 which is beneficial to all the eligible employees

Salient features pursuant to Regulation 6(2) of SEBI Regulations:

The salient features of CTEL ESOP - 2006 pursuant to original scheme, mandatory amendments and non - mandatory amendments shall be as follows:

1. Brief description of the scheme:

This Scheme will be known as "CTEL ESOP – 2006". This Scheme was approved by the Board of Directors in their meeting held on 20th April 2006 and shareholders on 21.04.2006, amended and ratified pursuant to Postal Ballot notice dated 28th January 2008 and further amended pursuant to the resolution passed at 16th AGM of the Company dated 07.09.2015. The Company has structured CTEL ESOP - 2006 for granting Stock Options to its employees under the said Scheme.

2. The total number of options to be granted:

The total number of options to be granted under this scheme cannot exceed 15,00,000 options with each such Option conferring a right upon the Employee to apply for one equity share of Rs.10/- each of the Company each. In case of any corporate action, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 15,00,000 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

Only Employees defined as under are eligible for being granted Employee Stock options under CTEL ESOP – 2006.

"Employee" shall have the same meaning assigned to it under Clause 2(1)(f) of the SEBI (share Based Employee Benefits) Regulations, 2014 as amended from time to time

4. Requirements of vesting and period of vesting and the maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the Options shall be vested:

The Vesting Period shall commence after one year from the date of Grant of the Option. The maximum period within which the Options to be vested shall be 3 years from the date of Grant.

Forty percent (40%) of the options allotted under the scheme carry one year vesting period, thirty percent (30%) of the options allotted have a two year vesting period and the balance thirty percent (30%) carry three year vesting period. Options granted under CTEL ESOP – 2006 would vest not less than one year from the date of grant of options.

The management of the Company after reviewing the performance of the employees may recommend to the Committee to reduce the vesting period of 2nd and 3rd year shares at their sole discretion. The decision of the Committee shall be final and binding in this regard. Notwithstanding anything contained in anything contained in the Scheme the Committee may grant 100 % Options with one year vesting period.

5. Exercise price or pricing formula:

The strike price of the options for the employees is Rs. 20/- (comprising of face value of Rs. 10/- and a premium of Rs. 10/- per share). The strike price is payable at the time of exercise of options.

6. Exercise period and process of exercise:

The employee is free to exercise the options any time after the vesting period.

In the event of resignation/ superannuation/ termination of employment other than in case of termination due to misconduct, the employee should exercise the options granted to him/ her within 180 days from the date of resignation/ superannuation/ termination of employment.

In the event of termination of the employment of an Option Grantee due to breach of policies of the Company or the terms of employment or misconduct, all Employee Stock Options granted to such employee, including the Vested Options which were not exercised at the time of such breach or misconduct shall stand terminated with effect from the date of such breach or misconduct.

7. The appraisal process for determining the eligibility of employees for the scheme:

- i. The number of Stock Options is based on the following criteria:
 - a. Number of years of experience in the Company.
 - b. Seniority in the Organizational structure of the Company.
 - c. The performance of the individual in past year.

8. Maximum number of options to be issued per employee and in aggregate:

The maximum number of Options that can be granted per Employee/Director during any one year shall not exceed 1% of the issued capital (excluding warrants and conversions) at the time of Grant of Options except with the express approval of the shareholders and in aggregate shall not exceed 5% of the paid up equity capital of the company.

9. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

This Employee Stock Option Scheme is administered by the Trustees of CTE Trust under the directives of the committee.

10. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:

The Scheme involves new issue of shares by the Company through a trust set up for the purpose of implementing the CTEL ESOP - 2006.

11. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:

Not Applicable

12. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s):

Not Applicable

13. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company hereby state that it shall confirm to the Accounting policies as specified in regulation 15 of SEBI (Share based Employee Benefits) Regulations, 2014 as may be applicable from time to time.

14. The method which the company shall use to value its options:

Fair Value

The Board accordingly recommends the resolutions at item no. 8, 9&10 for approval of the members as special resolutions.

All the relevant documents with regard to Schemes (Original as well as amendments made thereof) will be available for inspection during the office hours at the registered office of the Company till the date of conclusion of voting.

Directors/Key Managerial Personnel of the Company/ their relatives other than i) Promoter Directors (iii) those directors if any, holding directly or indirectly more than 10% of the outstanding equity shares of the company, and (iii) Independent Directors of the Company shall be deemed to be interested or concerned in passing of this resolution to the extent of benefit they may derive under the Scheme.

**By order of the Board of Directors
for CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED**

Date: 24th July, 2015
Place: Hyderabad

Dharani Raghurama Swaroop
Whole Time Director

FORM NO. MGT-11**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Act, 2014)

Cambridge Technology Enterprises Limited

CIN: L72200AP1999PLC030997

Regd. Off: Unit No. 04-03, Level 4, Block I, Cyber Pearl, Hitec City, Madhapur, Hyderabad – 500081.

Tel. 040-40234400 E-mail: investors@ctep.com website: www.ctep.com

Name of the Member(s)	
Registered Address	
E-mail ID:	
Folio No./Client ID	
DP ID No	

I/We, being the member(s) holding shares of Cambridge Technology Enterprises Limited, hereby appoint.

1. Name: 2. Name: 2. Name:
 Address: Address: Address:

 E-Mail ID..... E-Mail ID..... E-Mail ID.....
 Signature..... Or failing him Signature..... Or failing him Signature..... Or failing him

As my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the company to be held on Monday, the 7th day of September, 2015 at 3.30 p.m. at **Vega Hall, First Level, Avasa Hotel**, Plot No: 15,24,25 & 26, Sector-1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad-500081 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Resolution	Type of Resolution	Optional*	
			For	Against
ORDINARY BUSINESS				
1	Adoption of Accounts	Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
2	Appoint director in the place of Mr.Dharani Raghurama Swaroop who retires by rotation and being eligible, offers himself for re-appointment	Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
3	Appointment of Statutory Auditors	Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS				
4	Amendment to Articles of Association of the Company	Special	<input type="checkbox"/>	<input type="checkbox"/>
5	Appointment of Mrs K Jayalakshmi Kumari as an Independent Director	Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
6	Appointment of Mr. Aashish Kalra as Director	Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
7	Appointment of Mr. Aashish Kalra as Chairman and Whole-Time Director	Special	<input type="checkbox"/>	<input type="checkbox"/>
8	Amendment to CTEL ESOP Scheme 2011	Special	<input type="checkbox"/>	<input type="checkbox"/>
9	Amendment to CTEL ESOP Scheme 2008	Special	<input type="checkbox"/>	<input type="checkbox"/>
10	Amendment to CTEL ESOP Scheme 2006	Special	<input type="checkbox"/>	<input type="checkbox"/>

Signature of Shareholder.....

Signed this day of 2015

Signature of Proxy Holder(s).....

Note:

- *This is only optional. Please put 'X' in the Box in the appropriate column against the respective resolution. If you leave the 'For' or 'Against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company at Unit No. 04-03, Level 4, Block I, Cyber Pearl, Hitec City, Madhapur, Hyderabad – 500081 not less than forty eight hours before commencement of the meeting.

Affix Revenue stamp of Re.1/-
--

Cambridge Technology Enterprises Limited

CIN: L72200AP1999PLC030997

Regd. Off: Unit No. 04-03, Level 4, Block I, Cyber Pearl, Hitec City, Madhapur, Hyderabad – 500081.

Tel. 040-40234400 E-mail: investors@ctepl.com website: www.ctepl.com

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

16th Annual General Meeting held on Monday the 7th September, 2015 at 3.30 p.m at **Vega Hall, First Level, Avasa Hotel**, Plot No: 15,24,25 & 26, Sector-1,Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081.

Folio No.	
DPID No.	
Client ID No.	
Name of the Member	
Signature	
Name of the Proxy Holder	
Signature	

1. Only Member/Proxy holder can attend the meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report to refer at the Meeting



Shilpa Kala Vedika

.....←.....Gachibowli.....→.....

.....←.....Hitech City Flyover to Kukatpally.....→.....



Cyber Tower



Avasa Hotel



Image Hospital



.....→.....Jubilee Hills to Kondapur.....→.....

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|-----------------------------------|--|
| 1. Mr. Aashish Kalra, | Additional Director in Executive Capacity (w.e.f 14.05.2015) |
| 2. Mr. Dharani Raghurama Swaroop, | Whole - Time Director |
| 3. Mr. Stefan Hetges, Director | Non-Executive |
| 4. Mr. Venkat Motaparthi, | Independent Director |
| 5. Mr. B. Muralidhar, | Independent Director |
| 6. Mrs. K. Jayalakshmi Kumari, | Independent Director |

CFO & COMPANY SECRETARY

Venna Ramana Reddy

BANKERS

Axis Bank Limited

STATUTORY AUDITORS:

P. Murali & Co
Chartered Accountants
6-3-655/2/3, Somajiguda
Hyderabad 500 082
Telangana State, India

REGISTERED & CORPORATE OFFICE:

Cambridge Technology Enterprises Limited
Unit No. 04-03, Level 4, Block I, Cyber Pearl, Hitec City, Madhapur,
Hyderabad - 500081
Telangana State, India.
Tel: +91-40-40234400
Fax: +91-40-40234600
URL :www.ctepl.com,
E-mail ID : investors@ctepl.com
CIN: L72200AP1999PLC030997

REGISTRAR AND SHARE TRANSFER AGENTS:

Aarthi Consultants Private Ltd.,
1-2-285, Domalguda, Hyderabad - 500 029
Telangana State, India
Tel: +91-40-27638111,
Fax: +91-40-27632184
info@arthiconsultants.com
CIN: U74140TG1992PTC014044