

CONTENTS

- **Notice To Share Holders**
- **Director's Report**
- **Auditor's Report**
- **Balance Sheet**
- **Profit & Loss Account**
- **Schedules To Accounts**
- **Cash Flow Statement**
- **Balance Sheet Abstract**



CITYMAN LIMITED

BOARD OF DIRECTORS

Sri.Santhosh J Karimattom - Director
Sri.George Jacob - Director
Sri.Kandumpully Rajesh - Director
Sri.Thyparambil Alahari Vijayan - Director (Resigned on 31.01.2010)
Sri.Rajendra Patil - Director (w.e.f .12.08.2010)
Sri.M.S.Roy - Director (Resigned on 12.08.2010)

COMPANY SECRETARY

Sri D.E. Chandrasekaran

REGISTERED OFFICE OF THE COMPANY

13, Padmalaya, 2nd Floor, Buddha Vihar Road, Frazer Town, Bangalore - 560 005
Tel : +91-80-41524846 / 47 Fax : +91-80-41524845
E-mail : cityman97@rediffmail.com

AUDITORS

M/s. Chandy & Zacheria
Chartered Accountants
Kottayam - 1, Kerala

BANKERS

- 1. Indus Ind Bank Limited**
M.G. Road, Bangalore - 560 001
- 2. Bank of Baroda**
Frazer Town, Bangalore - 560 005

SHARE TRANSFER AGENTS :

ALPHA SYSTEMS PRIVATE LIMITED

No. 30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bangalore - 560 003.
Tel : 23460815 to 818, Fax : 080-23460819
E-mail : alfint@vsnl.com

NOTICE

NOTICE is hereby given that Eighteenth Annual General Meeting of the members of the Company will be held at Vagdevi Seshappa Hall,1637-38,1st Cross, Rammohanpura (Behind Devayya Park) Srirampuram, Bangalore-560021 on Thursday, 30th of September, 2010 , at 10.00 am to transact:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as on 31st March, 2010, Profit and Loss Account for the year ended as on that date, together with Report of Directors' and the Auditors' thereon .
2. To appoint a Director in place of Mr. Kandumpully Rajesh who retires by rotation and being eligible offers himself for reappointment.
3. To appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider, and if thought fit , to pass with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT Mr.Rajendra Patil be and is hereby appointed Director of the Company to hold office till he resigns"

Place : Bangalore
Date : 01.09.2010

By Order of the Board
D E Chandrasekaran
Company Secretary

Note:

- (1) Explanatory statement u/s 173(2) of the Companies Act,1956 is enclosed and forms part of this Notice
- (2) A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy and that the proxy need not be a member of the Company.
- (3) A proxy to be valid should reach the Registered Office of the Company at least 48 hours before the commencement of the Meeting.
- (4) Share Holders are requested to notify their change of address to the Company.
- (5) Share Holders attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting place.
- (6) The Register of Members and the Share Transfer Book will remain closed from 23rd September to 30th September,2010 (both days inclusive)

Explanatory Statement as per Section 173(2) Of The Companies Act,1956

Item No: (4)

Mr Rajendra Patil was appointed as additional director of the Company on 12-08-2010 and as per Companies Act,1956, he can hold office only till the date of Annual General Meeting . Company has received notice for his re-appointment at the Annual General Meeting. Mr. Rajendra Patil is an independent Director,

None of the other Directors are interested in this resolution. Since this resolution requires your approval, the same is placed before the meeting

Place : Bangalore
Date : 01.09.2010

By Order of the Board
D E Chandrasekaran
Company Secretary



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report together with audited statement of accounts for the year ended 31st March, 20010

WORKING RESULTS

(Amount in Rs.)

Particulars	31-03-2010	31-03-2009
Total Income	14,06,985	5,75,562
Depreciation	1,67,727	352,287
(Loss) before Tax	(79,12,057)	(3,133,269)
Provision for Tax-FBT	-	(4,576)
Profit (loss) after Tax	(79,12,057)	(3,137,845)
Prior Period Adjustments	-	(56,41,862)
Balance brought forward	(21,31,65,213)	(204,385,506)
Balance carried to Balance Sheet	(22,10,77,270)	(213,165,213)

OPERATIONS AND FUTURE PLANS

The operations for the year under review shows a loss (Before Tax) of Rs 79,12,057

Your Directors are glad to inform you that our efforts to get the re-listing process is completed and is almost coming to an end. We have received the clearance from SEBI . We are in the process of submitting a few more documents to BSE, Mumbai, which is required for the purposes of completing this procedure.

As mentioned in the last year, the Company is examining various business options and is evaluating opportunities. We expected that the Company could commence the business in the current year. But due to market conditions and various other factors, the Company is yet to finalize its business strategy. The Company has undertaken a study of reviving the brand by a reputed consultancy organization. Based on their report and considering the market conditions, your Directors are examining options for the best possible course of action. Your Directors are also examining other business options which could add value to the shareholders.

We are confident that the Company will be in a position to commence operations by early next year.

DIVIDEND:

Since the Company could not generate any profits, management does not propose any dividend for the year 2009-10

DIRECTORS;

Mr. Kandumpully Rajesh retires at the ensuing Annual General Meeting, and being eligible offers himself for reappointment.

Mr Rajendra Patil was appointed as additional director of the Company with effect from 12-08-2010 and as per the Companies Act,1956, he can hold office only till the date of Annual General Meeting. Proposals have been received for his re-appointment at the Annual General Meeting .

Mr. M S Roy resigned from the Board with effect from 12-08-2010

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors State:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departure;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgement 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 the loss of the Company for the year
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the Directors had prepared the annual accounts on a going concern basis.

FIXED DEPOSITS

Your company has neither invited nor accepted any Fixed Deposits from the public during the financial year under review.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE:

Separate notes on Corporate Governance and Management Discussion and Analysis Report are set out as Annexure "A" and "B" respectively. A Certificate from the Auditor of the Company certifying compliance conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

LISTING AGREEMENTS REQUIREMENTS:

The securities of your company are listed at Bombay, Bangalore, Madras , Cochin Exchanges, The shares were not allowed to be traded at the exchange, for various reasons for many years. Now The Bombay Stock Exchange has given an in principle letter for relisting, and soon the shares will be relisted at the Exchange

BUY-BACK OF SHARES

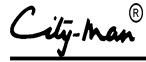
There was no buy-back of shares during the year under review.

PARTICULARS OF THE EMPLOYEES:

None of the employees employed during the year was in receipt of remuneration in excess of the prescribed limit specified in section 217 (2A) of the Companies Act, 1956 Hence, furnishing of particulars under the Companies (Particulars of Employees)1975 does not arise.

AUDITORS

M/s.CHANDY & ZACHERIA, Chartered Accountants, Kottayam, Kerala, Auditors of the Company retire at the ensuing Annual General Meeting. They have expressed their willingness for reappointment, you are requested to appoint the auditors and fix their remuneration.



CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

During the year under review, there were no activities, which required heavy consumption of energy. However adequate measures have been taken to make sure that there is no wastage of energy. Since the requisite information with regard to the conservation of energy, technology absorption (Disclosures of Particulars in the in the report of Board of Directors) Rules are irrelevant/not applicable to the Company during the year under review , the same are not reported.

FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL**ACKNOWLEDGEMENTS**

The Board of Directors wish to place on record their appreciation for the co-operation and support received from all

By Order of the Board
Santhosh J Karimattom
Director

Place : Bangalore
Date :01.09.2010

George Jacob
Director

CORPORATE GOVERNANCE:

Annexure-A

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Board of Directors of Cityman Limited is committed to ensure transparency and professionalism in all decisions, achieve excellence in Corporate Governance through conforming to guidelines on Corporate Governance and aims at high standards of ethics in throughout the organization

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by the Cityman Limited with the provisions of Clause 49 are as under:

1. BOARD OF DIRECTORS:

The total strength of the Board is four. Out of this, two belongs to Promoters' group and the remaining two are independent Directors

The Board of the Company met 8 times during the last financial year on the following dates 29-04-09, 15-7-09, 30-07-09 , 14-08-09, 31-08-09, 31-10-09, 31-01-10, 17-03-10

Code of conduct:

The Board of Directors have already approved and implemented a Code of Conduct for all Board Members and Senior Management of the Company in compliance with Clause 49 (1) of the Listing Agreement. But, since the activities of the Company was very limited and negligible during the year under review , the applicability of the said codes were limited to that extent

The constitution of the Board and the attendance of the Directors is given below:

Name of the Director	Category of the Director	No. of other Directorship (*)	No of Board meetings Attended	Attendance at Last AGM
Santhosh J Karimattom	Executive / Chairman	NIL	2	yes
Ramesh G Makhija (resigned on 30-7-09)	Non-Executive/ independent Director	NIL	3	Yes
Thyparambil Alahari Vijayan (resigned on 31-01-2010)	Non-Executive/ independent Director	NIL	6	No
Kandumpully Rajesh	Non-Executive/ independent Director	NIL	6	Yes
George Jacob (Appointed on 30-7-09)	Director belonging to the promoters' group	NIL	5	Yes
Roy Moolayil Sebastian (Appointed on 31-01--2010)	Non-Executive/ independent Director	NIL	1	No

- Excludes Directorship in Indian Private Limited Companies , Foreign Companies, Companies u/s 25 of the Companies act, 1956
- The Director(s) are neither Chairman nor members of any other committee(s) other than Audit committee, grievance committee of cityman Limited as mentioned in this report
- Leave of absence was given to Directors who were unable to attend the Board meetings

The Directors are provided, in advance, with all the relevant documents and information in the forms of detailed Agenda / Notice of the Board meetings The Board discuss / deliberate and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.

Risk Mitigation Plan: The Company has already adopted a risk mitigation plan , suitable to the Company. But during the year under review there were no activities that required the assessment of risk.

Secretarial Standards: The secretarial and operating practices of the Company are in line with the Secretarial Standards published by the Institute of Company Secretaries of India

2. AUDIT COMMITTEE:

Audit Committee consists of three members who are directors of the Company. The Chairman is independent Director / non -executive , and of the remaining two , one is independent and the other belongs to the promoters' group - executive Director The said committee was constituted to exercise powers and discharge functions as stipulated in Clause 49 of the Listing Agreement , and other relevant statutory and regulatory provisions. During the year under review, since the operations were low and minimal, the functions of the audit committee was limited to reviewing / analyzing the quarterly results and making necessary recommendations and suggestions wherever required.

During the relevant financial year, five Audit Committee Meetings were held on 20-04-09, 28-07-09, 28-08-09, 29-10-09 and 29-01-10

The constitution of the Committee and the attendance of each member of the Committee is given below, for the year ended 31-03-2010

Name of the Member	Category	Attendance (No:)
Ramesh G Makhija(resigned on 30-7-09)	No-ex. Director	02
George Jacob:	Executive Director	03
K. Rajesh	Non-Ex. Director	05
T.A.Vijayan (resigned on 31-1-10)	Non-Ex. Director	05

3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFR COMMITTEE:

Share Holders' Grievance Committee

Share Holders Grievance Committee consists of two independent Directors, and one compliance officer who have met on 01-08-09, 27-09-09, 18-12-09 and 31-03-10

The data for the year is as follows: No of Complaints received during the year:- 13, resolved - 13 unresolved complaints pertaining to the previous year(s): 12. All these unresolved grievances /complaints pertain to listing matters which the Company is addressing.

During the year company had effected transfers involving 17,000 equity shares.

The constitution of the Committee as on 31-03-2010 is as under:

Name of the Member	Category	Attendance
K. Rajesh	Chairman/Independent	04
T. A. Vijayan	Non-Ex. Director	04
D.E.Chandrasekaran	Company Secretary	04

Share Transfer Committee

The same members of Share Holders Grievance Committee are the members of this committee also. The Committee has met seven times on 16-6-09,31-07-09,22-09-09,31-10-09,16-12-09,16-01-10,17-03-10

4. REMUNERATION COMMITTEE

The Directors have decided that till the financial crisis is sorted / solved, they will not draw any remuneration from the Company. So remuneration committee was not set up during the year under review.

5. OTHER DETAILS /INFORMATIONS

The details of Annual General Meeting held in last 3 years are as under:

Year Ended	Venue	Date	Time
31-03-2007	B-1, Sattar Sahabe Dinne, Koppa Gate, Bukkasagara Village. Jigani Hobli, Anekal Taluk, Bangalore-560083	29-09-07	10:00 AM
31-03-2008	B-1, Sattar Sahabe Dinne, Koppa Gate, Bukkasagara Village. Jigani Hobli, Anekal Taluk, Bangalore-560083	30-09-08	10:00 AM
31-03-2009	Vagdevi Seshappa Hall, 1637-38,1st Cross Rammohanpura (Behind Devayya Park Srirampuram, Bangalore-560021	30-09-09	10:00 AM

The Company has neither used Postal Ballot nor passed any special resolutions during these years, and there was no Extra Ordinary General Meetings of the members of the Company during the relevant period.

- **Means of communication:**

The Company submits all the quarterly/half yearly/annual results of the company with the Stock Exchanges and press releases are made in English (New Indian Express) and in one Kannada news paper (Kannada Prabha/Times of India - Kannada) as stipulated in the Listing Agreement. The Company does not have a web site. It also has not displayed in official news releases and no presentations were made to institutional investors or to the analysts. We do not send half yearly financial reports to the share holders. The management Discussion and Analysis is a part of the Annual Report ..

- **Compliance of Insider Trading Norms:**

Company has adopted the code of internal procedures and thus complies with the insider trading norms.

• **General shareholder's information**

a) AGM Date and Venue

Venue	Date	Time
Vagdevi Seshappa Hall, 1637-38, 1st Cross, Rammohanpura (Behind Devayya Park) Srirampuram, Bangalore-560021	30-09-2010	10.00am

b) Financial year ending 31st March 2010

c) Book closure date 23rd September to 30th September 2010 (both the days inclusive)

d) Listing on stock exchanges.

The shares are listed in Bangalore, Mumbai, Chennai and Cochin Stock exchanges.

All the dues regarding the Listing Fee have been paid

e) Distribution schedule as on 31-03-2010

Category	Number of Shareholders	% (percentage)	Number of Shares Held	% (percentage)
Upto 500	8255	90.25	1556819	33.12
501 - 1000	555	6.07	440998	9.38
1001 - 2000	173	1.89	259949	5.53
2001 - 3000	52	0.57	132004	2.81
3001 - 4000	17	0.19	61213	1.30
4001 - 5000	29	0.32	134300	2.86
5001 - 10000	32	0.35	255900	5.44
10001 and above	34	0.37	1859917	39.56
Total	9147	100.00	4701100	100.00

f) Share price movements:

There was no trading of the scripts at the Stock Exchange(s) during the year. The data regarding the price movements are not available, and the management is unable to provide the statement showing the monthly high and low prices of the script of the Company as required in the Listing Agreement.

G) SHARE HOLDING PATTERN AS ON 31-03-2010

Category	No of shares	% of Equity
Promoter Group	905,020	19.25
Resident Body Corporate	392,997	8.36
Banks/FI/FII MF/Trust	2,000	0.04
NRI/OCB/FFI	384,300	8.17
Resident Individuals	3,016,783	64.17
Total	4,701,100	100.00
Share holding of independent director		
K Rajesh	Nil	
M S Roy	Nil	
Rajendra Patil	400	0.009

h) Additional information:

a) Director retiring by rotation/ reappointment :

- Mr. Kandumpully Rajesh who retires by rotation and being eligible offers himself for reappointment. He is having more than 2 decades of industrial experience.
- Mr. Rajendra Patil: He also was appointed as additional Director, He was Born in 1955, After completing his BE in electronics ,, he started his career as an industrialist. Besides being in the Board of a number of Private Companies , he is the MD of a Private Company which produces Electronics components. At present he is the member of FICCI, ITPO, FIEO, Mysore Chamber of Commerce. ... He is a partner of a Government recognized Export House, he holds 400 Shares of the Company

b) The ISIN for the dematerialized share of the company is INE 117CO1010

c) Share transfer system: Both demat and physical form. Alpha Systems Private Limited , having regd office at No.30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore -560003 is the Share Transfer Agent of the Company. They are the Company's R&T Agents. Company receives periodical reports from them and necessary delegations have been made for proper execution of all the related work.

d) The Company has not proposed / declared any dividend during the year.

e) Financial year: April to March

For the current financial year, following is the calendar (tentative and subject to change)

Financial reporting for:2010-2011

- 1st Quarter -31-7-2010,
- 2nd Quarter-31-10-2010
- 3rd Quarter-31-01-2011
- Financial year closing : 31-03-2011
- 4th Quarter- 25-04-2011

f) Plant Location (as on 31-03-2010) B-3, Sattar Sahabe Dinne, Koppa Gate, Bukkasagara Village. Jigani Hobli, Anekal Taluk, Bangalore-560083

g) Address for correspondence

Regd Office: No: 13, Padmalaya, 2nd Floor, Budha Vihar Road, Frazer Town, Bangalore - 560005

- E-mail id of the Company : cityman97@rediffmail.com
- Email id of the compliance officer: dechandrashekar@gmail.com
- Telephone No: 080-41524846, 080-41524847
- Fax : 080-41524845

Share Transfer Agents:

Alpha Systems Private Limited, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore -560003
Stock Code - 521210 (Bombay Stock Exchange)

h) Dematerialization of shares & liquidity :

Sl.No.	Particulars	No.of share holders	No. of shares	%
1	Physical Shares	7863	3958100	84.20
2	Electronic Shares	1284	743000	15.80
	Total	9147	4701100	100.00

- i) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity NIL
- j) SEBI guidelines on Corporate Governance : The Company has fully complied the said guidelines
- k) Conversion date and likely impact on Equity Shares: No such warrants/ instruments have so far been issued by the Company.
- l) The details of related parties viz., Promoters, Directors or the Management , their Subsidiaries or relatives conflicting with Company's interest : NIL
- m) Penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review:
During the year under review, no Penalties or strictures have been imposed on the Company by Stock Exchange/r SEBI. But the Shares continued to be under suspended category. The Bombay Stock Exchange vide their letter dated 19-07-2010 has given in- principle approval for relisting of shares,. It is hoped that by end of September 2010, the shares will be re-listed in the Bombay Stock Exchange
- n) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.
Performance report -in comparison - is not given because of the following:
a) Non -trading at Exchanges
b) CRISIL rating was not done during the year under
Whistle Blower policy : The Company is yet to implement such a system due to the low level of operations .
- o) Training of Board Members: Company is yet to commence such a programme. Lack . shortage of fund was one of the reasons.
- p) Mechanism for evaluating non-executive Board Members: At present company does not have any such mechanism, because the activities of the company are still in a minimum scale which does not call for such an evaluation.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Cityman Limited
Bangalore

We have examined the compliance of the conditions of Corporate Governance by Cityman Limited (The Company) for the year 31st March, 2010 as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to 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 on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify, that the Company has complied with all the mandatory conditions of the Corporate Governance as stipulated in the above mentioned listing agreement.

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

For CHANDY & ZACHERIAS
Chartered Accountants
FRN NO. 00064S

Place : Bangalore
Date : 01.09.2010

(Thankachan Zacherias)
Partner
M. No. 023421

Management Discussion And Analysis

Overall review, industry Structure and Developments:

The Company was undergoing serious cash crunch for all these years, Now , with the help of funds brought in by the promoters, the Company has repaid all the debts and now it is zero debt Company. So at this juncture, a comparison of industrial structure and review of Global industry scenario will not serve the desired purpose, hence an attempt towards that is not made.

Opportunities and Threat

The domestic economy is showing clear signs of recovery and growth, though the same may not hold good for the global scenario. Since the Company is in the process of evaluating businesses and options, the question of evaluating opportunities and threats will arise at that point of time.

Segment wise Performance

The Company does not have multiple products./segments

Out look

The Board is positive on the future outlook of the company and is examining various business options as explained above.

Internal control System

Company at present has internal control procedures, which is commensurate with the present requirements. Internal controls are being monitored, reviewed and upgraded on an ongoing basis

Human relations

At present , the Company does not have a full fledged HR Department due to low level of activity The Board is keen to have a fully equipped HR Department, once the activity is started in a big way.

Financial performance with respect to operational performance

(Amount in Rs)

Particulars	31-3-2010	31-03-2009
Total Income	14,06,985	5,75,562
Depreciation	1,67,727	352,287
Profit(Loss) before Tax	(79,12,057)	(3,133,269)
Provision for Tax-FBT	-	(4,576)
Profit (loss) after Tax	(79,12,057)	(3,137,845)
Prior Period Adjustments	-	(56,41,862)
Balance brought forward	(21,31,65,213)	(204,385,506)
Balance carried to Balance Sheet	(22,10,77,270)	(213,165,213)

Caution:

The views expressed in the Management Discussion and Analysis are based on available information, assessment and judgments. They are subject to alterations. The Company's actual performance may differ due to national and international ramifications, government regulations, policies, tax laws and other unforeseen factors over which the Company may not have any control.

CEO & CFO CERTIFICATION

The Board of Directors
Cityman Limited

Re-financial Statements for the year 2009-10 - Certification

We, Santhosh J Karimattom, Chairman & Executive Director and T. N. Sajeevan , CFO, on the basis of the review of the financial statements and the cash flow statement for the financial year ending March 31, 2010 and to the best of our knowledge and belief, thereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are to the best of our knowledge and belief, no transaction entered into by the company during the year ended March 31, 2010 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that :
 - (a) there have been no significant changes in the internal control over financial reporting during this year.
 - (b) there have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements.
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Santhosh J Karimattom
Chairman & Executive Director

T.N. Sajeevan
CFO

Place : Bangalore
Date : 01.09.2010

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I Santhosh J Karimattom, Chairman & Executive Director of the Company, hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended March 31, 2010.

Place Bangalore
Date : 01.09.2010

For Cityman Limited
Santhosh J Karimattom
Chairman & Executive Director



AUDITOR'S REPORT

To,

The Members,
Cityman Limited.

We have audited the attached Balance Sheet of **CITYMAN LIMITED** as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date annexed there to and report that:

1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with accounting standards generally accepted in India. These standards require that, we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidences assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section 4A of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we enclose in the annexure, a statement on the matters specified in paragraph 4 & 5 of the said order to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 above we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. Proper books of account as required by law have been kept by the company so far as it appears from our examination of such books.
 - c. The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account.
 - d. In our opinion, the Profit and Loss Account and Balance Sheet comply with the accounting standard referred to in sub - section 3 C of Section 211 of the Companies Act, 1956.
 - e. On the basis of the written representation received from the Directors as on 31st March, 2010 and taken on the record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India.
- i) in so far as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2010 and,
 - ii) in so far as it relates to the Profit and Loss Account, of the Loss of the company for the year ended on that date.

For CHANDY & ZACHERIAS
Chartered Accountants
FRN.NO. 00064S

(Thankachan Zacherias)
Partner
M. No. 023421

Camp: Bangalore
Date:01.09. 2010

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our report of even date on the accounts of CITYMAN LIMITED, for the year ended 31st March, 2010.

1. We are informed that detailed records showing quantitative particulars and situation of fixed assets are being updated. We are also informed that physical verification was conducted of plant and machinery, furniture and fittings and other major assets by the management during the year and no material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The Company has disposed only the obsolete fixed assets during the year and is retaining all unimpaired fixed assets and in the opinion of the board of directors the fixed assets disposed during the year do not amount to substantial portion of the total fixed assets.
4. The company is maintaining proper records of inventory.
5. We are informed that physical verification of inventory was conducted at reasonable intervals by the management during the year.
6. According to the information and explanations given to us and in our opinion, the procedure for physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
7. The discrepancies noticed on verification between the physical stock and records were not material having regard to the size of the company and operations of business of the company.

8. In our opinion and on the basis of our examination of the stock records and having regard to the information and explanations given to us, the valuation of stock is fair and proper and is in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
9. (a) We are informed that the company has not taken or granted any loans, secured or unsecured from/to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 except trade advances in the course of regular trade as per commercial expediency and a foreign currency loan of Rs.23,28,205/- taken from one of the former directors, and the terms and conditions of which are in our opinion, not prima facie prejudicial to the interest of the company
- (b) The company has given Rs.12 lakhs as interest free refundable deposit to a partnership firm in which one of the director is a partner for using the brand name owned by them for a period of 99 years in addition to royalty payment of 1% of the turnover of the company under the brand name to the above firm for using its Brand name.
- (c) The above payments mentioned in (b) have been approved by the shareholders of the company.
10. In respect of loans and advances in the nature of loans given/taken by the company, the company/parties are generally repaying the principal amounts and interest as per terms of granting/receiving the same.
11. There is no overdue repayable advance amount of Rupees One Lakhs or more due from any party listed in the register maintained under section 301 of the Companies Act, 1956.
12. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of it's business with regard to purchase of inventory, fixed assets and with regard to the sale goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
13. The company has neither purchased nor sold any goods and materials or services in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 during the year under reference.
14. As explained to us unserviceable or damaged stores, raw materials and finished goods are determined by the management and provisions have been made in the accounts for the loss so determined.
15. We are informed that the company has not accepted any deposits from public during the year.
16. We are informed that the company has no realizable scrap which is material. There are no by-products.
17. In our opinion, the company has an adequate internal audit system commensurate with the size of the company and nature of its business.
18. According to the information and explanations given to us and as per the records of the company and on the basis of test checks conducted by us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
19. The company is not a sick industrial unit with the meaning of clause (o) of subsection 1 of section 3 of the sick industrial companies (special provisions) Act, 1985.

20. As per the records, the company has a reasonable system of recording the receipts, issues and consumption of materials and stores and allocating materials consumed to relative jobs, commensurate with the size of the company and nature of its business.
21. As per the records, the company has a reasonable system of allocating man-hours utilized to the relative jobs, commensurate with the size of the company and nature of its business.
22. As per the records, there is a reasonable system of authorization at proper levels and an adequate system of internal control commensurate with the size of the company and nature of its business on issue of stores and allocation of stores and labour to job.
23. Damaged goods were determined in the class of goods traded in by the company and adequate provision has been made in accounts for the loss so determined..
24. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, for the year under reference.
25. According to the information and explanations given to us, employees coming with in the purview of ESI and EPF Acts are not presently employed with the company.
26. (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund and employees state insurance, investor education and protection fund, sales tax, income tax and other statutory dues applicable to it, except income tax dues of Rs.35,51,000/- and interest there on from April 2008.
(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty which have remained outstanding as at 31st March, 2010 for a period of more than six months from the date they become payable except income tax payable, Rs.35,51,000/- and interest there on from April 2008.
(c) There is no disputed dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited by the company except income tax demand of Rs.35,51,000/-
27. The company has an accumulated loss of Rs.22,10,77,270/- as at the end of the financial year and has incurred a cash loss of Rs.77,44,330/- during the financial year and has incurred cash loss of Rs. 27,80,982/- during the immediately preceding financial year.
28. The company has not taken any term loan from financial institutions or banks, nor has issued any debentures during the year under reference. The company has settled all its dues to banks during the year and there are no dues from the company to any bank or financial institution as at 31st march 2010.
29. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence we have no comments to offer in respect of clause 4 (xii) of the Companies (auditor's report) Order, 2003.
30. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (auditor's report) Order, 2003 are not applicable to the company.

31. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (auditor's report) Order, 2003 are not applicable to the company.
32. In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions and hence we have no comments to offer in respect of clause 4 (xv) of the Companies (auditor's report) Order, 2003.
33. The company has not obtained any term loans. Accordingly the question of reporting on its application does not arise.
34. According to the information and explanations given to us and on an overall examination of the balance sheet of the company as at 31st march 2010, we report that no funds raised on short-term basis have been used for long-term investment and also that no long-term funds have been used to finance short-term assets except working capital.
35. The company has not made any preferential allotment of shares to parties and companies listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the company does not arise.
36. The company has neither issued any debentures during the year nor there is any outstanding debentures as on 31st March, 2010 and hence we have no comments to offer in respect of clause 4 (xix) of the Companies (auditor's report) Order, 2003.
37. The company has not raised money by public issue during the year and hence we have no comments to offer in respect of clause 4 (xx) of the Companies (auditor's report) Order, 2003.
38. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For CHANDY & ZACHERIAS
Chartered Accountants
FRN.NO. 00064S

(Thankachan Zacherias)
Partner
M. No. 023421

Camp: Bangalore
Date:01.09.2010

Annual Report 2009-10

BALANCE SHEET AS AT 31st MARCH 2010

PARTICULARS	SCH. NO.	CURRENT YEAR 31.03.2010		PREVIOUS YEAR 31.03.2009	
		Rs.	Ps.	Rs.	Ps.
I SOURCES OF FUNDS :					
A. SHARE HOLDERS FUNDS					
1. CAPITAL	1	47,011,000		47,011,000	
2. RESERVES AND SURPLUS	2	57,896,529		57,896,529	
TOTAL (A)		104,907,529		104,907,529	
B. DEFERRED TAX LIABILITY NET (B)			NIL		NIL
C. LOAN FUNDS					
1. SECURED LOANS	3		NIL		NIL
2. UNSECURED LOANS	4	112,073,400		108,680,000	
TOTAL (C)		112,073,400		108,680,000	
TOTAL FUNDS EMPLOYED (A + B + C)		216,980,929		213,587,529	
II APPLICATION OF FUNDS :					
A. FIXED ASSETS					
1. GROSS BLOCK		4,411,846		8,280,703	
2. LESS: DEPRECIATION		2,318,428		4,699,433	
3. NET BLOCK (A) 5		2,093,418		3,581,270	
B. INVESTMENTS (B)			NIL		NIL
C. DEFERRED TAX ASSET NET (C)			NIL		NIL
D. CURRENT ASSETS, LOANS AND ADVANCES					
1. INVENTORIES	6	43,120		78,190	
2. SUNDRY DEBTORS	7		NIL	3,759,333	
3. CASH AND BANK BALANCES	8	77,333		310,334	
4. LOANS AND ADVANCES	9	12,00,000		1,200,000	
TOTAL		13,20,453		5,347,857	
LESS: CURRENT LIABILITIES AND PROVISIONS	10	75,10,212		8,506,811	
NET CURRENT ASSETS (D)		(6,189,759)		(3,158,954)	
E. MISCELLANEOUS EXPENDITURE (E) 11		221,077,270		213,165,213	
TOTAL FUNDS APPLIED (A+B+C+D+E)		216,980,929		213,587,529	
NOTES ON ACCOUNTS	17				

Schedule 1 to 11 and notes form part of this Balance Sheet
For and on behalf of the Board of Directors

As per our report of even date attached

Santhosh J. Karimattam
Director

George Jacob
Director

D.E. Chandrasekaran
Company Secretary

For CHANDY & ZACHERIA
Chartered Accountants
FRN NO. 000664S

THANKACHAN ZACHERIAS
PARTNER, M.NO. 023421

Place : Bangalore
Date : 01.09.2010

Camp : Bangalore
Date : 01.09.2010



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

PARTICULARS	SCH NO.	CURRENT YEAR		PREVIOUS YEAR	
		31.03.2010	31.03.2009	Rs.	Ps.
1 INCOME					
A. SALES	12		32,440		85,932
B. OTHER INCOME	13		1,374,545		489,630
C. INCREASE / (DECREASE) IN STOCK	14		(35,070)		(143,220)
TOTAL			<u>1,371,915</u>		<u>432,342</u>
2 EXPENDITURE					
A. MANUFACTURING AND OTHER EXPENSES	15		9,112,798		3,204,144
B. FINANCIAL EXPENSES	16		3,447		9,180
C. DEPRECIATION	5		<u>167,727</u>		<u>352,287</u>
TOTAL			<u>9,283,972</u>		<u>3,565,611</u>
3 PROFIT / (LOSS) BEFORE TAX			(7,912,057)		(3,133,269)
4 TAX EXPENSES					
i. PROVISION FOR CURRENT TAX			NIL		NIL
ii. PROVISION FOR DEFERRED TAX			NIL		NIL
iii. FRINGE BENEFIT TAX			NIL		(4,576)
5 PROFIT / (LOSS) AFTER TAX			(7,912,057)		(3,137,845)
6 PRIOR PERIOD ADJUSTMENTS					
i. EXPENSES PERTAINING TO PREVIOUS YEAR			NIL		NIL
ii. PROVISION FOR TAXATION FOR EARLIER YEARS			NIL		(5,641,862)
7 ADD/LESS DEFERRED TAX ASSET/LIABILITY FOR EARLIER YEARS			NIL		NIL
8 BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR			(213,165,213)		(204,385,506)
9 BALANCE CARRIED TO BALANCE SHEET NOTES ON ACCOUNTS		17	(221,077,270)		(213,165,213)

Schedule 12 to 16 and notes form part of this Profit and Loss Account As per our report of even date attached
For and on behalf of the Board of Directors

Santhosh J. Karimattam
Director

George Jacob
Director

D.E. Chandrasekaran
Company Secretary

For CHANDY & ZACHERIA
Chartered Accountants
FRN NO. 000664S

THANKACHAN ZACHERIAS
PARTNER, M.NO. 023421

Camp : Bangalore
Date : 01.09.2010

Place : Bangalore
Date : 01.09.2010

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2010
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	CURRENT YEAR		PREVIOUS YEAR	
	31.03.2010		31.03.2009	
	Rs.	Ps.	Rs.	Ps.
<u>SCHEDULE 1. - SHARE CAPITAL</u>				
<u>AUTHORISED</u>				
2,50,00,000 EQUITY SHARES OF Rs.10/- EACH	250,000,000		250,000,000	
ISSUED SUBSCRIBED AND PAID UP				
47,01,100 EQUITY SHARES OF Rs.10/- EACH FULLY PAID	47,011,000		47,011,000	
TOTAL	47,011,000		47,011,000	
<u>SCHEDULE 2 - RESERVES AND SURPLUS</u>				
1 CAPITAL RESERVE	56,938,529		56,938,529	
2 INVESTMENT SUBSIDY	958,000		958,000	
TOTAL	57,896,529		57,896,529	
<u>SCHEDULE 3. - SECURED LOANS</u>				
1 INDUSIND BANK LIMITED PACKING CREDIT / CASH CREDIT	NIL		NIL	
TOTAL	NIL		NIL	
<u>SCHEDULE 4. - UNSECURED LOANS</u>				
1 FROM DIRECTORS	112,073,400		108,680,000	
2 INTER CORPORATE DEPOSIT	NIL		NIL	
TOTAL	112,073,400		108,680,000	
<u>SCHEDULE 6. - INVENTORIES</u>				
(at lower of cost or net realisable value as valued and certified by the management)				
1 FINISHED GOODS	43,120		78,190	
TOTAL	43,120		78,190	
<u>SCHEDULE 7. - SUNDRY DEBTORS</u>				
(unsecured, considered good)				
1 DEBTS OUTSTANDING FOR A PERIOD EXCEEDING 6 MONTHS	NIL		3,759,333	
2 OTHER DEBTS	NIL		NIL	
TOTAL	NIL		3,759,333	

SCHEDULE 5. FIXED ASSETS

Name Of Assets	Gross Block				Depreciation				Net Block As On 31.03.2010	Balance As On 31.03.2009
	As On 01.04.2009	Additions During The Year	Sales/trf During Year	Balance As On 31.03.2010	As On 01.04.09	For The Year	Adj. for The Year	Balance As On 31.03.2010		
1	2	3	4	5	6	7	8	9	10	11
Land	889,378	NIL	NIL	889,378	NIL	NIL	NIL	NIL	889,378	889,378
Plant And Machinery	6,150,639	NIL	3,717,600	2,433,039	3,914,240	115,569	2,457,514	1,572,295	860,744	2,236,399
Furniture And Fittings	115,497	NIL	58,805	56,692	82,682	2,763	44,657	40,788	15,904	32,815
Office Equipments	526,216	NIL	92,452	433,764	302,318	20,944	46,561	276,701	157,063	223,898
Electrical Equipment & Fittings	598,973	NIL	NIL	598,973	400,193	28,451	NIL	428,644	170,329	198,780
Total	8,280,703	NIL	3,868,857	4,411,846	4,699,433	167,727	2,548,732	2,318,428	2,093,418	3,581,270
Previous Year As On 31.03.2009	8,226,753	53,950	NIL	8,280,703	4,347,146	352,287	NIL	4,699,433	3,581,270	3,879,607

Annual Report 2009-10

SCHEDULE 8. - CASH AND BANK BALANCES

1 CASH IN HAND	22,845	53,637
2 BALANCE WITH SCHEDULED BANKS:		
i) IN CURRENT ACCOUNT	54,488	256,697
ii) IN DEPOSIT ACCOUNT	NIL	NIL
TOTAL	<u>77,333</u>	<u>310,334</u>

SCHEDULE 9. - LOANS AND ADVANCES

(unsecured considered good)

1 ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	1,200,000	1,200,000
TOTAL	<u>1,200,000</u>	<u>1,200,000</u>

SCHEDULE 10. - CURRENT LIABILITIES AND PROVISIONS

1 <u>CURRENT LIABILITIES</u>		
A. SUNDRY CREDITORS	714,336	NIL
B. OTHER LIABILITIES	2,815,307	4,521,666
TOTAL	<u>3,529,643</u>	<u>4,521,666</u>
2 <u>PROVISION</u>		
1. FOR TAXATION	3,551,000	3,551,000
2. FOR GRATUITY	429,569	429,569
3. FOR FRINGE BENEFIT TAX	NIL	4,576
TOTAL	<u>3,980,569</u>	<u>3,985,145</u>
TOTAL	<u>7,510,212</u>	<u>8,506,811</u>

SCHEDULE 11. - MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

1 BALANCE IN PROFIT AND LOSS ACCOUNT	221,077,270	213,165,213
TOTAL	<u>221,077,270</u>	<u>213,165,213</u>

SCHEDULE 12. - SALES

A. LOCAL

1 GARMENTS LESS RETURNS	32,440	85,932
TOTAL	<u>32,440</u>	<u>85,932</u>

SCHEDULE 13 - OTHER INCOME

1 UNCLAIMED CREDIT REVERSED	NIL	489,630
2 EXCHANGE RATE FLUCTUATION	1,374,545	NIL
TOTAL	<u>1,374,545</u>	<u>489,630</u>

SCHEDULE 14. - INCREASE / DECREASE IN STOCK

1	<u>CLOSING STOCK</u>		
	A. FINISHED GOODS	43,120	78,190
	TOTAL	43,120	78,190
2	<u>OPENING STOCK</u>		
	B. FINISHED GOODS	78,190	221,410
	TOTAL	78,190	221,410
3	INCREASE / (DECREASE) IN STOCK	(35,070)	(143,220)

SCHEDULE 15. - MANUFACTURING AND OTHER EXPENSES

1	SALARIES AND ALLOWANCES	826,757	201,400
2	EMPLOYEES WELFARE EXPENSES	1,104	6,349
3	ADVERTISEMENT AND SALES PROMOTION	699,247	130,742
4	RENT	NIL	96,000
5	RATES AND TAXES	461,500	191,545
6	POSTAGE AND COURIER	105,653	3,244
7	PRINTING AND STATIONERY	194,619	51,715
8	TRAVELLING EXPENSES - OTHERS	743,722	110,744
9	TELEPHONE CHARGE	2,184	4,310
10	REPAIRS AND MAINTENANCE	1,056	3,915
11	LEGAL AND PROFESSIONAL CHARGES	5,806,515	2,310,281
12	AUDITORS REMUNERATION	50,000	50,000
13	GENERAL EXPENSES	154,016	43,899
14	LOSS ON SALE OF FIXED ASSETS	66,425	NIL
	TOTAL	9,112,798	3,204,144

SCHEDULE 16. - FINANCIAL EXPENSES

	BANK CHARGES	3,447	9,180
	TOTAL	3,447	9,180

NOTES TO NOTE ACCOUNTS

SCHEDULE – 17.

Notes on accounts forming part of the Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date.

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention, under going concern basis and on an accrual basis of accounting and in accordance with the generally accepted accounting principles, adopted consistently by the company and in compliance with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable. The accounting policies applied by the company are consistent with those used in the previous year.

2. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles often requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Any difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

3. FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Depreciation is provided on the straight line method at old rates for assets acquired up to 30th November 1993 and at new rates for assets acquired after that date. On additions and disposals, depreciation is provided for the period of use during the year. The rates of depreciation are determined on the basis of useful lives of the assets estimated by the management, which are rates specified in schedule XIV to the Companies Act, 1956.

4. IMPAIRMENT

- (a) The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognized, wherever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- (b) Depreciation on impairment assets is provided on the revised carrying amount of the assets over its remaining useful life.
- (c) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

5. INVESTMENT

Investments are stated at cost.

6. TRANSACTION IN FOREIGN CURRENCIES

Current assets and current liabilities are translated at yearend exchange rates or on actual basis, where they are available at the time of finalization of accounts.

7. INVENTORIES

Inventories are valued at lower of cost or net realizable value. Finished goods are valued on full absorption cost and includes material, labour and overheads.

8. MISCELLANEOUS EXPENDITURE

Preliminary expenses and public issued expenses have been fully written off.

9. CONTINGENT LIABILITIES

Contingent liabilities not provided for, are reflected in the notes on accounts.

10. SALES

Sales are inclusive of all charges, but net of normal trade discount and returns.

11. RETIREMENT AND OTHER EMPLOYEES BENEFIT

The company has made appropriate provision for gratuity cum settlement benefit for all workers of the company. The company has made appropriate provision for gratuity to other employees, who have completed eligible number of years of service under the relevant acts.

12. CAPITAL SIBSIDY

Subsidy referable to specific fixed assets are deducted from cost of assets, while subsidies not referable to specific fixed assets are credited to capital reserve account.

13. TAXATION

Tax expenses comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when an enterprises has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in case of

- (a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (b) A possible obligation, unless the probability of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

15. EARNINGS PER SHARES

Basic earnings per shares are calculated by dividing the net profit or loss for the period attributable to equitable share holders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus elements in a right issue to existing share holders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equitable shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilative potential equity shares.

16. CASH FLOW STATEMENT

Cash flow statement has been prepared under indirect method.

B. NOTES TO THE BALANCE SHEET

1. Previous year figures have been regrouped or recast wherever necessary to suit with current year's disclosure and layout.
2. CAPITAL RESERVE: Capital reserves includes the following:-
 - a) Principal loan amount waived by consortium of banks and financial institutions (Indus Ind Bank Ltd., State Bank of India , UTI (Axis) Bank Ltd. and Karnataka State Industrial Development Corporation Ltd. on One Time Settlement of dues to them and
 - b) Subsidy received for the project from the department of industries and commerce, Government of Karnataka.

3. FIXED ASSETS

Land

The company has sold 5000sq. ft. of land out of 9831.25 sq. ft. possessed by the company at sy. No. 77/1A, Hulimavu village and Bangalore south. The proportionate cost of 5000 sq. ft. of land which is sold, is reduced from the original cost incurred. The company presently possess only 4831.25 sq. ft. of land in the said area and that area is subject to encroachment.

4. CURRENT ASSETS, LOANS AND ADVANCES

- (a) In the opinion of the board of directors, the current assets, loans and advances have the values at which they are stated in the balance sheet as and when realized in the ordinary course of business.
- (b) Confirmation of balances have not been obtained from debtors and for advance payments.
- (c) Advances include interest free refundable deposit of Rs.12,00,000/- due from a firm in which one of the Director is a partner.

5. DEFERRED TAX LIABILITY/ASSETS

The deferred tax liability/assets as per accounting standard 22 issued by the Institute of Chartered Accountants of India for the current year as well as for the previous year as per re-calculation is NIL, as the company does not foresee any reasonable certainty in generation of profit in the coming years.

6. CURRENT LIABILITIES AND PROVISIONS

- (a) Confirmations of balances have not been obtained from many of the creditors.
- (b) No provision for income tax has been made, since the company has incurred loss during the year.
- (c) provisions include provision for income tax relating to previous years amounting to Rs. 35,51,000/-
- (d) (i) The information regarding amounts due to Micro and Small Enterprises have been determined based on the information available with the company and have been relied upon by the auditors.
 - (ii) Principal amount remaining unpaid to Micro and Small Enterprises as at the end of the accounting year: Rs. NIL
 - (iii) Interest due on principal amount remaining unpaid as at the end of the accounting year: Rs. NIL.
 - (iv) Amount of interest paid by the company along with the payment made to the suppliers beyond the appointed day during the year: Rs. NIL.
 - (v) Amount of interest due and payable for the period of delay in making payment (amount have been paid, but after the appointed day) but without interest specified under Micro Small and Medium Enterprises Development Act, 2006: Rs. NIL.
 - (vi) Interest accrued and remaining unpaid as at the end of the accounting year: Rs. NIL.
 - (vii) Unpaid interest brought forward to current year: Rs. NIL.

7. SEGMENT REPORTING

The company has only one business segment and geographical segment viz. manufacturing and selling of readymade garments, hence the enterprise accounts are representing the segmental accounts.

8. DISCLOSURE IN ACCORDANCE WITH ACCOUNTING STANDARD – 18 RELATED PARTY TRANSACTION

(a) NIL	
(b) Name of key management personnel	Amount of remuneration
1. Santhosh J. Karimattam – Director	Nil
2. George Jacob – Director	Nil
(c) Transaction with related parties, referred to item (a) above	Nil

9. EARNINGS PER SHARE

	Y.E. 31.03.2010	Y.E. 31.03. 2009
	Rs. Ps.	Rs. Ps.
(a) Net loss	7,912,057	3,137,845
(b) No of shares	4,701,100	4,701,100
(c) Earnings Per Share	(1.68)	(0.67)

10. The Small Scale Industrial Undertaking (“SSI Unit”) to whom amount outstanding for more than 30 days is Rs. Nil.

11. SALES TAX DEMAND

- (a) Sales tax assessment of all the previous years completed and the amount determined as payable by authorities relating to all previous years have been paid in full.
- (b) INCOME TAX:- Provision is being made for additional income tax demand relating to earlier years under the head provision for taxation for earlier years as and when demands are intimated to the company.

12. CONTINGENT LIABILITIES NOT PROVIDED FOR

	AS AT 31.03.2010	AS AT 31.03.2009
1. Claims against the company not acknowledged as debts.	Nil	Nil
2. Estimated amount of contracts remaining to be executed on capital account not provided for	Nil	Nil
3. Other money for which the company is contingently liable		
(a) Cheque discounted	Nil	Nil
(b) Bank guarantees	Nil	Nil
(c) Guarantee on behalf of others	Nil	Nil
4. Export bill discounted	Nil	Nil

C. NOTES TO THE PROFIT AND LOSS ACCOUNT

1. Previous year figures have been regrouped or recast wherever necessary to suit with current year's disclosure and layout.
2. Remuneration paid to Directors consist of the following

	Current Year Rs.	Previous Year Rs.
(a) Salary to the Director	Nil	Nil
(b) Prerequisites:		
i) House rent allowance		
Managing Director	Nil	Nil
Executive Director	Nil	Nil
ii) Insurance – Whole Time Director	Nil	Nil
iii) Medical reimbursement to Executive Director	Nil	Nil
(c) Directors sitting fee	Nil	Nil
3. Payment to auditors consists of the following		
(a) Audit fee	40,000	40,000
(b) Other services	10,000	10,000
4. Value of imports calculated on CIF basis		
(a) Capital goods	Nil	Nil
(b) Materials and components	Nil	Nil
5. Expenditure in foreign currency		
(a) Import of materials	Nil	Nil
(b) Travelling expenses	Nil	Nil
(c) Commission	Nil	Nil
6. Earnings in foreign exchange – exports	Nil	Nil
7. Value of exports on FOB basis	Nil	Nil
8. Information with regard to Opening Stock, Purchases, Production, Sales & Closing Stock		

	Current Year		Previous Year		Value
	Unit	Quantity	Value	Quantity	
(a) Opening stock					
i) Woven garments	Nos.	1116	78,190	3,163	2,21,410
ii) Fabrics	Mtrs.	Nil	Nil		Nil
iii) Other materials			Nil		Nil
iv) Work in progress			Nil		Nil
Total		1116	78,190	3,163	2,21,410

Annual Report 2009-10

(b) Purchases					
i) Woven garments & Semi-finished goods	Nos.	Nil	Nil	Nil	Nil
ii) Fabrics	Mtrs.	Nil	Nil	Nil	Nil
iii) Packing & other Materials		Nil			Nil
Total		Nil	Nil	Nil	Nil
(c) Production (including job work)					
Woven garments	Nos.	Nil	Nil	Nil	Nil
(d) Sales					
i) Woven garments	Nos.	500	32,440	2,047	85,932
ii) Fabrics	Mtrs.	Nil	Nil	Nil	Nil
iii) Other materials			Nil		Nil
Total		500	32,440	2,047	85,932
(e) Closing stock					
i) Woven garments	Nos.	616	43,120	1,116	78,190
ii) Fabrics	Mtrs.	Nil	Nil	Nil	Nil
iii) Other materials			Nil		Nil
iv) Work in progress			Nil		Nil
Total		616	43,120	1116	78,190

Note:

1. Purchase are net of returns
2. Sales are net of returns but includes damages and compliments
3. Production is net of damages in production process

9. Information with regards to raw materials and components consumed

(a) Fabrics	Mtrs.	Nil	Nil	Nil	Nil
(b) Other materials			Nil		Nil
Total			Nil		Nil
Consumption					
(a) Fabrics			Nil		Nil
(b) Imported			Nil		Nil
(c) Indigenous			Nil		Nil
Other materials					
(a) Imported			Nil		Nil
(b) Indigenous			Nil		Nil

10. Quantitative information in regard to licensed and installed capacity of the goods manufactured

Item	Measure- ment	Unit of capacity	Licenced capacity	Installed production	Actual production during the year	Previous year production
Woven garments	Nos.N.A.	N.A.	N.A.	Nil	Nil	

Signatures to schedule 1 to 17

As per our report of even date attached

For and on behalf of the Board of Directors

Santhosh J. Karimattam
Director

George Jacob
Director

D.E. Chandrasekaran
Company Secretary

For CHANDY & ZACHERIA
Chartered Accountants
FRN NO. 000664S

THANKACHAN ZACHERIAS
PARTNER, M.NO. 023421

Place : Bangalore
Date : 01.09.2010

Camp : Bangalore
Date : 01.09.2010

CASH FLOW STATEMENT FOR THE PERIOD Ended 31.03.2010

A CASH FLOW FROM OPERATING ACTIVITIES	(Rs. Lacs)	
	Period Ended 31.03.2010	Period Ended 31.03.2009
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	(92.21)	(36.23)
ADJUSTMENTS FOR :-		
DEPRECIATION	1.68	3.52
PRELIMINARY EXPENSES WRITTEN OFF	-	-
PUBLIC ISSUE EXPENSES WRITTEN OFF	-	-
INTEREST	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(90.53)	(32.71)
ADJUSTMENTS FOR :-		
TRADE AND OTHER RECEIVABLES	37.59	6.85
INVENTORIES	0.35	1.43
TRADE AND OTHER PAYABLE	(9.96)	9.57
CASH GENERATED FROM OPERATIONS	(62.55)	(14.86)
INTEREST PAID	-	-
DIRECT TAXES PAID	-	(0.05)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(62.55)	(14.91)
EXTRAORDINARY ITEMS (NET)	13.75	4.90
NET CASH FROM OPERATING ACTIVITIES (A)	(48.80)	(10.01)
B CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASES OF FIXED ASSETS	-	(0.54)
SALES OF FIXED ASSETS	12.54	-
PURCHASES OF INVESTMENTS	-	-
SALE OF INVESTMENTS	-	-
INTEREST RECEIVED	-	-
DIVIDEND RECEIVED	-	-
NET CASH USSED IN INVESTING ACTIVITIES (B)	12.54	(0.54)



C CASH FLOW FROM FINANCING ACTIVITIES

PROCEEDS FROM ISSUE OF SHARE CAPITAL	-	-
PROCEEDS FROM SHORT AND LONG TERM BORROWINGS	33.93	69.31
REPAYMENT OF FINANCE AND LEASE LIABILITIES	-	(56.00)
GOVERNMENT SUBSIDY RECEIVED (NET)	-	
DIVIDENDS PAID	-	
NET CASH USED IN FINANCING ACTIVITIES (C)	33.93	13.31
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2.33)	(2.76)
CASH AND CASH EQUIVALENTS AS AT 01.04.2009	3.10	0.34
CASH AND CASH EQUIVALENTS AS AT 01.04.2010	0.77	3.10

For and on behalf of the Board of Directors

As per our report of even date attached

Santhosh J. Karimattam
Director

George Jacob
Director

D.E. Chandrasekaran
Company Secretary

For CHANDY & ZACHERIA
Chartered Accountants
FRN NO. 000664S

Place : Bangalore
Date : 01.09.2010

THANKACHAN ZACHERIAS
PARTNER, M.NO. 023421
Camp : Bangalore
Date : 01.09.2010

AUDITOR'S CERTIFICATE

We have verified the above statement with the books and records maintained by CITY MAN LIMITED ,certify that in our opinion and according to the information and explanations give the above statements is in accordance herewith

For CHANDY & ZACHERIA
Chartered Accountants

Place : Bangalore
Date :01.09.2010

Thankachan Zacherias
Partner

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2010

(Amount in Rs. 000's)

I REGISTRATON DETAILS			
REGISTRATON NO.	13512	STATE CODE	08
BALANCE SHEET DATE	31.03.2010		
II CAPITAL RAISED DURING THE YEAR (AMT IN RS. LACS)			
PUBLIC ISSUE	NIL	RIGHTS ISSUE	NIL
BONUS ISSUE	NIL	PRIVATE PLACEMENT	NIL
III. POSITON OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. 000's)			
TOTAL LIABILITIES	2,16,981	TOTAL ASSETS	2,16,981
SOURCES OF FUNDS			
PAID UP CAPITAL	47,011	RESERVES & SURPLUS	57,897
SECURED LOANS	NIL	UNSECURED LOANS	1,12,073
DEFERRED CREDITS	NIL	CAPITAL SUSPENSE	NIL
APPLICATION OF FUNDS			
NET FIXED ASSETS	2,094	INVESTMENTS	NIL
NET CURRENT ASSETS	(6,190)	MISC. EXPENDITURE	NIL
ACCUMULATED LOSSES	2,21,077		
IV PERFORMANCE OF COMPANY (AMOUNT IN LACS)			
TURNOVER	32	TOTAL EXPENDITURE	9,284
PROFIT / LOSS BEFORE TAX	(7,912)	PROFIT / LOSS AFTER TAX	(7,912)
EARNING PER SHARE RS.	NIL	DIVIDEND RATE %	NIL
V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY			
MAIN PRODUCTS		ITEM CODE NO.	
MEN'S SHIRTS		6205	
MEN'S TROUSERS		6203	
MEN'S AND BOYS UNDER GARMENTS		6207	
VI CAPITAL RAISED DURING THE YEAR		NIL	

For and on behalf of the Board of Directors

As per our report of even date attached

Santhosh J. Karimattam
Director

George Jacob
Director

D.E. Chandrasekaran
Company Secretary

For CHANDY & ZACHERIA
Chartered Accountants
FRN NO. 000664S

Place : Bangalore
Date : 01.09.2010

THANKACHAN ZACHERIAS
PARNTER, M.NO. 023421
Camp : Bangalore
Date : 01.09.2010



CITY MAN LIMITED

No.13, Padmalaya,2nd Floor ,Budha Vihar Road,Frazer Town,Bangalore-560 005
Tel:+91-080-41524846 /47 Fax:+91-080-41524845 E-mail :cityman97@rediffmail.com

ATTENDANCE SLIP

Regd.Folio No. _____

I certify that Iam a registered shareholder / proxy for the registered share holder of the Company

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company held at Vagdevi Seshappa Hall, 1637-38, 1st Cross, Rammohanpura, Srirampuram (Behind Devayya Park) Bangalore-560021 on 30th of September, 2010 at 10.00 AM

Member's/proxy's name in BLOCK LETTERS

Member's / Proxy's Signature

CITY MAN LIMITED

No.13, Padmalaya,2nd Floor, Budha Vihar Road,Frazer Town,Bangalore-560 005
Tel:+91-080-41524846 /47 Fax:+91-080-41524845 E-mail :cityman97@rediffmail.com

ATTENDANCE SLIP

PROXY FORM

I/We _____ Of

_____ Being

a member / members of the above –named company hereby appoint _____ Of

As my / our proxy to vote for me/ us behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company held at Vagdevi Seshappa Hall, 1637-38, 1st Cross, Rammohanpura, Srirampuram, (Behind Devayya Park, Bangalore-560 021 on 30th September,2010 at 10 am

Signed this _____ day of _____ 2009

Signature _____

Affix
1 Rupee
Revenue
Stamp

Note : This form, in order to be effective, should be duly stamped , completed and signed must be deposited at the Registered office of the company, not less than 48 hours before the meeting