

23RD
ANNUAL REPORT
2014 -2015



CITI PORT FINANCIAL SERVICES LIMITED

23RD ANNUAL GENERAL MEETING

Thursday, 24th Day of September, 2015

At 11:00 AM

No.8-3-678/42/5, 1st Floor, Santosh Manor,
Navodaya Colony, Yellareddyguda,
Hyderabad -500073

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COMPANY INFORMATION

BOARD OF DIRECTORS

1. Madhavi Musnuru	Executive Director
2. Ratan Kishan Musurnur	Director
3. Parthasarathi Prattipati	Director
4. Anil Kumar Talasila	Director

CHEIF FINANCIAL OFFICER (CFO)

Smt Madhavi Musnuru

STATUTORY AUDITORS

M/s. G.V. & CO
Vani Nagar,
Malkajgiri, Hyderabad

INTERNAL AUDITOR

VNS SRINIVAS RAO
Chartered accountant
Hyderabad

SECRETARIAL CONSULTANTS

M/s P S RAO & ASSOCIATES
Company Secretaries

Flat No. 10, 4th Floor,
Iswarya Nilayam, Dwarakapuri Colony
Punjagutta, Hyderabad-500082

REGISTERED OFFICE

House No.8-3-678/42/5,
1st Floor, Santosh Manor,
Navodaya Colony,
Yellareddyguda, Hyderabad-500073

SHARE TRANSFER AGENTS

M/s. Bigshare Services Private Limited,
Flat No. 306, right wing,
3rd floor, Amrutha Ville,
Opp: Yashodha Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad-500082

LISTED AT:

BSE Limited

BOARD COMMITTEE

Audit Committee:

Parthasarathi Prattipati - (Chairman)
Anil Kumar Talasila
Madhavi Musnuru

Nomination & Remuneration Committee:

Parthasarathi Prattipati - (Chairman)
Anil Kumar Talasila
Madhavi Musnuru

Stakeholder Relationship Committee:

Parthasarathi Prattipati - (Chairman)
Anil Kumar Talasila
Madhavi Musnuru

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at House No.8-3-678/42/5, 1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad -500073 on Thursday, 24th September, 2015 at 11.00 A.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Sri Ratan Krishana Musurnur (DIN - 00997070) who retires by rotation, being eligible offers himself for re-appointment.
3. 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 Sections 139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, and pursuant to the recommendation of the Audit Committee and resolution passed by the members in the 22nd Annual General Meeting, the appointment of M/s. G.V & Co., Chartered Accountant, Hyderabad (Registration No. 012875S) who were appointed as the Statutory Auditors of the Company to hold the office till the conclusion of 27th Annual general meeting be and is hereby ratified and Board of Directors be and hereby authorized to fix the remuneration, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending 31st March, 2016."

SPECIAL BUSINESS

4. ADOPTION OF NEW SETS OF ARTICLES OF ASSOCIATION OF THE COMPANY CONTAINING REGULATIONS IN CONFORMITY WITH THE COMPANIES ACT, 2013:

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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

sd/-
Madhavi Musnuru
Director

Place: Hyderabad
Date : 12.08.2015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting
3. The Register of members and share transfer books of Company shall remain closed from Friday, 18th September, 2015 to Thursday, 24th September, 2015 (both days inclusive).
4. Statement as required under Section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. Members are requested to notify any change in their addresses to the Company immediately.
6. Members desirous of obtaining any information on the Annual Accounts of the Company are requested to write to the Company at least 7 working days before the date of the meeting to enable the Company for compilation of the required information.

7. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and also in respect of their physical share folios, if any to M/s. Bigshare Services Private Limited, Flat No. 306, Right Wing, 3rd Floor, Amrutha Ville Apt., Opp: Yashodha Hospital, Somajiguda, Rajbhavan Road, Hyderabad-500082

8. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL):

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 17th September, 2015 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Monday, 21st September, 2015 (09:00 hrs) and will end on Wednesday, 23rd September, 2015 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The login ID and password for e-voting along with process, manner and instructions for e-voting is being attached in the Annual Report.

The Company has appointed Mr. Yellareddy Vootkuri, Practicing Chartered Accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

sd/-
Madhavi Musnuru
Director

Place: Hyderabad
Date : 12.08.2015

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**ITEM NO.4**

The Articles of Association ("AOA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the present Companies Act, 2013.

With the coming into force of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles. The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

The proposed new draft AOA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Your Directors recommend the Resolution for your approval as Special Resolution.

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

sd/-
Madhavi Musnuru
Director

Place: Hyderabad
Date : 12.08.2015

Information in respect of directors seeking appointment/re-appointment as required under clause 49 VIII (E)(1) of the listing agreement

Name of the Directors	Ratan Kishan Musurnur
Date of first appointment	10th March 2006
Date of birth/age	06/06/1980
Expertise in specific functional areas	Finance
Educational qualification	MCA & MS IN COMPUTERS
Chairman/member of the committees of board of Directors of the company	Nil
List of Directorships, Committee Chairmanship, Membership held in other companies as on	GOLDENVALLEY HOLDINGS PRIVATE LIMITED

DIRECTOR'S REPORT

To
The Members,

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2015.

FINANCIAL RESULTS:

(Rs In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014
Net Sales/income from operation	17.26	17.27
TOTAL INCOME	17.26	17.27
TOTAL EXPENDITURE	16.61	15.40
Profit/ (Loss) before depreciation & Financial Charges	0.65	1.87
Depreciation	0.03	0.04
Financial Charges	0.49	0.49
Profit Before Tax	0.13	1.33
Prior period items	--	--
Provision for tax	0.18	0.59
Deferred Tax	(0.03)	0.01
NET PROFIT / (LOSS)	(0.02)	0.74
Surplus Brought forward from previous years	9.43	9.29
Transfer to Special Reserve @ 20%	--	0.14
Amount available for appropriation	9.43	9.43

OPERATIONS:

During the financial year under review, your Company has achieved total income of Rs. 17.26 lakhs as against the previous year income of Rs. 17.27 lakhs and recorded net loss of Rs. 0.02 lakhs for financial year 2014-15 when compared to a net profit of Rs. 0.74 lakhs during the previous year.

The Company is hopeful that this fiscal the economy will witness upward trend and good business and will experience a significant growth and profitability this year. However things are restoring to normalcy and the industry is recovering from the depression and your company would do better in the years to come.

DIVIDEND:

Your Directors do not recommend any Dividend for the financial year 2014-2015 as the company has incurred loss from the business operations.

FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

MEETINGS

During the year under review, five board meetings were held on 30th May, 2014, 14th August, 2014, 25th Sep, 2014, 13th November, 2014, and 10th February, 2015. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

BOARD EVALUATION

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement in the following manner:

- i. Structured evaluation forms, as recommended by the Nomination and Remuneration Committee, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- ii. The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- iii. Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board / Committee/ Individual Director, and formulated a final collective evaluation of the Board. The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 10th February, 2015 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

VIGIL MECHANISM

Pursuant to the provisions of section 177 (9) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (meetings of board and its powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement

the Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company

REMUNERATION POLICY

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report

DIRECTORS

Sri Ratan Kishan Musurnur, Directors of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2014-15 and of the profit or loss of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts for the year 2014-15 have been prepared on a going concern basis.
- v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi. That system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RISK MANAGEMENT

Pursuant to the provisions of section 134 (3) (n) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement the Risk management is Not applicable to the Company

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) and Clause 49 of the Listing Agreement

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, M/s. G.V.& Co, Chartered Accountant, Hyderabad, appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 27th Annual General Meeting subject to the ratification of shareholders at every Annual General Meeting at such remuneration as decided by the Board. The Company is in receipt of confirmation from the Statutory Auditor that in the event of his re-appointment as Statutory Auditor at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 141 of the Companies Act, 2013.

Hence the above resolution is placed before the members for ratification of the appointment of the statutory auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications in the report of the statutory auditors for the year 2014-15.

INTERNAL AUDITOR:

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s.VNS Srinivas, Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is Not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company since the Company is an NBFC whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporate or persons as covered under the provisions of Section 186 of the Act are given in the Notes to Accounts.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is under the business of investment and financing so the particulars of the Conservation of energy and Technology Absorption is **NOT APPLICABLE**
Foreign Exchange Earnings and Out go: NIL

MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the provision of clause 49 of the listing agreement a report on Management Discussion & Analysis is set out as an **Annexure A**.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed K. Mallehwari, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **"Annexure B"** to this report.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per Clause 49 of the Listing Agreement for the transactions which are of a foreseen and repetitive nature. The Company has developed a Policy

on Related Party Transactions for the purpose of identification and monitoring of such transactions. The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in Form AOC-2 is herewith annexed as **'Annexure C'** to this report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in **Form MGT - 9** is annexed herewith as **"Annexure D"** to this report.

CORPORATE GOVERNANCE:

The Company has been making every endeavor to bring more transparency in the conduct of business. As per the requirements of Listing Agreement with the Stock Exchanges, a compliance report on corporate Governance for the year 2014-2015 and a certificate from the Auditors of the Company are furnished as a part of this Annual Report “**Annexure E**”.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as ‘**Annexure F**’ to this report and Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee of your Company is in receipt of remuneration exceeding Rs.5,00,000/- per month or Rs.60,00,000/- per annum during the financial year.

LISTING FEE:

Your Company’s shares are presently listed on the BSE Limited, The Company is regular in paying the listing fee to the Stock Exchanges.

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation and gratitude for the continuous support and assistance extended by all the Statutory Authorities. The Board also extends its heartfelt gratitude to the Creditors and Shareholders for the confidence reposed by them in the Company. Your Directors also place on record their sincere appreciation for the continued contributions made by the employees at all levels.

Place: Hyderabad
Date: 12.08.2015

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

Sd/-
Madhavi Musnuru
Director

Sd/-
Parthasarathi Prattipati
Director

MANAGEMENT DISCUSSION & ANALYSIS**NBFC & GROWTH**

Non-Banking Financial Companies (NBFC) have rapidly emerged as an important segment of the Indian financial system. Moreover, NBFCs assume significance in the small business segment as they primarily cater to the credit requirements of the unorganized sector such as wholesale & retail traders, small-scale industries and small borrowers at the local level. NBFC is a heterogeneous group of financial institutions, performing a wide range of activities like hire-purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans, consumer loans, housing loans, loans against shares and investment, etc. NBFCs are broadly divided into three categories namely (i) NBFCs accepting deposits from banks (NBFC-D); (ii) NBFCs not accepting/holding public deposits (NBFC-ND); and (iii) core investment companies

OPPORTUNITIES AND THREATS:

The NBFC sector has great potential to grow further and the Government of India is also focusing on their development and expansion in rural areas. The recent steps by the Government of India to create Infrastructure for NBFC and to provide banking license for NBFCs is a positive signal and the emergence of REMF (Real Estate Mutual Funds) & REIT (Real Estate Investment Trust) has brought new scope for funding in Real Estate Sector.

However, NBFC's do play a critical role in participating in the development of an economy by development in sectors like transport, employment generation, wealth creation, bank credit in rural segments and to support financially weaker sections of the society. Emergency services like financial assistance and guidance is also provided to the customers in the matters pertaining to insurance.

RISKS AND CONCERNS:

Being in the financial services business has its own typical risks and the Company takes full cognizance of the fact that these risks can have a serious impact on the operations of the Company as well as its profitability. In order to ensure that the impact of risks is minimal, the Company lays utmost importance on scanning the external environment regularly. The Company also has adequate risk identification.

To mitigate the risks affecting the growth and profitability the company has directed its efforts for risk management by employing the people who are expertise and trying to initiate new technology. The company is constantly engaged in innovating its methods and procedure of risk management

INDUSTRY OUTLOOK:

Non-banking finance companies (NBFC's) are integral part of country's financial system because their complementary as well as competitive role. They act as critical link in the overall financial system catering to a large market of niche customers. However, competition continues to be intense as India and foreign banks have entered the retail trading business in a big way, thereby exerting pressure on

margins. The erstwhile providers of funds have now become competitor. NBFC's can sustain in this competitive environment only through optimizing of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiency, strict monitoring and raising the level of customer service.

COMPANY OUTLOOK

The company has a loss during the financial year 2014-15. However, it has made loss during the financial year under review due to the economy downtrend which adversely affected financial and banking sector. The board of directors of your company feel that the economy will improve still in the coming years providing the greater chance for your company to grow further. Moreover, Indian Government took many initiatives programmes which will promote industry to come with many opportunities and chance to grow further in coming years. Your company is actively engaged in introducing innovative and customized products for the customers. The management of your company is making all efforts in finding new areas and markets for exploring the company's products and services.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has proper and adequate internal control systems to ensure that all the assets are safeguarded and that all transactions are authorized recorded and reported correctly. Regular internal audits and checks are carried out to ensure that the execution of approved activities is in line with the policies and processes in place and that the systems are adequately strengthened to ensure compliance. Internal audit cover verification of Loan & security creations documents, repayments, Credit evaluation, as also process audits of various functions & Systems audits.

The Board of Directors has been entrusted with the responsibility of reviewing the findings and to investigate and take necessary actions wherever required.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

The Company recognizes that its success is deeply embedded in the success of the human resources. The Company has significantly scaled up its activities through investment in people and infrastructure. The Company nurtures its employees as its critical assets through healthy working atmosphere that ensures equal opportunity for growth and challenge to all the employees. The Company believes in creating business leaders by employing best talent in the industry, providing opportunities, empowerment by delegations, training and taking care of their growth. As our business grows, we would continue to expand the human resources which are fundamental to the financial services business.

Form No MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 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,
CITI PORT FINANCIAL SERVICES LIMITED
Yellareddy Guda,
Hyderabad-500073

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CITI PORT FINANCIAL SERVICES 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, minutes 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:

1. 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 there under; (Not notified hence not applicable to the Company)
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. (No transactions during the audit period and hence not applicable)
 - 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- vi. Other laws including Banking Regulation Act, 1949, Rules, Regulations and Guidelines issued by the Reserve Bank of India are applicable to Non-Banking Financial Companies with classification as a 'Loan Company'; which is specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Listing Agreements entered into by the Company with Stock Exchange(s) and
- ii. Secretarial Standards issued by the Institute of Company Secretaries of India. (Not notified during the audit period and hence not applicable).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

** The Company is in the process of appointment of Company Secretary under Section 203 and rules made thereunder under Companies Act, 2013.*

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 the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings 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.
- ◆ There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Sd/-
K.Malleshwari
Company Secretary
M.No :37210
C.P.No:14686

Place: Hyderabad
Date: 12th August, 2015

Annexure C

Particulars of contracts / arrangements made with related parties
[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013,
and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis: There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of The Related Party	Nature of Relationship	Nature of The Contract	Monetary Value Per Financial Year
Madhavi Musnuru	KMP	Remuneration Payable	3,00,000
	Associates	Interest Income	1,85.321

Place: Hyderabad
Date: 12th August 2015

Sd/-
Madhavi Musnuru
Director

FormNo.MGT-9
EXTRACT OF ANNUAL RETURN AS
ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2015
[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L65991TG1992PLC065867
Registration Date	01-07-1992
Name of the Company	CITI PORT FINANCIAL SERVICES LIMITED
Category/Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered office and contact details	House No.8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad, Telengana - 500073
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited, Flat No. 306, right wing, 3rd floor, Amrutha Ville, Opp: Yashodha Hospital, Somajiguda, Rajbhavan Road, Hyderabad-500082

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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Services	661	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Goldenvelly Holding Limited	U67120TG2007PTC052639	Associate	29.01	2 (46)

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

A. Category-wise Share Holding

Category of	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year theyear				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter									
Indian									
Individual/ HUF									
Central Govt									
State Govt (s)									
Bodies Corp	899304	0	899304	29.01	899304	0	899304	29.01	0
Banks / FI									
Any Other									
Sub-total(A)(1):-	899304	0	899304	29.01	899304	0	899304	29.01	0
Foreign									
NRI-Individuals									
Other-Individuals									
Bodies Corp.									
Banks / FI									
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Public Shareholding									
Institutions									
Mutual Funds									
Banks / FI									
Central Govt									
State Govt(s)									
Venture Capital Funds									
Insurance Companies									
FIIIs									
Foreign Venture Capital Funds									
Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
Bodies Corp.	3737	611200	614937	19.84	3737	611200	614937	19.84	0
(i) Indian									
(ii) Overseas									
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	163161	160495	323656	10.44	163161	160495	323656	10.44	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	149991	1112100	1262091	40.71	149991	1112100	1262091	40.71	0
Others (NRI)	12	0	12	0	12	0	12	0	0
Sub-total(B)(2)	316901	1883795	2200696	70.99	316901	1883795	2200696	70.99	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	316901	1883795	2200696	70.99	316901	1883795	2200696	70.99	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1216205	1883795	3100000	100.00	1216205	1883795	3100000	100.00	0

B. Shareholdings of Promoters:

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	No of Shares	% of total Shares of the company	% of Shares Pledges/ encumbered to total shares	
1	Goldenvelly Holdings Private Limited	899304	29.01	0.00	899304	29.01	0.00	0.00

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
	At the beginning of the year	899304	29.01	899304	29.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NO CHANGE DURING THE YEAR			
	At the end of the year	899304	29.01	899304	29.01

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name	Shareholding		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/ end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	GINZA COMMUNICATION PRIVATE LIMITED	307600	9.92	01.04.2014		Nil Movement during the year		
					0			
		307600	9.92	31.03.2015				
2	MITHUL INVESTMENT PRIVATE LIMITED	242200	7.81	01.04.2014		Nil Movement during the year		
					0			
		242200	7.81	31.03.2015				
3	MUSUNURU NAGA SWARNA	130000	4.19	01.04.2014				
				date	6100	Transfer	136100	4.39
		136100	4.39	31.03.2015				
4	PRAKASH RAO	100000	3.23	01.04.2014		Nil Movement during the year		
					0			
		100000	3.23	31.03.2015				
5	G BHAGAT	750000	2.24	01.04.2014		Nil Movement during the year		
					0			
		75000	2.42	31.03.2015				

6	PADAJA RANI POTHANA	74800	2.41	01.04.2014		Nil Movement during the year		
					0			
		74800	2.41	31.03.2015				
7	NAGABHARGAVI PENDYALA	52600	1.70	01.04.2014		Nil Movement during the year		
					0			
		52700	1.70	31.03.2015				
8	K. RAJASHEKER	50000	1.61	01.04.2014		Nil Movement during the year		
					0			
		50000	1.61	31.03.2015				
9	RAMAKRISHNA B	50000	1.61	01.04.2014		Nil Movement during the year		
					0			
		50000	1.61	31.03.2015				
10	NAGARJUNA MOVVA	50000	1.61	01.04.2014		Nil Movement during the year		
					0			
		50000	1.61	31.03.2015				

E. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	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.	Madhavi Musnuru	250	0.00	250	0.00
2.	Ratan Kishan Musurnur	250	0.00	250	0.00
3.	Parthasarathi Prattipati	250	0.00	250	0.00
4.	Anil Kumar Talasila	250	0.00	250	0.00

V) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition			NIL	
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
1	Gross salary	Executive Director	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,00,000	3,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	3,00,000	3,00,000
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		NIL
	Fee for attending board committee meetings Commission Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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				NIL
	(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				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed		Authority [RD / NCLT/ COURT]		Appeal made, if any (give Details)
A. COMPANY							
Penalty							
Punishment							
Compounding							
B. DIRECTORS							
Penalty							
Punishment							
Compounding							
C. OTHER OFFICERS IN DEFAULT							
Penalty							
Punishment							
Compounding							

NIL

CORPORATE GOVERNANCE REPORT

(In compliance with clause 49 of the listing agreement entered with the stock exchanges)

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your company also believes in taking into confidence all the stakeholders viz. Shareholders, Employees, Creditors, Customers etc. Your company is committed to take the torch of Corporate Governance forward, so that every stakeholder of the company synchronizes and synergies their efforts in their growth along with the growth of their company.

2. BOARD OF DIRECTORS:

- Composition of Board of Directors**

At present, the strength of the Board is Four Directors. The Board comprises of 1 Executive, 1 Non-Executive and Not Independent Directors and 2 Non Executive and Independent Director

- Board meeting and attendance**

The Board met Five times in the financial year 2014-15 on the following dates, with a gap not exceeding 4 months between any two meetings:.

30.05.2014	14.08.2014	25.09.2014	13.11.2014	10.02.2015
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The constitution of the Board is given below:

S. No	Director	Category	Attendance at AGM held on 29.09.2015	Attendance in Board Meeting		Other Boards		
				Held	Attended	Directorship	Committee ship	Committee membership
1	Smt Madhavi Musnuru	Executive Director	Yes	5	5	Nil	Nil	Nil
2	Sri Ratan Kishan Musurnur	Non Executive Not Independent Director	Yes	5	5	Nil	Nil	Nil
3	Sri Parthasarathi Prattipati	Non Executive & Independent Director	Yes	5	5	4	2	1
4	Sri Anil Kumar Talasila	Non Executive & Independent Director	Yes	5	5	Nil	Nil	Nil

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

In accordance with Clause 49 of the Listing Agreement, memberships/chairmanships of Audit Committees and Stakeholders Relationship Committees in all public Limited companies (excluding Citiport Financial Services Limited) have been considered.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are Directors.

None of the Directors serve as an Independent Director in more than 7 listed companies.

3. BOARD COMMITTEE:

Currently, there are 3 Board Committees – Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

AUDIT COMMITTEE:

The Company has a Qualified and Independent Audit Committee comprising of 1 Executive Director and 2 Non-Executive Independent Directors, constituted in accordance with the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Clause 49 and Section 177 of the Companies Act, 2013 and acts in terms of reference and directions if any given by the Board from time to time.

Terms of reference

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement entered into with Stock Exchanges read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

- i) Powers of the Audit Committee include:
 - To investigate any activity within its terms of reference.
 - To seek information from any employee.
 - To obtain outside legal or other professional advice.
 - To secure attendance of outsiders with relevant expertise, if it considers necessary.
- ii) Role of the Audit Committee includes:
 - Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.

- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - changes, if any, in accounting policies and practices and reasons for the same
 - major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings.
 - compliance with listing and other legal requirements relating to financial statements
 - disclosure of any related party transactions
 - review of draft Auditors Report, in particular qualifications / remarks / observations made by the
 - Management Discussion and Analysis of financial conditions and results of operations
- Review of Statement of significant related party transactions submitted by the management.
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
- Review of internal audit reports relating to internal control weaknesses.
- Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Review of the financial statements of subsidiary Companies
- Review and monitor the auditor's independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors

- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower Mechanism
- Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

The Chairman of the Audit Committee shall be present at the Annual General Meeting of the Company to provide any clarification on queries from shareholders.

❖ **Composition**

The Audit Committee of the Company comprise of the following Directors:

Name of the Director	Designation
Sri Parthasarathi Prattipati	Chairman
Sri Anil Kumar Talasila	Member
Smt. Madhavi Musnuru	Member

❖ Meetings and Attendance during the Financial Year:

MEETINGS:

The Audit committee of the Board met five times during the year, the meetings was held for approval of Un- Audited Financial Results and Audited Financial results of the Company i.e. on:

30.05.2014	14.08.2014	25.09.2014	13.11.2014	10.02.2015
------------	------------	------------	------------	------------

ATTENDANCE:

Name	No of Meetings Held	No of Meetings Attended
Sri Parthasarathi Prattipati	5	5
Sri Anil Kumar Talasila	5	5
Smt Madhavi Musnuru	5	5

The un- audited financial results for each quarter are approved by the Audit Committee before passed on to the Board of Directors for approval and adoption.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been formed in compliance of Clause 49 of the Listing Agreement and pursuant to Section 178 of the Companies Act, 2013 comprising of 1 Executive Director and 2 Non-Executive Independent Directors.

Terms of reference:

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To recommend /review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.

- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment / revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions / powers / duties as may be entrusted by the Board from time to time. The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company,_____.

✧ **Composition**

Remuneration Committee of the Company consists of following Members:

NAME OF THE DIRECTOR	DESIGNATION
Sri Parthasarathi Prattipati	Chairman
Sri Anil Kumar Talasila	Member
Sri Miriyalad Ethirajan	Member

✧ **Remuneration paid to Directors during the Financial Year**

Name of Director	Designation	Remuneration for Financial Year 2014-15 (in Rs.)	
		Salary & Perks	Total
Smt Madhavi Musnuru	Director (Finance)	300000	300000

STAKEHOLDER RELATION SHIP COMMITTEE:

The Stakeholders Relationship Committee has been formed in compliance of Clause 49 of the Listing agreement and pursuant to Section 178 of the Companies Act, 2013 comprising of 1 Executive Director and 2 Non-Executive Independent Directors.

✧ Composition

The Committee comprises of the following members:

Name of the Director	Designation
Sri Parthasarathi Prattipati	Chairman
Sri Anil Kumar Talasila	Member
Smt Madhavi Musnuru	Member

The Stakeholders Relationship Committee met four times during the previous year. The said committee met on the following dates:

30.05.2014	14.08.2014	13.11.2014	10.02.2015
------------	------------	------------	------------

The Committee reviews the security transfers/transmissions, process of dematerialization and the investors' grievances and the systems dealing with these issues.

In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer, to approve share transfers / transmissions and comply with other formalities in relation thereto.

There were no complaints pending for redressed during the year under review. There was no pending transfer as on 31st March, 2015.

Terms of reference:

The terms of reference of the Stakeholders Relationship Committee are as under:

- i) Redressed of grievances of shareholders, debenture holders and other security holders
- ii) Transfer and transmission of securities
- iii) Dealing with complaints related to transfer of shares, non-receipt of declared dividend, no receipt of Balance Sheet etc.
- iv) Issuance of duplicate shares certificates
- v) Review of dematerialization of shares and related matters
- vi) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority.

The Committee, along with the Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

Name & Designation of the Compliance Officer	:	Smt Madhavi Musnuru Director
No. of shareholders complaints received during the Financial Year	:	3
No. of complaints solved to the satisfaction of the share holders	:	3
No. of pending complaints	:	NIL

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 10th February, 2015 inter alia, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

VIGIL MECHANISM POLICY

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies as may be prescribed to establish a vigil mechanism, called Whistle Blower Policy (as per Clause 49 of the Listing Agreement) for the Directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

Under these circumstances, CITI PORT FINANCIAL SERVICES LIMITED, being a Listed Company has established a Vigil Mechanism and formulated a Policy for the same, pursuant to the review and recommendation by the Audit Committee.

LOCATION AND TIME WHERE THE LAST THREE AGM'S HELD:

Year	Date	Location	Time
2013-14	25-09-2014	8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad-500073	2.00 P.M.
2012-13	30-09-2013	8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad-500073	2.00 P.M.
2010-11	29-09-2012	8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad-500073	2.00 P.M.

No Special Resolution is passed in the Previous three Annual General Meeting.

DISCLOSURES:

- Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large. – **NIL** –
- Details on non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.: - **NIL**-
- The Company has posted the Code of Conduct for Directors and Senior Management on its website.
- The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement as entered with the Stock Exchanges.

MEANS OF COMMUNICATION:

- The Quarterly results are usually published in the **Business Standard (in English) and Andhra bhoomi** (in regional language) dailies.

SHAREHOLDER INFORMATION:

- **AGM:** The 23rd Annual General Meeting of the Company will be held on Thursday, 24th September, 2015 at 11.00 A.M. at the Registered Office of the Company
- Financial Year: **1st April 2015 to 31st March 2016**

CALENDER OF EVENTS:

Event	Dates
First Quarter un-audited (Provisional) Financial Results	Second Week of August, 2015
Second Quarter un-audited (Provisional) Financial Results	Second Week of November, 2015
Third Quarter un-audited (Provisional) Financial Results	Second Week of February, 2016
Fourth Quarter Audited Financial Results	Last Week of May, 2016

- **BOOK CLOSURE DATE:**

- **Book Closure Date:** From Friday, 18th September 2014 to Thursday 24th September 2014 (both days inclusive).
- **Listing on Stock Exchanges:** The shares of the Company are listed at BSE Limited
The company has paid the listing fees to the above Stock Exchanges

- **Dividend Payment Date:** NA
- Stock Exchange Code: BSE Limited 531235
- Demat ISIN Number

Under the Depository System the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares by NSDL & CDSL	INE494D01011
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- **Share Transfer System:**

All the physical share transfers received are processed by the Share Transfer Agents **M/s. Bigshares Services Private Limited** Hyderabad. The Company's shares are being traded in compulsory Demat form. The Company has entered into agreement with both NSDL and CDSL to dematerialize its shares, which enable the Company's shares to be transferred electronically through Depositories System.

- **Market Price Data:** During then Financial Year 2014-15

Month	BSE Limited	
	High	Low
	(Rs.)	(Rs.)
Apr 14	7.70	7.35
May 14	7.35	7.00
Jun 14	7.35	7.00
July 14*	-	-
Aug 14	6.65	6.65
Sep 14	7.32	6.32
Oct 14	6.32	5.45
Nov 14	6.85	5.44
Dec 14	7.19	6.51
Jan 15	7.52	7.17
Feb 15	7.15	7.15
Mar 15	7.87	7.50

* No Shares were traded in the Month of July 2014.

- Registrar and Transfer Agents** : **M/s. Bigshare Services Private Limited**
 Flat No. 306, Right Wing, 3rd floor,
 Amrutha Ville Apt., Opp. Yashodha Hospital,
 Raj Bhavan Road, Somajiguda,
 Hyderabad-500082

• **SHAREHOLDING PATTERN AS ON 31ST MARCH 2015:**

SI No	Category	No. of Shares Held	% of Shareholding
A1.	SHAREHOLDING OF PROMOTERS & PROMOTER GROUP		
	INDIAN		
	Individuals/Hindu Undivided Family	-	-
	Central Government / State Government(s)	-	-
	Bodies Corporate	899304	29.01
	Financial Institutions/Banks		
	Sub Total of A1	899304	29.01
A2.	FOREIGN		
	Individuals (Non-Residents)	-	-
	Bodies Corporate	-	-
	Institutions	-	-
	Any Other (Specify)	-	-
	Sub Total of A2	-	-
	TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP (A1 +A2)	899304	29.01
B.1	Public Shareholdings		
	Institutions	-	-
	Mutual Funds and UTI	-	-
	Banks/ Financial Institutions	-	-
	Central Government/State Government	-	-
	Venture Capital Funds	-	-
	Insurance Companies	-	-
	Foreign Institution Investor	-	-
	Foreign Venture Capital Investors	-	-
	Any Other (Specify)	-	-
	Sub Total B1	-	-
B2.	Non Institutions		
	Bodies Corporate	614,937	19.84
	Individuals	-	-
	Individuals share holders holdings nominal share capital upto Rs. 1 Lakhs	323,656	10.44
	Individual Shareholding holding nominal share capital in excess of Rs. 1 Lakhs	1,262,091	40.71
	Any Other (Specify)		
	NRI/OCBs	12	-
	Foreign Collaborators	-	-
	HUF	-	-
	Sub Total B2	22,00,696	70.99
	TOTAL OF PUBLIC SHAREHOLDING (B1+B2)	22,00,696	70.99
C	Shares held by Custodian and against which Depository Receipts have been issued	-	-
	TOTAL A+B+C	3100000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2015

Sl. No.	Category From - To	No. of Holders	% of Holders	No. of Shares	% of Shares
1	Upto - 5000	494	74.96	799420	2.58
2	5001 - 10000	63	9.56	504430	1.62
3	10001 - 20000	29	4.40	436330	1.40
4	20001 - 30000	8	1.21	207420	0.67
5	30001 - 40000	2	0.30	63650	0.21
6	40001 - 50000	7	1.06	314980	1.02
7	50001 - 100000	13	2.00	953820	3.08
8	100001 and above	43	6.50	27719950	89.42
	TOTAL	659	100.00	3,10,00,000	100.00

- **DEMATERIALIZATION OF SHARES AND LIQUIDITY:** Since the Company has already entered into agreement with both the depositories, viz., NSDL and CDSL for dematerialization of its shares, the shareholders are free to dematerialize their shares and keep them in dematerialized form with any Depository Participant.
- **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Issued : NIL
- **ADDRESS FOR CORRESPONDENCE :** **Madhavi Musnuru**
House No.8-3-678/42/5,
1st Floor, Santosh Manor,
Navodaya Colony,
Yellareddyguda,
Hyderabad-500073

CEO & CFO CERTIFICATION

- : The Executive Director of the Company gave annual certificates on financial reporting and internal controls to the board In terms of clause 49.

**DECLARATION OF MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF
CONDUCT AND ETHICS**

CITI PORT FINANCIAL SERVICES LIMITED has adopted Code of Business Conduct and Ethics (“the code”) which applied to all the employees and Director of the Company. Under the Code, it is responsibility of all employees and Directors to familiarize themselves with the Code and comply with its Standards.

I hereby certify that the Board members and senior management personnel of CITI PORT FINANCIAL SERVICES LIMITED have affirmed compliance with the Code for the Financial Year 2014-2015.

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

Place: Hyderabad
Date: 12-08-2015

Sd/-
MADHAVI MUSNURU
Director

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certificates:

I, Madhavi Musnuru, Director and CFO of M/s Citi port Financial Services Limited to the best of our knowledge and belief, certify that:

1. I have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash Flow Statement for the year ended 31.03.2015
2. To the best of our knowledge and belief:
 - a) These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - b) The financial statements and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
3. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. I accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
5.
 - a) There has not been any significant change in internal control over financial reporting during the year under reference;
 - b) There has not been any significant changes in accounting policies during the year under reference; and
 - c) We are not aware of any instances during the year of significant fraud, with involvement there in of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad
Date: 12.08.2015

Sd/-
Madhavi Musnuru
Director

**Information pursuant to Section 197 of the Act
Read with Rule 5(1) of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014.**

- A. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2014-15 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15:**

Name of the Director / Key Managerial Personnel	Remuneration of Director KMP for the financial year 2014-15	% increase in Remuneration in the financial year 2014-15	Ratio of the remuneration to the median remuneration of the employees
Madhavi Musnuru	3,00,000	No Increase	3.225%

Note: The median remuneration of employees of the Company during the financial year was Rs.93,000

- B. The percentage increase in the median remuneration of employees in the financial year: Nil**
- C. The number of permanent employees on the rolls of company: 8**
- D. The explanation on the relationship between average increase in remuneration and company performance:**

The average increase in the employee remuneration effected during the year 2014-15 is based on the individual performance and Company's performance during the previous financial year 2013-14. The other factors considered for revision in remuneration is based on market survey, functional expertise, industry standards etc.

- E. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

Aggregate remuneration of Key Managerial Personnel (KMP)	3,00,000
Revenue	1,725,925
Remuneration of KMP as a % of revenue	17.38%

- F. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies**

Particular	As at March 31, 2015	As at March 31, 2014	Variation
Market Capitalisation (in ` Crores)	2.44	2.31	5.62%
Market Price	7.87	7.46	5.49%
EPS	-	0.02	-
Price Earnings Ratio	-	373	-

- G. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in the salaries of employees other than the managerial personnel in 2014-15 was NIL. The Percentage increase in the managerial remuneration for the same financial year was NIL.

- H. Comparison of each remuneration of the Key Managerial Personnel against the performance of the company:**

Name	Remuneration	Revenue	% of revenue
Madhavi Musnuru	3,00,000	1,725,925	17.38%

- I. The key parameters for any variable component of remuneration availed by the directors:**

Not Applicable as the directors does not avail any variable component of remuneration

- J. 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:**

Not Applicable as no employee is receiving remuneration in excess of the highest paid Director

- K. Affirmation that the remuneration is as per the remuneration policy of the company.**

It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

Place: Hyderabad
Date: 12-08-2015

Sd/-
Madhavi Musnuru
Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Board of Directors
Citiport Financial Services Limited
Hyderabad

I have examined the compliance of the conditions of Corporate Governance by CITI PORT FINANCIAL SERVICES LIMITED for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination, conducted in the manner described in the guidance note on 'Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India was limited to procedures and implementations 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 my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement. I 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 GV & Co.,
Chartered Accountants

Sd/-
Grandhi Vittal
Proprietor
Membership No.206462
Firm Regn. No.012875S

Place: Hyderabad
Date: 12.08.2015

Independent Auditors' Report

To the Members of
Citiport Financial Services Limited

Report on the standalone financial statements:

1. We have audited the accompanying standalone financial statements of Citiport Financial Services Limited ("the Company"), which comprises 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 standalone financial statements:

2. 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 preparation of these standalone 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 the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of 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; and design, implementation and maintenance of adequate internal financial controls, that were 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.

Auditors' Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

1. 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.
2. 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.
3. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

- a) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2015, and its profit/ loss, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

5. As required by Section 143(3) of the Act, we 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 it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on March 31, 2015, 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; and
 - f) with respect to the 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 does not have any pending litigations which would impact its financial position.
- ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GV & Co.,
Chartered Accountants

Sd/-
Grandhi Vittal
Proprietor
M.No. 206462
Firm Regn No. 012875S

Place : Hyderabad
Date : 22nd May'2015

Annexure to Independent Auditor's Report

The annexure referred in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015. We report that:

- 1)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - b) As per the information and explanations given to us, the fixed assets of the Company have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 2)
 - a) The inventory has been physically verified by the management during the year except stock with third parties, for which confirmation of balances have been obtained. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3)
 - a. The company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 (The Act).
 - b. In case of loans granted to body corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (b) of the order is not applicable to the company in respect of repayment of principal amount.
 - c. There are no overdue amounts of more than 1 lakh rupees in respect of the loans granted to the body corporate listed in the register maintained under section 189 of the Companies Act, 2013 (The Act).
- 4) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and 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, we have neither

come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

- 5) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore the provisions of Clause 3 (v) of the Order are not applicable to the Company.
- 6) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations. Therefore the provisions of Clause 3 (vi) of the Order are not applicable to the Company.
- 7) a). According to the information and explanations given to us and records of the Company examined by us, the Company is generally regular in depositing all undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, cess and any other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of customs and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, cess and any other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- b). According to the information and explanations given to us, there are no material statutory dues including income tax, sales tax, wealth tax, value added tax, cess and any other material statutory dues pending for deposit with the appropriate authorities on account of any dispute.
- c). According to the information and explanations given to us, there are no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules. Therefore, the provisions of Clause 3 (vii)(c) of the Order are not applicable to the Company.
- 8) As at the end of the financial year, the Company has no accumulated losses and it has not incurred any cash loss in this financial year or in the immediately preceding financial year.-
- 9) According to the records of the Company examined by us and the information and explanations given to us, The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders during the year.
- 10) In our opinion and according to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.

- 11) In our opinion and according to the information and explanations given to us, and The company has not availed any term loan from banks / financial institutions. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- 12) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For GV & Co.,
Chartered Accountants

Sd/-
GrandhiVittal
Proprietor
M.No. 206462
Firm Regn No. 012875S

Place : Hyderabad
Date : 22nd May'2015.

BALANCE SHEET AS ON 31ST MARCH, 2015

Amount in ₹

Particulars	Note No.	As At 31.03.2015	As At 31.03.2014
A Equity and Liabilities:			
Shareholders funds			
(a) God Account		22	22
(b) Share Capital	1	31,000,000	31,000,000
(c) Reserves and Surplus	2	1,837,728	1,851,612
(d) Money Received against Share Warrants		-	-
Share application money pending allotment	3	-	-
Non-current liabilities			
(a) Long-term borrowings	4	-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	5	-	-
(d) Long-term provisions	6	-	-
Current Liabilities			
(a) Short-term borrowings	7	-	-
(b) Trade payables	8	-	-
(c) Other current liabilities	9	300,706	271,178
(d) Short-term provisions	10	278,559	212,576
TOTAL		33,417,015	33,335,388
B Assets:			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	26,999	42,548
(ii) Intangible assets		-	-
(iii) Capital work - in - progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current Investments	12	-	-
(c) Deferred tax assets (net)	29	4,350	1,060
(d) Long- term loans and advances	13	12,583,836	12,416,024
(e) Other non-current assets	14	30,000	30,000
Current assets			
(a) Current Investments		-	-
(b) Inventories	15	-	-
(c) Trade Receivable	16	-	-
(d) Cash and Bank balances	17	940,744	1,289,215
(e) Short -term loans and advances	18	19,831,087	19,556,541
(f) Other current assets	19	-	-
TOTAL		33,417,015	33,335,388
Accounting Policies & Other relevant Notes	27 to 41		

Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per the report of even date attached

For G.V & Co.,

For and on behalf of the Board

Chartered Accountants

Sd/-

(Grandhi Vittal)

Sd/-

MADHAVI MUSNURU

Sd/-

PARTHASARATHI PRATTIPATI

Proprietor

Whole time Director

Director

Membership No.206462

Firm Regn No. : 012875S

Place : Hyderabad

Date : 22.05.2015

STATEMENT PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015 Amount in ₹

S. No.	Particulars	Note No	For the Year ended 31.03.2015	For the Year ended 31.03.2014
A	Continuing Operations:			
1	Revenue from operations	20	1,725,925	1,726,586
	Less: Excise Duty		-	-
	Revenue from operations (net)		1,725,925	1,726,586
2	Other income	21	-	-
3	Total Revenue (1 + 2)		1,725,925	1,726,586
4	Expenses:			
	Cost of materials consumed		-	-
	Purchases of Stock in Trade	22	-	-
	"Changes in inventories of finished goods, work-in-progress and Stock-in-Trade"	23	-	-
	Employee Benefit Expense	24	971,960	971,849
	Other Expenses	25	688,548	568,211
	Total		1,660,508	1,540,060
5	Earnings before exceptional and extra ordinary items, interest, tax, depreciation and amortisation (EBITDA) (3 - 4)		65,417	186,526
6	Finance Costs	26	48,635	49,210
7	Depreciation and amortisation expense	11	3,315	3,912
8	Profit/(Loss) before exceptional and extraordinary items and tax (5-6-7)		13,467	133,405
9	Exceptional Items		-	-
10	Profit / (Loss) before extraordinary items and tax (8 - 9)		13,467	133,405
11	Extraordinary items		-	-
12	Profit / (Loss) before tax (10 - 11)		13,467	133,405
13	Tax Expense:			
	- Current Tax		18,407	59,340
	- Deferred Tax		(3,290)	510
14	Profit / (Loss) for the period from continuing operations (12 - 13)		(1,650)	73,555
B	Discontinuing Operations			
15	Profit/(loss) from discontinuing operations		-	-
16	Tax expense of discontinuing operations		-	-
17	Profit/(Loss) from Discontinuing operations (after tax) (15 - 16)		-	-
C	Total Operations			
18	Profit / (Loss) for the year (14 + 17)		(1,650)	73,555
19	Earnings per equity share:			
	- Basic		(0.00)	0.02
	- Diluted		(0.00)	0.02
	Accounting Policies & Other relevant Notes	27 to 41		

Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per the report of even date attached

For G.V & Co.,
Chartered Accountants

Sd/-

(Grandhi Vittal)

Proprietor
Membership No.206462
Firm Regn No. : 0128755

For and on behalf of the Board

Sd/-

MADHAVI MUSNURU
Whole time Director

Sd/-

PARTHASARATHI PRATTIPATI
Director

Place : Hyderabad

Date : 22.05.2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Pursuant to clause 32 of Listing Agreement as amended)

Amount in `

Particulars	For the Year ended 31.03.2015	For the Year ended 31.03.2014
A. Cash flow from Operating activities		
Net Profit before tax as per Profit and loss account	13,467	133,405
Adjustments		
(Profit) / Loss on sale of investments (net)	-	11,370
Depreciation and Amortisation Expense	3,315	3,912
Preliminary Expenditure Written Off	-	-
Interest Income	-	-
Dividend income	-	-
Finance Costs	48,635	49,210
	65,417	197,896
(Increase)/Decrease in Trade and Other Receivables	-	-
Increase/(Decrease) in Trade Payables	-	-
(Increase)/Decrease in Inventories	-	-
Changes in Short Term Loans & Advances	(274,546)	446,497
Changes in Other Current Assets	-	-
(Increase)/Decrease in Fixed Deposits having original maturity over 3 months	-	-
Increase/(Decrease) in Other Current Liab. /Short Term Prov.	77,104	(155,227)
Increase/(Decrease) in Other Long Term Liab. / Long Term Prov.	-	-
Cash generated from Operations	(132,025)	489,166
Direct Taxes paid	-	-
Net Cash from Operating activities	(132,025)	489,166
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	-	-
Capital Work-in-progress	-	-
(Purchase) / Sale of Investments (Net)	-	95,767
Changes in Long Term Loans & Advances	(167,812)	113,556
Changes in Other Non current Assets	-	-
Interest Income	-	-
Dividend income	-	-
Cash flow before exceptional items	(167,812)	209,323
Exceptional Items	-	-
Net Cash from Investment Activities	(167,812)	209,323
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Proceeds / (Repayment) from Borrowings	-	-
Finance Costs	(48,635)	(49,210)
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-

Net cash used in financing activities	(48,635)	(49,210)
Net (Decrease) / Increase in cash and cash equivalents	(348,472)	649,279
Cash and cash equivalents at the beginning of the year	1,289,215	639,936
Cash and Cash equivalents at the end of the year	940,743	1,289,215
Short Term Bank Deposits	-	-
Cash and Bank Balances at the end of the year	940,743	1,289,215

-
1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard
 - 3 on Cash Flow Statements notified under Section 133 of the Companies Act, 2013.
 2. Previous Year Figures have been regrouped / reclassified / rearranged wherever necessary.
-

As per the report of even date attached

For G.V & Co.,
Chartered Accountants
Sd/-

(Grandhi Vittal)
Proprietor
Membership No.206462
Firm Regn No. : 012875S

For and on behalf of the Board

Sd/-

MADHAVI MUSNURU
WHOLE TIME DIRECTOR

Sd/-

P. PARTHASARATHI
DIRECTOR

Place : Hyderabad

Date : 22.05.2015

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Note No. 1 : SHARE CAPITAL

Amount in `

Sl No.	Particulars	As At 31.03.2015		As At 31.03.2014	
		Number	Amount	Number	Amount
1	Authorised Equity Shares of Rs. 10/- each with Voting Rights	3200000	32000000	3200000	32000000
2	Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights	3100000	31000000	3100000	31000000
	Total	3100000	31000000	3100000	31000000

(a) Reconciliation of the number of shares outstanding as at 31.03.2015 and 31.03.2014

Sl No.	Particulars	As At 31.03.2015		As At 31.03.2014	
		Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	3100000	31000000	3100000	31000000
2	Equity Shares Issued during the year	0	0	0	0
3	Equity Shares bought back during the year	0	0	0	0
4	Equity Shares outstanding at the end of the year	3100000	31000000	3100000	31000000

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of Shareholders holding more than 5 percent shares:

Sl No.	Particulars	As At 31.03.2015		As At 31.03.2014	
		No of Shares Held	% of Holding	No of Shares Held	% of Holding
	Equity Shares with Voting Rights				
1	Golden Valley Holdings Private Limited	899304	29.01%	899304	29.01%
2	Ginza Communication Private Limited	307600	9.92%	307600	9.92%
3	Mithul Investment Private Limited	242200	7.81%	242200	7.81%

(c) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

S.No.	Particulars	No. of shares	
		As At 31.03.2015	As At 31.03.2014
		Nil	Nil

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in `

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
2	Note : Reserves & Surplus		
	General Reserve		
	As per last Balance Sheet	18913	18913
	Add: Transferred from Profit & Loss A/c	-	-
	Closing Balance	18913	18913
	Statutory Reserve Fund *		
	Opening Balance	943935	929224
	(+) Addition during the year	-	14711
	Closing Balance	943935	943935
	* Statutory Reserve Fund Created as per Section 45-IC of Reserve Bank of India Act, 1934		
	Profit and Loss Account		
	As per last Balance Sheet	888,764	829,920
	(+) Net Profit for the current year	(1,650)	73,555
	(+) Transfer from Reserves	-	-
	(-) Net Loss for the current year	-	-
	(-) Adjustment relating to Fixed Assets **	12,234	-
	(-) Proposed Dividends	-	-
	(-) Interim Dividends	-	-
	(-) Transfer to Statutory Reserve	-	14,711
	Closing Balance	874,880	888,764
	Total	1,837,728	1,851,612

**Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs. 12,234/-

3 Note: Share Application money pending allotment

Total Amount	-	-
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NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in INR

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
4	Note: Long Term Borrowings		
	Secured		
	Term Loans from Banks	-	-
	Vehicle Loans from Banks	-	-
	Unsecured	-	-
5	Note: Other Longterm Liabilities		
	Other Liabilities	-	-
6	Note: Long Term Provisions		
	Provisions - Others	-	-
7	Note: Short Term Borrowings		
	Secured		
	Loans repayable on demand from Banks	-	-
	Loans repayable on demand from Others	-	-
	Unsecured	-	-
	Loans from Related Parties	-	-
	Other Loans and Advances	-	-
8	Note: Trade Payables		
	Dues to Micro, Small and Medium Enterprises	-	-
	Dues to Others	-	-
9	Note: Other Current Liabilities		
	<u>Current Maturities of Long Term Debt (Secured)</u>		
	Termloans from Banks	-	-
	Interest Accrued & Due on Borrowings	-	-
	Advances received from Customers	-	36,693
	Other Payables*	300,706	234,485
		300,706	271,178
	<u>* Other Payables include</u>		
	Expenses Payable	288,699	219,170
	Statutory Liabilities	12,007	15,315
10	Note: Short Term Provisions		
	Provisions for Employee Benefits	-	-
	Provisions - Others:		
	Provision for Taxes	77,747	59,340
	Contingency Provision Against Standard Assets *	200,812	153,236
		278,559	212,576

Note No. : 11 Fixed Assets**(Amount INR)**

S. No.	Particulars	Net Block									
		Balance As At 01.04.2014	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign exchange differences	Borrowing cost capitalised	Other Adj.	" Balance As At 31.03.205
		1	2	3	4	5	6	7	8	9	10=1+2+3+4+5 +6+7+8+9
A	Tangible assets :										
(a)	Computers & Software										
	Owned	188130	-	-	-	-	-	-	-	-	188130
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	277269	-	-	-	-	-	-	-	-	277269
	Taken under finance lease	-	-	-	-	- \$	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	82350	-	40,317	-	-	-	-	-	12233	29,800
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
	Total (A)	547749	-	40,317	-	-	-	-	-	12233	495199
	Previous Year	(547749)	-	-	-	-	-	-	-	-	(547749)
B	Intangible assets										
	Total (B)	-	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
	Grand Total (A + B)	547749	-	40,317	-	-	-	-	-	12233	495199

S. No.	Particulars	Accumulated depreciation and impairment							Net block	
		Balance As At 01.04.2014	Depreciation amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in Statement of Profit and loss	Revaluation of impairment losses recognised in Statement of Profit and loss	other adjustments	Balance As At 31.03.2015	Balance " As At 31.03.2015
		11	12	13	14	15	16	17	18	19
										20
A	Tangible assets :									
	(a) Computers & Software									
	Owned	181630	-	-	-	-	-	-	181630	6500
	Taken under finance lease	-	-	-	-	-	-	-	-	-
(b)	Given under operating lease	-	-	-	-	-	-	-	-	-
	Furniture and Fixtures									
	Owned	267677	-	-	-	-	-	-	267677	-
	Taken under finance lease	-	-	-	-	-	-	-	-	-
(c)	Given under operating lease	-	-	-	-	-	-	-	-	-
	Plant & Machinery									
	Owned	55895	3315	-	-	-	-	40316	18894	10907
	Taken under finance lease	-	-	-	-	-	-	-	-	-
B	Given under operating lease	-	-	-	-	-	-	-	-	-
	Total (A)	505202	3315	-	-	-	-	40316	468201	26999
	Previous Year	(501290)	(3911)	-	-	-	-	-	(505201)	(42548)
	Intangible assets									
C	Total (B)	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-
	Capital Work in Progress									
	Grand Total (A + B + C)	505202	3315	-	-	-	-	40,316	468,201	26,999
										42,548

**Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs. 12,234 /-

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in ₹

Note No	Particulars	No of Shares	As at 31.03.2015 Rs.	No of Shares	As at 31.03.2014 Rs.
12	Note : Non Current Investments				
	In Equity Shares (Quoted - fully paid up)		-		-
	In Equity Shares (Unquoted - fully paid up)		-		-
	Total		-		-
	Grand Total		-		-

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in INR

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
13	Note : Long Term Loans & Advances		
(a)	Capital Advances	-	-
(b)	Security Deposits	-	-
(c)	Loans & Advances to related parties	-	-
(d)	Loans & Advances to Employees	-	-
(e)	Prepaid Expenses	-	-
(f)	Advance Income Tax	-	-
(g)	MAT Credit Entitlement	-	-
(h)	Balances with Government Authorities		
	TDS Receivable	338836	171024
(i)	Other Loans & Advances		
	Secured, considered good	-	-
	Unsecured, considered good		
	Precision Infrastructure (P) Ltd.	2500000	2500000
	Citiport Credit Ltd.	9745000	9745000
(j)	Doubtful	-	-
		12583836	12416024
	Less: Provision for other doubtful loans & advances	-	-
		12583836	12416024
Note: Long Term Loans & Advances include amounts due from			
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-
14	Note : Other Non-Current Assets		
(a)	Long-term trade receivables	-	-
(b)	Unamortised expenses		
	* (to the extent not written off or not adj.)	-	-
(i)	Ancillary borrowing costs	-	-
(ii)	Share issue expenses	-	-
(iii)	Discount on shares	-	-
(iv)	Other Expenses	-	-
	Preliminary Expenditure	-	-
(c)	Accruals	-	-
(d)	Other Non-current Assets		
	Rent Deposit	30000	30000
	Telephone Deposit	-	-
	Other Deposits	-	-
		30000	30000

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in INR

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
15	Note : Investments		
(a)	Raw materials	-	-
	Goods-in-transit	-	-
(b)	Work-in-progress	-	-
	Goods-in-transit	-	-
(c)	Finished goods (other than those acquired for trading)	-	-
	Goods-in-transit	-	-
(d)	Stock-in-trade (acquired for trading)	-	-
	Goods-in-transit	-	-
(e)	Stores and spares	-	-
	Goods-in-transit	-	-
(f)	Loose tools	-	-
	Goods-in-transit	-	-
(g)	Others (Specify nature)	-	-
	Goods-in-transit	-	-
		<u>0</u>	<u>0</u>
16	Note : Trade Receivables		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good	-	-
	Unsecured, considered good	-	-
	Doubtful	-	-
	Trade receivables outstanding for a period less than six months from the date they were due for payment		
	Secured, considered good	-	-
	Unsecured, considered good	-	-
	Doubtful	-	-
	Less: Provision for doubtful trade receivables		-
		<u>0</u>	<u>0</u>
	* Trade receivables include debts due from:		
	Directors	-	-
	Other officers of the Company	-	-
	Firms in which any director is a partner (give details per firm)	-	-
	Private companies in which any director is a director or member (give details per company)	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in INR

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
17	Note: Cash and Bank balances		
(a)	Cash and Cash Equivalents		
(i)	Balances with banks;		
	In Deposit Accounts	-	-
	In Current Accounts	797402	1201833
(ii)	Cheques, drafts on hand	-	-
(iii)	Cash on hand	143341	87382
(b)	Other Bank balances		
	In Deposit Accounts	-	-
		940744	1289215
18	Note: Short Term Loans & Advances		
(a)	Loans & Advances to related parties		
	Secured, considered good	-	-
	Unsecured, considered good		
	Trinox Infrastructure and Developers Private Ltd	1586024	1544325
	Doubtful	-	-
		1586024	1544325
	Less: Provision for doubtful loans & advances	-	-
(b)	Security Deposits	-	-
(c)	Loans & Advances to Employees	500000	350000
(d)	Prepaid Expenses	4073	4073
(e)	Balances with Government Authorities		
	TDS Receivable	172594	172662
(f)	Inter-Corporate Deposits	-	-
(g)	Others		
	Secured, considered good	-	-
	Unsecured, considered good		
	Ginza Communications Pvt Ltd.	14027474	13924882
	Kite Women College of Professional Engineering Sciences	56521	3057787
	Kite College of Professional Engineering Services	500000	-
	Phat Phish Films (P) Ltd	2984401	-
(j)	Doubtful	-	-
		19831087	19556541
	Less: Provision for other doubtful loans & advances	-	-
		19831087	19556541
	Note: Short Term Loans & Advances include amounts due from		
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	1586024	1544325

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in `

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
19	Note: Other Current Assets		
	(a) Unbilled revenue	-	-
	(b) Unamortised expenses	-	-
	(c) Accruals	-	-
	(d) Other Current Assets	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
20	Note: Revenue from Operations		
	Interest	1,725,925	1,726,586
	Other financial Services		
		<u>1,725,925</u>	<u>1,726,586</u>
21	Note: Other Income		
	Other Income	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
22	Note: Purchases		
	Purchases	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
23	Note: Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	Inventories at the end of the year:		
	Finished goods (acquired for trading)	-	-
	Work-in-progress	-	-
	Stock-in-trade	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Inventories at the beginning of the year:		
	Finished goods (acquired for trading)	-	-
	Work-in-progress	-	-
	Stock-in-trade	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Net increase / (decrease)	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Amount in ₹

Note No	Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
24	Note: Employee Benefit Expenses		
	Salaries and wages	660,000	660,000
	Directors Remuneration	300,000	300,000
	Contribution to provident and other funds	-	-
	Staff welfare expenses	11,960	11,849
		971,960	971,849
25	Note: Other Expenses		
	Advertisement Expenses	48,413	53,889
	Audit Fee	67,416	50,562
	Internal Audit Fee	16,000	16,000
	Conveyance Expenses	7,775	9,075
	DeMat & RTA Expenses	51,038	51,546
	Internet / Cable Charges	12,220	12,222
	Listing Fees	134,832	33,708
	Loss on Sale of Investments	-	11,370
	Office Maintenance	24,000	24,000
	Postage & Courier	13,428	10,470
	Meeting Expenses	35,560	25,525
	Professional / Legal Fees	217,866	209,844
	Rent	60,000	60,000
		688,548	568,211
26	Note: Finance Costs		
	Interest Expense		
	Interest -	-	-
	Interest on Others *	131	1,321
	Other Finance Expenses		
	Bank Charges	928	313
	Provision for Standard Assets	47,576	47,576
		48,635	49,210

* Interest on Others include Interest on TDS Payable

NOTE 27: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting

The Financial Statements are prepared under historical cost convention on the basis of going concern and as per Accounting Standards notified under Section 133 of the Companies Act, 2013. The Company follows the Accrual system of Accounting and Prudential Norms prescribed by Reserve Bank of India consistently from year to year.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

3. Intangible assets and amortization

Softwares which are not integral part of the hardware are classified as intangibles and is stated at cost less accumulated amortization. Softwares are being amortized over the estimated useful life of 5 years.

4. Fixed assets and depreciation / amortization

Fixed Assets (Gross Block) are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Building/specific identifiable portion of Building, including related equipments are capitalized when the construction is substantially complete or upon receipt of the occupancy certificate, whichever is earlier. Depreciation on assets is provided on straight-line method at the rates and in the manner prescribed in schedule II to the Companies Act, 2013.

5. Investments

Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost and provision for diminution in value, other than temporary, is considered wherever necessary. Profit / loss on sale of investments is computed with reference to the average cost of the investment.

6. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company the revenue can be reliably measured on mercantile basis.

7. Borrowing costs

Borrowing costs that are attributable to the acquisition and / or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with Accounting Standard AS-16 –

“Borrowing Costs”. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalisation of Borrowing Costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the profit & loss account as incurred.

8. Taxation

Provision for tax for the year comprises current income tax and deferred tax. Current income tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

9. Foreign currency transactions

Transactions in foreign currency and nonmonetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the yearend exchange rate. As specified under Accounting Standard (AS-11) – Effects of Changes in Foreign Exchange Rates, the exchange gain/loss on transaction with regard to the Fixed Assets has been capitalized along with Fixed Assets. The other exchange gains related to current assets has been charged to the profit & loss account

10. Employees benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 – Employee Benefits (Revised 2005) issued by the Institute of Chartered Accountants of India (the “ICAI”).

(i) Provident fund

The Company makes contribution to statutory provident fund in compliance with the Employees Provident Fund and Miscellaneous Provision Act, 1952. In terms of the Guidance on implementing the revised AS – 15, issued by the Accounting Standard Board of the ICAI, contribution made towards statutory provident fund is treated as a defined benefit plan. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognized as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit / obligation is provided at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the profit & loss account in the year in which such gains or losses are determined.

(iii) Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

(iv) Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

11. Leases

Assets subject to operating leases are included under fixed assets or current assets as appropriate. Rent (Lease) income is recognized in the profit & loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit & loss account.

12. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit & loss account.

13. Provisions, Contingent Liabilities & Contingent Assets:

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company are accounted for as either provisions or disclosed as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liability in the Financial Statements. Contingent Assets are neither recognized or nor disclosed in the financial statements.

14. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, 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 equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

28 Note: Auditors Remuneration

Payments to Auditors comprises:

As Auditors - Statutory Audit	50,540	37,900
For taxation matters	16,875	12,662
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of Expenses	-	-
Total	67,416	50,562

29 Note: Deferred Tax Asset

On account of

Depreciation and Amortisation	(3,290)	510
Total	(3,290)	510

30 Note: Earnings Per Share

The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India. A statement on calculation of

Basic and diluted EPS is as under:

Profit after Tax (INR)	(1,650)	73,555
Number of equity shares (in Nos)	31,000,000	3,100,000
Earnings per share (INR)	(0.00)	0.02
Face Value per Equity Share (INR)	10.00	10.00

31 Note: Tax Expense

The Tax Expenses for the year comprises of;

Current Tax	18,407	59,340
Deferred Tax	(3,290)	510

Provision for tax for the year comprises current income tax and deferred tax. Current income tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

32 Note: Details of Leasing Arrangements

The company has entered into operating lease arrangements for its Regd. Office premises:

Future minimum lease payments		
not later than one year	60000	60000
later than one year and not later than five years	-	-
later than five years	-	-

The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of showrooms:

On account of Lock-in Period	-	-
On account of Notice Period	15000	15000

33 Note: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day "	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year"	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

34 Note: Earnings in foreign currency Nil Nil

35 Note: Expenditure in foreign currency Nil Nil

Note No : 36 Related party Disclosures

S.No.	Name of the Related Party	Nature of Relationship
1	Madhavi Musnuru	Key Management Personnel
2	Ratan Kishan Musnuru	Key Management Personnel
3	Prattipati Parthasarathi	Key Management Personnel
4	Minjur Doraisamy Ethirajan	Key Management Personnel
5	Anil Kumar Talasila	Key Management Personnel
6	Talus Infra Ventures Private Limited	“Enterprises own or significantly influenced by Key Management Personnel or their relatives (Associates)”
7	Golden Valley Holdings Limited	
8	Green Fire Agri Commodities Limited	
9	Northgate Technologies Limited	
10	Social Media India Limited	
11	Citizen Communications Limited	
12	Bio Bhanol Agro Industries Limited	
13	Nakshatra Organics Private Limited	
14	DRK Agro Farms Private Limited	
15	Citizen Electronics Limited	
16	Manjeet Chemicals Private Limited	
17	Madhuha Designer Wear Private Limited	
18	V5 ITES Private Limited	
19	Trinox Infrastructure and Developers Pvt Ltd	

Transactions with Related Parties :**Amount in INR**

S.No.	Nature of Transaction	FY 2014-15			FY 2013-14		
		Associates	KMP	Total	Associates	KMP	Total
1	Remuneration	0	300000	300000	0	300000	300000
2	Intrest Income	185,321		185,321	185,319	-	185,319
3	Short Term Loans & Advances	-	-	-	-	-	-

Balances with Related Parties As At 31.03.2015:**(Amount INR)**

S.No.	Nature of Transaction	FY 2014-15			FY 2013-14		
		Associates	KMP	Total	Associates	KMP	Total
1	Expenses Payable	-	25000	25000	-	25000	25,000
2	Short Term Loans & Advances	1,586,024		1,586,024	1,544,325	-	1,544,325

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Note No. 37 Details of provisions

(Amount `)

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

S. No	Particulars	As At 01.04.2014	Addition	Utilisation	Reversal	As At 31.03.2015
1	Provision for warranty	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Provision for estimated losses on onerous contracts	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
		Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Provision for other contingencies (give details)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Total	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Of the above, the following amounts are expected to be incurred within a year:

S. No.	Particulars	As At 31.03.2015	As At 31.03.2014
1	Provision for warranty	Nil	Nil
2	“Provision for estimated losses on onerous contracts”	Nil	Nil
3	Provision for other contingencies (give details)	Nil	Nil

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2015

Note No.	Particulars
38	<p>Note : Segment Reporting</p> <p>The company's operations consist one line of activity year by year. The Company is primarily operating in India which is considered as a single geographical segment. Hence there are no reportable segments under Accounting Standard – 17, issued by Institute of Chartered Accountants of India, during the year under report. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.</p>
39	<p>Note:</p> <p>Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is: Nil (Nil)</p>
40	<p>Note:</p> <p>In the opinion of the Board, current assets, loans and advances are stated at a value which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.</p>
41	<p>Note:</p> <p>Additional information pursuant to Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed.</p>

As per the report of even date attached

For GV & Co.,
Chartered Accountants

For and On behalf of the Board

Sd/-
Grandh Vittal
Proprietor
Membership No.206462
Firm Regn. No.012875S

Sd/-
Madhavi Musnuru
Whole Time Director

Sd/-
Parthasarathi Prattipati
Director

Place: Hyderabad
Date: 22.05.2015

E-VOTING

Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

- (i) The voting period begins on Monday 21st September, 2015 at 09.00 Hrs and ends on Wednesday, 23rd September, 2015 at 17.00 Hrs. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "CITI PORT FINANCIAL SERVICES LIMITED" from the drop down menu and click on "SUBMIT"
- (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
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If 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> 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xviii) If Demat account holder has forgotten the 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 Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - 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 they have to create 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 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
14. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
 15. The Company has appointed Mr. Yellareddy Vootkuri, Practicing Chartered Accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder / proxy / representative for the registered shareholder(s) of **CITI PORT FINANCIAL SERVICES LIMITED**.

I hereby record my presence at the 23rd Annual General Meeting of the shareholders of **CITI PORT FINANCIAL SERVICES LIMITED** on Thursday 24th September, 2015 at 11.00 A.M. at the Registered Office of the Company at House No.8-3

DP ID*	Reg.folio no.
Client ID*	No of shres

*Applicable if shares are held in electronic form

Name and Address of Member

Signature of Shareholder / Proxy /
Representative (Please Specify)

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L65991TG1992PLC065867
Name of the Company	CITI PORT FINANCIAL SERVICES LIMITED
Registered Office	House No.8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad -500073
Name of the Member	
Registered Address	
Email ID	
Folio No/ Client ID	DP ID.:

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1	Name:		
	Address		
	Email ID		Signature
	Or failing him		
2	Name:		
	Address		
	Email ID		Signature
	Or failing him		
3	Name:		
	Address		
	Email ID		Signature
	Or failing him		

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual general meeting of the company, to be held on the Thursday of 24th September, 2015 At 11.00 a.m. at House No.8-3-678/42/5,1st Floor, Santosh Manor, Navodaya Colony, Yellareddyguda, Hyderabad -500073 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No	Resolutions	For	Against
1	Consider and adopt audited financial statements , reports of the board of Directors and Auditors		
2	Re-appointment of Sri Ratan Kishan Musunuru as Director who retires by rotation.		
3	Appointment of statutory auditor and fix their remuneration		
4	Adoption of new sets of articles of association of the company containing regulations in conformity with The Companies Act, 2013		

Signed this ____ day of _____.

Signature of shareholder:

Signature of Proxy holder(s):

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CITI PORT FINANCIAL SERVICES LIMITED

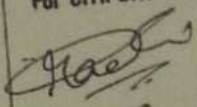
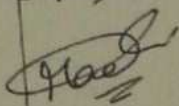

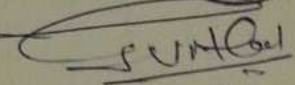
if undelivered please return to :

REGISTERED OFFICE

House No.8-3-678/42/5,1st
Floor, Santosh Manor, Navodaya
Colony, Yellareddyguda,
Hyderabad-500073

FORM A

FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH STOCK EXCHANGES

1.	Name of the Company	CITI PORT FINANCIAL SERVICES LIMITED
2.	Annual Financial statement for the year ended	31 st March, 2015
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by	For CITI PORT FINANCIAL SERVICES LIMITED
	Director	 DIRECTOR
	CFO MS. MADHAVI MUSNURU	 
	Auditor of the Company MR. GRANDHI VITTAL (M/s G.V & Co)	
	Audit Committee Chairman MR. PARTHASARATHI PRATTIPATI	