

# Cityon Systems (India) Ltd.



**Regd. Office :**

215, Delhi Chambers, Delhi Gate, Delhi- 110002

CIN : U72900DL2004PLC126096

Phone No. : +91-11-41563395, 43667149

E-mail : info@cityonsystems.in, Website : www.cityonsystems.in

CIN: L72900DL2004PLC126096

Date: - 27.09.2019

To,  
The General Manager,  
Department of Corporate Services,  
Bombay Stock Exchange Limited, Mumbai  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001

Dear Sir/Madam,

**Sub.: Submission of Annual Report under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref.: Scrip Code- 780013**

Please find attached Annual Report of the Company for the Financial Year 2018-19 duly approved and adopted at Annual General Meeting of the Company held on Thursday, September 26, 2019 at 3:30 p.m. at the Registered Office of the Company at 215, Delhi Chambers, Delhi Gate, Delhi-110002 as per provisions of the Companies Act, 2013.

This is for your information and records.

Thanking You,

Yours Faithfully,

For Cityon Systems (India) Limited

(Mukesh Kumar)

Managing Director

DIN: 06573251

Address: Mohalla Ganj Shahida, Ujhani Grameen,  
Ujhani Bisauli Budaun-243639 (U.P.)

Encl.: as above

# **CITYON**

## **ANNUAL REPORT 2018-19**

**CITYON SYSTEMS (INDIA) LIMITED**

**CIN: L72900DL2004PLC126096**

**REGD. OFF.: 215, DELHI CHAMBERS, DELHI GATE, DELHI - 110002**

**Ph. No.: 011-41563395, Tele Fax: 011-43667149, 08800997149**

**E-mail: [info@cityonsystems.in](mailto:info@cityonsystems.in), [cityonsystems1@rediffmail.com](mailto:cityonsystems1@rediffmail.com)**

**Website: [cityonsystems.in](http://cityonsystems.in)**

## BOARD OF DIRECTORS

Mr. Mukesh Kumar (DIN: 06573251)

*Managing Director*

Mr. Gaya Prasad Gupta (DIN: 00335302)

*Director*

Mr. Om Prakash Agarwal (DIN: 03358726)

*Director*

Mr. Abhishek Tandon (DIN: 03530860)

*Director*

Mr. Anoop Srivastava (DIN: 06571462)

*Director*

Kavita Awasthi (DIN: 03106803)

*Director*

### **Auditors:**

M/s Rajani Mukesh & Associates

Chartered Accountants,

510, Prem Ratan Vaitka,

7/180, Swaroop Nagar, Kanpur -208002

### **Registered Office:**

215, Delhi Chambers, Delhi Gate, Delhi - 110002

CIN: L72900DL2004PLC126096

### **Registrar & Transfer Agent:**

SKYLINE FINANCIAL SERVICES PVT.  
LTD.

D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase 1, New Delhi – 110020

Ph. Nos.: 011-26812681-83/64732681-88

E-mail: admin@skylinerta.com

### **Banker**

Yes Bank

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## NOTICE

Notice is hereby given that Annual General Meeting of Shareholders of Cityon Systems (India) Limited (CIN: L72900DL2004PLC126096) will be held on Thursday, September 26, 2019 at 3:30 P.M. at the Registered Office of the Company at 215, Delhi Chambers, Delhi Gate, Delhi - 110002, to transact the following business:

### ORDINARY BUSINESSES

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31<sup>st</sup> March, 2019 including the Balance Sheet and the Profit and Loss Account of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and notes thereto and the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Abhishek Tandon (DIN: 03530860), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), following resolution as an ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to resolution passed by the members at the Annual General Meeting held on September 29, 2017, re-appointment of M/s Rajani Mukesh & Associates, Chartered Accountants, Kanpur (ICAI Firm Registration No.: 004072C), as the Statutory Auditor of the Company to hold office till the conclusion of the next AGM be and is hereby approved/confirmed/ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2020, in consultation with the auditor."

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Gaya Prasad Gupta (DIN : 00335302), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his reappointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024 including the period when he shall attain 75 years age."



5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Om Prakash Agarwal (DIN : 03358726), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.”

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

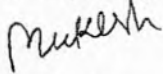
“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anoop Srivastava (DIN : 06571462), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his reappointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.”

7. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Kavita Awasthi (DIN : 03106803), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his reappointment

to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 27<sup>th</sup> March, 2020 to 26<sup>th</sup> March, 2025.”

For Cityon Systems (India) Limited



Mukesh Kumar

Managing Director

DIN: 06573251

Address: Mohalla Ganj Shahida, Ujhani Grameen, Ujhani, Bisauli, Budaun -243639

Place: - Delhi

Date: - 26.08.2019

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Businesses mentioned at item nos. 4 to 7 to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. 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 authorising their representative to attend and vote in their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, September 19, 2019 to Thursday, September 26, 2019, both days inclusive.
4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Copies of all documents referred to in the notice are available for inspection at the registered office of the Company during normal business hours on all working days, Except Saturdays, Sundays and Public Holidays, between 11:00 a.m. to 1:00 p.m. upto date of the annual general meeting of the Company.
6. Members seeking any information with regard to accounts are requested to write to the Company Secretary at least ten days in advance of annual general meeting, to enable the Company to keep the information ready.
7. Members are requested to:
  - a. Bring their copy of the annual report and attendance slip for the meeting.
  - b. Note that all correspondence relating to share transfers should be addressed to Registrar and Transfer Agent of the Company, viz. Skyline Financial Services Private Limited, at D-153, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020.
  - c. Quote their DP ID No. /Client ID No. or folio number in all their correspondence.
8. Members are requested to notify immediately any change in their addresses to the Company's Registrar and Share Transfer Agents, Skyline Financial Services Private

Limited for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.

9. SEBI and the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with Skyline Financial Services Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
10. A certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, is annexed herewith as a part of the report.
11. The annual report 2018-19 containing notice of annual general meeting, attendance slip, proxy form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and also physical copies are being sent to all shareholders by the permitted mode.

**Information of Director being appointed/re-appointed as required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2:-**

<b>Name of the Director(s)</b>	<b>Mr. Abhishek Tandon</b>
Date of Birth	14/03/1983
Date of Appointment on the Board	21/05/2013
Number of Shares held in the Company	0
Number of Meetings of the Board attended/held	8/8
Directorships held in other public companies (excluding foreign companies and Government Bodies)	Nil
Chairman/Member in the committees of the Boards of Companies in which he is Director (includes only Audit Committee, Stakeholder relationship Committee and Nomination and Remuneration Committee)	Nil



## EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned at Item Nos. 4 to 7 to the accompanying Notice dated August 26, 2019:

### Item No. 4

As per Section 149 (10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 30<sup>th</sup> September, 2014, approved the appointment of Mr. Gaya Prasad Gupta (DIN : 00335302) for a period of 5 years commencing from 30<sup>th</sup> September, 2014 till 29th September, 2019.

Based on his performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Gaya Prasad Gupta, is eligible for re-appointment as Independent Director and had offered him for re-appointment. The Board of Directors recommends the proposal to re-appoint him as Independent Director for a term as mentioned in the special resolution no. 4.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of the Director.

The Company has also received a declaration of independence from them.

In the opinion of the Board, Independent Directors fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Director would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

Further as per the Regulation 17(1A) of the Listing Regulations, appointment or continuation of a Non- Executive Director after attaining age of 75 years also requires approval of Members of the Company by way of Special Resolution. Mr. Gaya Prasad Gupta shall attain age of 75 (seventy five) years during the proposed second term and in view of the same, Board of Directors, recommends passing of Special Resolution under Item No. 4 for their continuation as Director.

A brief profile of Mr. Gaya Prasad Gupta is as under-

Mr. Gaya Prasad Gupta (71) is very experienced person and have knowledge in the various fields, and the Board is considering that appointment of Mr. Gaya Prasad Gupta as Director of the Company will be beneficial for the Company.



## **Directorship in other Companies-**

### **Listed**

Nikki Global Finance Limited - Director

### **Unlisted**

Rich Udyog Network Limited - Director

The Upper India Cold Storage Limited - Director

## **Membership / Chairmanship of Board Committees in other Companies-**

### **Nikki Global Finance Limited**

Audit Committee - Chairperson

Nomination and Remuneration Committee - Member

Stakeholders Relationship Committee - Member

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Gaya Prasad Gupta as an Independent Director for period upto 5 (five) consecutive years with effect from 30<sup>th</sup> September, 2019 for the approval by the members of the Company.

Except Mr. Gaya Prasad Gupta, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set out at Item No. 4 for the approval of members.

### **Item No. 5**

As per Section 149 (10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 30<sup>th</sup> September, 2014, approved the appointment of Mr. Om Prakash Agarwal (DIN : 03358726) for a period of 5 years commencing from 30<sup>th</sup> September, 2014 till 29<sup>th</sup> September, 2019.

Based on his performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Om Prakash Agarwal, is eligible for re-appointment as Independent Director and had offered him for re-appointment. The Board of Directors recommends the proposal to re-appoint him as Independent Director for a term as mentioned in the special resolution no. 5.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of the Director.

The Company has also received a declaration of independence from them.

In the opinion of the Board, Independent Directors fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Director would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

A brief profile of Mr. Om Prakash Agarwal is as under-

Mr. Om Prakash Agarwal (54) is very experienced person and have knowledge in the various fields, and the Board is considering that appointment of Mr. Om Prakash Agarwal as Director of the Company will be beneficial for the Company.

#### **Directorship in other Companies-**

Mr. Agarwal does not hold directorship in any other Company.

#### **Membership / Chairmanship of Board Committees in other Companies-**

Mr. Agarwal does not hold Membership / Chairmanship of the Board Committees in other Companies.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Om Prakash Agarwal as an Independent Director for period upto 5 (five) consecutive years with effect from 30<sup>th</sup> September, 2019 for the approval by the members of the Company.

Except Mr. Om Prakash Agarwal, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set out at Item No. 5 for the approval of members.

#### **Item No. 6**

As per Section 149 (10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 30<sup>th</sup> September, 2014, approved the appointment of Mr. Anoop Srivastava (DIN : 06571462) for a period of 5 years commencing from 30<sup>th</sup> September, 2014 till 29<sup>th</sup> September, 2019.

Based on his performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Anoop Srivastava, is eligible for re-appointment as Independent Director and had offered him for re-appointment. The Board of Directors recommends the proposal to re-appoint him as Independent Director for a term as mentioned in the special resolution no. 6.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of the Director.

The Company has also received a declaration of independence from them.

In the opinion of the Board, Independent Directors fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Director would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

A brief profile of Mr. Anoop Srivastava is as under-

Mr. Anoop Srivastava (46) is experienced person and have knowledge in the various fields, and the Board is considering that appointment of Mr. Anoop Srivastava as Director of the Company will be beneficial for the Company.

#### **Directorship in other Companies-**

##### **Unlisted**

The Upper India Cold Storage Limited - Director  
Rich Udyog Network Limited - Director  
Cityon Solar Limited - Director  
Big Brokers House Stocks Limited - Director  
Autem Consultancy Services Limited - Director  
Zeno Traders and Services Limited - Director  
Nirbharant Management Consultants Private Limited - Director  
Bansal Suppliers Private Limited - Director

#### **Membership / Chairmanship of Board Committees in other Companies-**

Mr. Srivastava does not hold Membership / Chairmanship of the Board Committees in other Companies.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Srivastava as an Independent Director for period upto 5 (five) consecutive years with effect from 30<sup>th</sup> September, 2019 for the approval by the members of the Company.

Except Mr. Anoop Srivastava, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set out at Item No. 6 for the approval of members.

#### **Item No. 7**

Mrs. Kavita Awasthi (DIN : 03106803) was appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> March, 2015 for a consecutive period of five years and the appointment was approved by the Members at Annual General Meeting held on 30<sup>th</sup> September, 2015.

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, is eligible for re-appointment as Independent Director and had offered her for re-appointment. The Board of Directors recommends the proposal to re-appoint her as Independent Director for a term as mentioned in the respective special resolution.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose her as a candidate for the office of the Director.

The Company has also received a declaration of independence from them.

In the opinion of the Board, Independent Directors fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Directors would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

A brief profile of Mrs. Kavita Awasthi is as under-

Mrs. Kavita Awasthi (44) is very experienced woman and have knowledge in the various fields, and the Board is considering that appointment of Mrs. Kavita Awasthi as Director of the Company will be beneficial for the Company.



## **Directorship in other Companies-**

### **Listed**

Rich Universe Network Limited - Director  
Cityon Systems (India) Limited - Director

### **Unlisted**

Astha Departmental Stores Private Limited - Director

## **Membership / Chairmanship of Board Committees in other Companies-**

### **Rich Universe Network Limited**

Audit Committee - Member  
Nomination and Remuneration Committee - Member  
Stakeholders Relationship Committee - Chairperson

### **Nikki Global Finance Limited**

Audit Committee - Member  
Nomination and Remuneration Committee - Chairperson  
Stakeholders Relationship Committee - Member

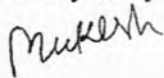
Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Kavita Awasthi as an Independent Director for period upto 5 (five) consecutive years with effect from 27<sup>th</sup> March, 2020 for the approval by the members of the Company.

Except Mrs. Kavita Awasthi, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set out at Item No. 7 for the approval of members.

For Cityon Systems (India) Limited



Mukesh Kumar  
Managing Director  
DIN: 06573251  
Address: Mohalla Ganj Shahida, Ujhani Grameen, Ujhani, Bisauli, Budaun -243639

Place: - Delhi

Date: - 26.08.2019



## DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS:

Financial Results of the Company for the year under review alongwith figures for the previous year are as follows:

PARTICULARS	Amount in (Rs.)	
	FINANCIAL YEAR ENDED 31.03.2019	31.03.2018
Total Revenue	26,557,028.66	54,741,925.65
Total Expenses	28,393,468.70	54,919,419.22
<b>Profit/ (Loss) before Prior Period Items and Tax (PBT)</b>	<b>(1,836,440.04)</b>	<b>(177,493.57)</b>
Add: Prior Period Items	0.00	419,440.00
<b>Profit/(Loss) before Tax</b>	<b>(1,836,440.04)</b>	<b>241,946.43</b>
Less: Provision for taxation (including deferred tax)	4,282.48	62,302.63
<b>Profit after Tax (PAT)</b>	<b>(1,840,722.52)</b>	<b>179,643.81</b>
EPS (Basic)	(0.11)	0.01
Diluted	(0.11)	0.01

### DEPOSITS:

The Company has not accepted any deposit from public/shareholders in accordance with Section 73 & 76 of the Companies Act, 2013 and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

### DIVIDEND:

Due to loss incurred during the year, the Board of Directors does not recommend any dividend.

### CHANGES IN SHARE CAPITAL:

During the year, there has been no change in Share Capital.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans or guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

### STATE OF THE COMPANY'S AFFAIRS AND NATURE OF BUSINESS:

Your Directors are to report that the company's sale turnover during the year under review has decreased to Rs. 26,557,028.66 from Rs. 54,741,925.65 during the previous financial year. There was loss of Rs. 1,840,722.52 as against profit of Rs. 179,643.81 in the previous year. Further, there has been no change in nature of business of the Company during the year.

**TRANSFER TO RESERVES:**

Due to loss incurred during the year, no amount was transferred to Reserve and Surplus Account during the year.

**MATERIAL CHANGES AND COMMITMENTS:**

There have been no material changes and commitments during the year.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditors is subject to provisions of the Companies Act, 2013 and rules made thereunder. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director.

The Internal Audit Department monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****Directors:**

Mr. Abhishek Tandon (DIN: 03530860) retires by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

On the recommendation of the Board of Directors, the Members of the Company at the Annual General Meeting held on September 28, 2018 approved appointment of:

- (a) Mr. Mukesh Kumar (DIN: 06573251) as Director of the Company, who was liable to retire at AGM and offered himself for re-appointment.

**Declaration by the Independent Directors of the Company:**

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances from last Financial Year which may affect their status as Independent Director during the year.

As required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of the Directors proposed for appointment/re-appointment has been given in the Notice of the Annual General Meeting.

**Key Managerial Personnel:**

There have been changes in Key Managerial Personnel(s) during the financial year 2018-19, Details are given as under:

S. No.	Name	Designation	Date of Appointment	Date of Resignation
1	Mr. Ravi Kumar Sablok	Managing Director	27/07/2015	30/06/2018
2	Mr. Mukesh Kumar	Managing Director	04/07/2018	Continuing
3	Mr. Ashok Kumar Sharma	Chief Financial Officer	02/02/2015	Continuing
4	Ms. Radhika Jhunjhunwala	Company Secretary cum Compliance Officer	24/04/2018	15/05/2019

**Board Evaluation:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 readwith rules made thereunder and under Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed by the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that directors have selected such accounting policies and applied consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a going concern basis;
- e. The Directors have laid down such internal financial controls that are adequate and operating effectively;
- f. The Directors have devised systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS & AUDITOR'S REPORT:**

The Members of the Company at their Annual General Meeting held on September 29, 2017, approved appointment of M/s Rajani Mukesh & Associates, Chartered Accountants (ICAI Firm Registration No. 004072C) as Statutory Auditor of the Company to hold office as Statutory Auditor for 5 (five) years till the conclusion of Annual General Meeting of the Company to be held in the year 2022 subject to ratification at each and every intervening Annual General Meeting of the Company. The Board has recommended ratification/confirmation of re-appointment of M/s Rajani Mukesh & Associates, Chartered Accountants, as statutory auditor of the Company until the conclusion of next Annual General Meeting of the Company. In this connection, the attention of the Members is invited for approval of Item No. 3 of the Notice, for ratification of re-appointment of Statutory Auditor.

The Company has received a letter from statutory auditors to the effect that their re-appointment, if made, would be within the provision prescribed under Section 139, 141 and 144 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014.

The auditor's report does not contain any qualifications, reservations or adverse remarks and Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore, do not call for any comments under Section 134 of the Companies Act, 2013.

#### **SECRETARIAL AUDITOR'S REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Ms. Neha Jain, Practising Company Secretary, Kanpur to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for financial year 2018-19 is annexed, which forms part of this report as Annexure-A. The Board discussed remark given by Secretarial Auditor and noted that since the website of the company was under process of periodic maintenance, therefore, all its contents could not be verified by Secretarial Auditor, henceforth, she has given this remark though later on after updating website, she has found it proper and according to provisions of the Act and SEBI Regulations.



## **RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. Further, there were no

materially significant with the related party transactions during the year made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons. Since, there were no material contracts/arrangements made during the year, and all such contracts/arrangements were made in ordinary course of business and at arm's length basis and details of such transactions have been given in financial statements of the Company and this fact has been mentioned in attached **Annexure-B in FORM AOC-2**.

Details of all such contracts/arrangements are available for inspection at the Registered Office of the Company till ensuing Annual General Meeting and if any, member is interested in inspecting the same, such member may write to the Company Secretary in advance.

## **CODE OF CONDUCT:**

All the Members of the Board and all the employees of the Company have followed the policy of Code of Conduct in the course of day to day business operations of the Company. The Code has been placed on the Company's website [www.cityonsystems.in](http://www.cityonsystems.in).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## **SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

There are no Subsidiaries, Joint Ventures or Associate Companies.

## **DISCLOSURES:**

### **Audit Committee:**

The Audit Committee comprises of Independent Directors namely Mr. Om Prakash Agarwal, Mr. Gaya Prasad Gupta, Mr. Anoop Srivastava and Mr. Mukesh Kumar as Executive Director of the Company.

The Audit Committee played an important role during the year. It coordinated with the Statutory Auditors, Internal Auditors and other key Managerial Personnel of the Company and has rendered guidance in the areas of internal audit and control, finance and accounts.

All the recommendations made by the Audit Committee were accepted by the Board. Four meetings of the Audit Committee were held during the year.



### **Stakeholders Relationship Committee:**

The Committee has met four times during the year, the Committee overlook the usual requests received for Dematerialization, transfer/transmission of shares and resolved or answered the complaints of members.

### **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee recommends to the Board the suitability of candidates for appointment as Key Managerial Personnel, Directors and the remuneration packages payable to them and other employees. The Nomination and Remuneration met **four times** during the year.

### **Vigil Mechanism / Whistle Blower Policy:**

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

### **Number of Meetings of the Board:**

Nine meetings of the Board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **Prevention of Insider Trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### **Business Risk Management:**

The main identified risks at the Company are business operating risks. Your Company has established a comprehensive business risk management policy to ensure the risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk management strategy as approved by the Board of Directors is implemented by the Company Management.

### **Corporate Social Responsibility Statement:**

Provisions relating the Corporate Social Responsibility are not applicable on the Company.

### **Information Pursuant to Section 134 (3) of the Companies Act, 2013:**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any, member is interested in inspecting the same, such member may write to the Company Secretary in advance.

### **Extract of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT-9 are annexed to this Report as **Annexure-C**.

### **Independent Directors Meeting:**

The Independent Directors met on 16<sup>th</sup> March, 2019, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo:**

The information required under Section 134(3)(M) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is as under:-

#### **[A] CONSERVATION OF ENERGY**

- a) Energy Conservation Measures taken: The Company has taken all measures for conservation of energy most economically.

- b) The steps taken by the Company for utilizing alternate source of energy:- No such steps have been taken by the Company.
- c) The capital Investments on energy conservation equipments: - No such investment has been made by the Company
- d) Impact of measures at (a) above for energy conservation: -These measures have led to consumption of energy more economically.

#### **[B] TECHNOLOGY ABSORPTION:**

Since there is no manufacturing activity in the Company hence the information under this heading is not applicable to the Company

#### **[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year, there were no Foreign Exchange earnings and outgo.

#### **Corporate Governance and Management Discussion and Analysis Report:**

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of this Annual Report along with the Certificate from Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Corporate Governance requirements, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

#### **Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future:**

There were no such order passed by the Regulations or Courts or Tribunals which may impact the going concern status and company's operations in future.

#### **Disclosure under Sexual Harassment of Women:**

The Company has Sexual Harassment Policy in place and available on the Company's website [www.cityonsystems.in](http://www.cityonsystems.in). During the year under review, there were no complaints from any of the employee.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143, IF ANY: NIL/NOT APPLICABLE**

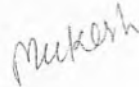
#### **MAINTENANCE OF COST RECORDS BY THE COMPANY:**

The provision relating to maintenance of Cost Records by the Company is not applicable on the Company.

## ACKNOWLEDGEMENTS:

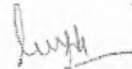
Your directors take this opportunity to extend their thanks to the customers, business, partners, business associates and bankers of the Company for their continued support during the year. The directors also sincerely acknowledge the dedication and commitment of the employees of the company at all levels.

FOR CITYON SYSTEMS (INDIA) LIMITED



Place: Delhi  
Date: 26.08.2019

(Mukesh Kumar)  
Managing Director  
DIN: 06573251



(Gaya Prasad Gupta)  
Director  
DIN: 00335302

NEHA JAIN  
COMPANY SECRETARY

"KAN Chambers"  
Office No. 811, 8<sup>th</sup> Floor,  
14/113, Civil Lines,  
Kanpur-208001  
Tel: 0512-2332397  
Email: nehajain115@gmail.com

## SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2019

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Cityon System ( India) Limited  
215, Delhi Chambers, Delhi Gate,  
New Delhi -110002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CITYON SYSTEM ( INDIA) LIMITED** (hereinafter referred to as "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2019 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 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;
- 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, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the year);**
- 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the year);**
  - d) The Securities and Exchange Board of (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the year);**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the year);**
  - 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 **(Not applicable to the Company during the year);**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the year);**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the year);**

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI Listing Regulations").

I further report that, as per the management representation letter for Secretarial Audit, there is no specific law, applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The listing agreement entered into by the Company with Bombay Stock Exchange Limited (BSE).

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 observation:

- i) *Website of the company is not updated in accordance with the provisions of The Act and SEBI Listing Regulations ;*

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 notices were given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were also 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

I further report that there exist 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.



NEHA JAIN  
COMPANY SECRETARY

**"KAN Chambers"**  
Office No. 811, 8<sup>th</sup> Floor,  
14/113, Civil Lines,  
Kanpur-208001  
Tel: 0512-2332397  
Email: nehajain115@gmail.com

I further report that during the audit period, there were no instances of:

- a) Public Issue/Rights Issue/ Debentures/Sweat Equity, etc;
- b) Redemption / buy-back of securities;
- c) Major decision except the decision which has taken by the members in pursuance to section 180 (1)(c) of the Act;
- d) Merger / amalgamation / reconstruction, etc;
- e) Foreign technical collaborations.

(Neha Jain)  
Practicing Company Secretary

NEHA JAIN  
COMPANY SECRETARY  
*neha*  
C.P. No. 10628

FCS No. 8123  
C.P. No.: 10628

Date: 26.08.2019  
Place: Kanpur

**Note:** This report is to be read with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.

NEHA JAIN  
COMPANY SECRETARY

"KAN Chambers"  
Office No. 811, 8<sup>th</sup> Floor,  
14/113, Civil Lines,  
Kanpur-208001  
Tel: 0512-2332397  
Email: nehajain115@gmail.com

**'Annexure A'**

To,  
The Members  
Cityon System ( India) Limited

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(Neha Jain)  
Practicing Company Secretary

NEHA JAIN  
COMPANY SECRETARY

C.P. No. 10628

FCS No. 8123

C.P. No.: 10628

Date: 26.08.2019  
Place: Kanpur



FORM NO. AOC -2

**Form for 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 arms length transactions under third proviso thereto.**

*[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014].*

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A.
  - (a) Name (s) of the related party & nature of relationship-
  - (b) Nature of contracts/arrangements/transactions-
  - (c) Duration of the contracts/arrangements/transactions-
  - (d) Salient terms of the contracts or arrangements or transaction including the value, if any-
  - (e) Justification for entering into such contracts or arrangements or transactions-
  - (f) Date(s) of approval by the Board-
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in General meeting as required under first proviso to Section 188-
2. Details of material contracts or arrangements or transactions at arm's length basis: **see note given below\***.
  - (a) Name (s) of the related party & nature of relationship-
  - (b) Nature of contracts/arrangements/transactions-
  - (c) Duration of the contracts/arrangements/transactions-
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any-
  - (e) Date(s) of approval by the Board, if any:
  - (f) Amount paid as advances, if any:

*\*Note: all the contracts or arrangements or transactions were made in ordinary course of business and at arm's length basis during the financial year 2018-19 and there were no material contracts or arrangements or transactions.*

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
 As on 31<sup>st</sup> March, 2019

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L72900DL2004PLC126096
2.	Registration Date	27/04/2004
3.	Name of the Company	CITYON SYSTEMS (INDIA) LIMITED
4.	Category/Sub-category of the Company	Company Limited By Shares / Non Government Company
5.	Address of the Registered office & contact details	215, DELHI CHAMBERS, DELHI GATE, Delhi-110002 Telefax: +91-11-43667149
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited D-153, 1 <sup>st</sup> Floor, Okhla Industrial Area Phase-1, New Delhi -110020 Tel : 011 -64732681-88 Fax: 011 -26812682 Email: admin@skylinerta.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Shares	661	98.68
2	Electric Items (Cable Box & Others)	465	1.32

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- N.A.**

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
1	-	-	-	-	-
2	-	-	-	-	-

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

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6281360	0	6281360	36.68	6281360	0	6281360	36.68	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
<b>Sub Total (A) (1)</b>	<b>6281360</b>	<b>0</b>	<b>6281360</b>	<b>36.68</b>	<b>6281360</b>	<b>0</b>	<b>6281360</b>	<b>36.68</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0	0.00
b) other- Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>6281360</b>	<b>0</b>	<b>6281360</b>	<b>36.68</b>	<b>6281360</b>	<b>0</b>	<b>6281360</b>	<b>36.68</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0	0.00
b) Banks / FI	510000	0	510000	2.98	510000	0	510000	2.98	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0	0.00
d) State Govt. (s)	0	0	0	0.00	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g) FIIs	0	0	0	0.00	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B)(1):-</b>	<b>510000</b>	<b>0</b>	<b>510000</b>	<b>2.97</b>	<b>510000</b>	<b>0</b>	<b>510000</b>	<b>2.97</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									

i) Indian	4178100	0	4178100	24.40	4173100	0	4173100	24.37	(0.03)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	68900	0	68900	0.40	61900	0	61900	0.36	(0.04)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5133800	0	5133800	29.97	5145800	0	5145800	30.05	0.07
<b>c) Others :</b>									
Non Resident Indians	40000	0	40000	0.23	40000	0	40000	0.23	0.00
Hindu Undivided Family	914200	0	914200	5.34	914200	0	914200	5.34	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B)(2):-</b>	<b>10335000</b>	<b>0</b>	<b>10335000</b>	<b>60.35</b>	<b>10335000</b>	<b>0</b>	<b>10335000</b>	<b>60.35</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>10845000</b>	<b>0</b>	<b>10845000</b>	<b>63.32</b>	<b>10845000</b>	<b>0</b>	<b>10845000</b>	<b>63.32</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>17126360</b>	<b>0</b>	<b>17126360</b>	<b>100.00</b>	<b>17126360</b>	<b>0</b>	<b>17126360</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashok Kumar Sharma	2800	0.02	0.00	2800	0.02	0.00	0.00
2	Pranav Sarin	64240	0.38	0.00	64240	0.38	0.00	0.00
3	Sandeep Jindal	200400	1.17	0.00	200400	1.17	0.00	0.00
4	Om Prakash Jaiswal	200400	1.17	0.00	200400	1.17	0.00	0.00
5	Sanjay Kumar	175400	1.02	0.00	175400	1.02	0.00	0.00



6	Mukash Kumar	2687332	15.69	0.00	2687332	15.69	0.00	0.00
7	Ankur Agarwal	2950788	17.23	0.00	2950788	17.23	0.00	0.00
	<b>Total</b>	<b>6281360</b>	<b>36.68</b>	<b>0.00</b>	<b>6281360</b>	<b>36.68</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding**

There was no change in Promoters Shareholding during the year.

**(iv) Shareholding Pattern of top ten Shareholders**

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

Sl. No.	Name of the shareholders	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equity etc.)			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	Cityon Nano Technology Private Limited	1154000	6.74		No Change		1154000	6.74
	At the end of the year (or on the date of separation, if separated during the year)						1154000	6.74
2	Nirbharant Management Consultants Private Limited	994200	5.81		No Change		994200	5.81
	At the end of the year (or on the date of separation, if separated during the year)						994200	5.81
3	Bansal Suppliers Private Limited	711740	4.16		No Change		711740	4.16
	At the end of the year (or on the date of separation, if separated during the year)						711740	4.16
4	Cityon Infrastructure Private Limited	539484	3.15		No Change		539484	3.15
	At the end of the year (or on the date of separation, if separated during the year)						539484	3.15
5	Next Orbit Ventures Fund	510000	2.98		No Change		510000	2.98
	At the end of the year (or on the date of separation, if separated during the year)						510000	2.98
6	Success Vyapar Limited	423225	2.47		No Change		423225	2.47
	At the end of the year (or on the date of separation, if separated during the year)						423225	2.47
7	Harish Popli	280000	1.63		No Change		280000	1.63
	At the end of the year (or on the date of separation, if separated during the year)						280000	1.63
8	Shri Mehndipur Balaji Infradevelopers Private Limited	261340	1.53		No Change		261340	1.53
	At the end of the year (or on the date of separation, if separated during the year)						261340	1.53

9	Vimal Banka	160000	0.93	No Change			160000	0.93
	At the end of the year (or on the date of separation, if separated during the year)						160000	0.93
10	Shashi Agarwal	80000	0.47	12/10/2018	80000	Purchase	160000	0.93
	At the end of the year (or on the date of separation, if separated during the year)						160000	0.93

**(v) Shareholding of Directors and Key Managerial Personnel:**

**A. Directors**

Sl. No.	Director's Name	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equity etc.)			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	Ravi Kumar Sablok* (Managing Director)	No Shareholding in the company						
2	Mukesh Kumar** (Managing Director)	2687332	15.69	No change during the year			2687332	15.69
	At the end of the year						2687332	15.69
3	Abhishek Tandon (Director)	No Shareholding in the company						
4	Gaya Prasad Gupta (Director)	No Shareholding in the company						
5	Anoop Srivastava (Director)	No Shareholding in the company						
6	Om Prakash Agarwal (Director)	No Shareholding in the company						
7	Kavita Awasthi (Director)	No Shareholding in the company						

\* Ravi Kumar Sablok resigned the Company w.e.f. June 30, 2018.

\*\* Mukesh Kumar has been appointed as Managing Director of the Company for three (3) years commencing from July 4, 2018 to July 3, 2021.

**B. Key Managerial Personnel:**

Sl. No.	Name of Key Managerial Personnel (KMP)	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equity etc.)			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	Ravi Kumar Sablok (Managing Director)*	No Shareholding in the company						

2	Mukesh Kumar (Managing Director)**	2687332	15.69	No change during the year	2687332	15.69
3	Ashok Kumar Sharma (Chief Financial Officer)	2800	0.02	No change during the year	2800	0.02
4	Radhika Jhunjhunwala (Company Secretary)***	No Shareholding in the company				

\* Ravi Kumar Sablok resigned the Company w.e.f. June 30, 2018.

\*\* Mukesh Kumar has been appointed as Managing Director of the Company for three (3) years commencing from July 4, 2018 to July 3, 2021.

\*\*\* Radhika Jhunjhunwala has resigned the Company w.e.f. 15.05.2019.

#### V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rupees)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	44951053	Nil	44951053
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	42451053	Nil	42451053
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	47921372	Nil	47921372
• Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	47921372	Nil	47921372
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	90372425	Nil	90372425
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	90372425	Nil	90372425

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl. No.	Particulars of Remuneration	Name of		Total Amount
		MD / Manager	WTD /	
		Ravi Kumar Sablok* (MD)	Mukesh Kumar** (MD)	
1.	<b>Gross salary</b> (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	75000	318000	393000
		-	-	-

	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>75000</b>	<b>318000</b>	<b>393000</b>
	Ceiling as per the Act	Since, profit of the Company is insufficient or inadequate to pay remuneration to managerial personnel and remuneration is being paid subject to the compliance of provisions of the Companies Act, 2013 read with Schedule V (erstwhile Schedule XIII of the Companies Act, 1956) and overall remuneration is subject to the provisions of Schedule V of the Companies Act, 2013.		

\*Ravi Kumar Sablok resigned the Company w.e.f. June 30, 2018.

\*\* The Board appointed Mr. Mukesh Kumar as Managing Director for a period of three (3) commencing from July 4, 2018 to July 3, 2021.

Above salary has been shown on accrual basis though payment of same may be in next financial year(s).

**B. Remuneration to other Directors:**

(Amount in Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Abhishek Tandon	Gaya Prasad Gupta	Om Prakash Agarwal	Anoop Srivastava	Kavita Awasthi	
1	Independent Directors						
	• Fee for attending board committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-
2	Other Non-Executive Directors						
	• Fee for attending board committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-



	<b>Total (2)</b>	-	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	-	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-	-	-
	<b>Overall ceiling as the Act</b>	Though, no remuneration to other Directors mentioned in point no. B have been paid during the Financial Year 2018-19 and whenever remuneration is paid, overall limits will be subject to the provisions of the Companies Act, 2013.					

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

(Amt. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5.64	1.46	7.10
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	5.64	1.46	7.10

\* There is no CEO in the Company; MD has been categorized as Key Managerial Personnel under Section 203 of the Companies Act, 2013, whose remuneration details in point no. A.

\*\* Radhika Jhunjhunwala, has resigned the Company w.e.f. 15.05.2019.

**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	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				

Punishment	
Compounding	
<b>C. OTHER OFFICERS IN DEFAULT</b>	
Penalty	NONE
Punishment	
Compounding	

## CORPORATE GOVERNANCE REPORT

### **1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Cityon Systems (India) Limited is committed to Good Corporate Governance. The fundamental objective of Cityon's Corporate Governance is "enhancement of the long-term shareholder value while at the same time protecting the interest of other stakeholders". Cityon's Code of Corporate Governance has been drafted in compliance with the code of "Corporate Governance" as promulgated by the Securities and Exchange Board of India (SEBI).

### **2. BOARD OF DIRECTORS**

The Board of Directors of Cityon Systems (India) Limited is comprised of 6 (Eight) Directors. One Director is Executive, One is Non Executive / Non-Independent and four are Non Executive / Independent. During the Financial Year 2018-19, 8 meetings of the Board were held. These meeting were held on 24-04-2018, 25-05-2018, 04-07-2018, 28-08-2018, 06-11-2018, 24-12-2018, 04-02-2019 and 19-03-2019.

Details of Director's attendance and other particulars are given below:

Director	Designation	No. of Board Meeting held	No. of Board Meeting attended	Last AGM Attendance (Yes/ No)	No. of Memberships in Boards of other public Co.'s
Ravi Kumar Sablok*	MD	8	2	No	Nil
Mukesh Kumar	MD	8	8	Yes	Nil
Abhishek Tandon	Director	8	8	No	Nil
Gaya Prasad Gupta	Director	8	8	Yes	3
Om Prakash Agarwal	Director	8	8	Yes	Nil
Anoop Srivastava	Director	8	8	Yes	6
Kavita Awasthi	Director	8	6	No	2

*\* Mr. Ravi Kumar Sablok has resigned the Company w.e.f. June 30, 2018 from the post of Managing Director of the Company.*

*MD denotes Managing Director.*

Details of familiarization programmes imparted to independent directors during the year, are disclosed on the Company's website i.e. [www.cityonsystems.in](http://www.cityonsystems.in).

### **3. AUDIT COMMITTEE**

The Audit Committee has been constituted in line with the provisions of the Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company consists of Four Directors and all the Directors have good knowledge in finance and accounts.

Composition of Audit Committee is as under:

### COMPOSITION

Mr. Om Prakash Agarwal	Chairman, Non Executive/Independent Director
Mr. Gaya Prasad Gupta	Member, Non Executive/Independent Director
Mr. Anoop Srivastava	Member, Non Executive/Independent Director
Mr. Mukesh Kumar	Member, Executive Director

### Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Om Prakash Agarwal	4	4
Mr. Gaya Prasad Gupta	4	4
Mr. Anoop Srivastava	4	4
Mr. Mukesh Kumar	4	4

### Terms of Reference:

The terms of references of the Audit Committee covering the matters specified under Clause 49 of the Listing Agreement / Regulation 18 read with Part C of Schedule II to the SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The terms of reference for the Audit Committee are broadly as under:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) 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;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing 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;
- (16) 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;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

#### **4. STAKEHOLDER RELATIONSHIP COMMITTEE:**

Stakeholders Relationship Committee is comprises of 3 directors, its composition are as under:

##### **Composition**

Mr. Anoop Srivastava	Chairman (Non-Executive/Independent Director)
Mr. Gaya Prasad Gupta	Member, Non-Executive Director/Independent Director
Mr. Om Prakash Agarwal	Member, Non-Executive Director/Independent Director

##### **Meeting and attendance during the year**

<b>Members</b>	<b>Meeting Held</b>	<b>Meeting Attended</b>
Mr. Anoop Srivastava	4	4
Mr. Gaya Prasad Gupta	4	4
Mr. Om Prakash Agarwal	4	4

The Committee has been constituted to specially look into Shareholders grievances such as transfer, de-materialization related matters. The Committee has also been dealing the power to approve transfer/transmission, issue of new or duplicate certificates, subdivisions of shares or split of shares and all other related matters of shares.

There were no complaints pending as on 31.03.2019.

Our Company Secretary, Ms. Radhika Jhunjhunwala has resigned the Company with effect from May 15, 2019 and in the absence of Company Secretary in the Company, Mr. Mukesh Kumar, Managing Director is authorized to look after the Compliance work and act as Compliance Officer of the Company.

Ms. Neha Jain, Practising Company Secretary, Kanpur is conducting Reconciliation of Share Capital Audit Report of the Company.

## **5. NOMINATION AND REMUNERATION COMMITTEE**

The nomination and Remuneration Committee comprises of three (3) directors. Composition of committee are as under:

### **Composition of Committee**

Mr. Gaya Prasad Gupta	Chairman, Non Executive/Independent Director
Mr. Om Prakash Agarwal	Member, Non Executive/Independent Director
Mr. Anoop Srivastava	Member, Non Executive/Independent Director

### **Meeting and attendance during the year**

<b>Members</b>	<b>Meeting Held</b>	<b>Meeting Attended</b>
Mr. Gaya Prasad Gupta	4	4
Mr. Om Prakash Agarwal	4	4
Mr. Anoop Srivastava	4	4

No sitting fees have been paid by the Company to any Directors for attending Board Meetings or any Committee Meetings during the financial year 2018-19.

The Nomination and Remuneration Committee shall identify persons who are qualified to become directors of the company and who may be appointed in senior management in accordance with criteria laid down by the company. It recommends to the Board for their appointment as Directors or at senior management level.

The Committee had been consulted to review and approve the annual salaries, commission, service management and other employment conditions for the executive directors.

The terms of reference of the Nomination and Remuneration Committee are in line with the requirements of the Companies Act, 2013, and Regulation 19 read with Part D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Committee are broadly as under:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) 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 of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Details of the remuneration paid to Executive Directors during the financial year 2018-19, are as under:**

Name of Directors	Designation	Remuneration
Mr. Ravi Kumar Sablok	Managing Director	75,000.00
Mr. Mukesh Kumar	Managing Director	3,18,000.00

- Except above remuneration/salary, no other remuneration was paid to aforesaid Directors during the financial year 2018-19.
- Figures of the remuneration are on accrual basis, payment of the same may be in next financial year(s).

**Details of the remuneration paid to other Directors during the financial year 2018-19, are as under**

Name of Directors	Designation	Remuneration
Mr. Abhishek Tandon	Director (Non Executive / Non Independent)	No remuneration has been paid during the financial year 2018-19 by way of any modes such as sitting fees, commission or any other mode
Mr. Anoop Srivastava	Director (Independent)	No remuneration has been paid during the financial year 2018-19 by way of any modes such as sitting fees, commission or any other mode
Mr. Om Prakash Agarwal	Director (Independent)	No remuneration has been paid during the financial year 2018-19 by way of any modes such as sitting fees, commission or any other mode
Mr. Gaya Prasad Gupta	Director (Independent)	No remuneration has been paid during the financial year 2018-19 by way of any modes such as sitting fees, commission or any other mode

Mrs. Kavita Awasthi	Director (Independent)	No remuneration has been paid during the financial year 2018-19 by way of any modes such as sitting fees, commission or any other mode
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#### **COMPLIANCE OFFICER:**

Our Company Secretary, Ms. Radhika Jhunjhunwala has resigned the Company with effect from May 15, 2019 and in the absence of Company Secretary in the Company, Mr. Mukesh Kumar, Managing Director is authorized to look after the Compliance work and act as Compliance Officer of the Company.

#### **PERFORMANCE EVALUATION OF THE BOARD, DIRECTORS (INCLUDING INDEPENDENT) AND COMMITTEE(S)**

After taking into consideration one to one 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; pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, 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, Appointment and Remuneration Committees.

#### **Independent Directors Meeting**

During the year under review, the Independent Directors met on March 16, 2019, 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 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.

#### **6. SHAREHOLDER'S MEETINGS**

Details of last three AGMs held

Year	Date	Venue	Time
2018-19	28.09.2018	215, Delhi Chambers, Delhi Gate, Delhi - 110002	4:00 P.M.
2017-18	29.09.2017	215, Delhi Chambers, Delhi Gate, Delhi - 110002	3:30 P.M.
2016-17	29.09.2016	215, Delhi Chambers, Delhi Gate, Delhi - 110002	10:30 A.M.



## Businesses

Year	Special Resolution passed for:
2018-19	Appointment of Mr. Mukesh Kumar as Managing Director of the Company for a period of three years effective from 04.07.2018 to 03.07.2021
2017-18	No Special Resolution was passed at Annual General Meeting held in the year 2017
2016-17	<ol style="list-style-type: none"><li>1. Appointment of Mr. Mukesh Kumar as Whole Time Director of the Company for a period of 3 (Three) years effective from June 1, 2016 to May 31, 2019.</li><li>2. Appointment of Mr. Ankur Agarwal as Whole Time Director of the Company for a period of 3 (Three) years effective from June 1, 2016 to May 31, 2019.</li><li>3. To make investments, give loans, guarantees and provide securities beyond prescribed limits under Section 186 but upto Rs. 200 Crores and ratification/rectification of all earlier transactions</li><li>4. Authorization to enter in contracts and /or arrangements with Related Party under Section 188 of the Companies Act, 2013</li><li>5. To borrow sum or sums of money which may exceed aggregate for time being of the paid up capital and free reserves which shall not exceed the Rs. 100 Crores.</li></ol>

No special resolution was passed through Postal Ballot during the financial year 2018-19.

## 7. DISCLOSURES

### (a) Basis of related party transactions:

Disclosure on materially significant related 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 interest of the Company at large – Nil.

Further, transactions with related party(ies) has been made during the ordinary course of business and on arm's length basis.

Policy for related party transactions is placed on website of the Company i.e. [www.cityonsystems.in](http://www.cityonsystems.in).

### (b) Whistle Blower Policy:

The Company believes in the conduct of the affairs of its various constituents in a fair and transparent manner, by adopting the highest standard of professionalism, honesty, integrity and ethical behaviour and open communication. The Company has Whistle Blower Policy under which the employees are free to report instances of unethical behaviour, violation of laws and regulations and the code of conduct or policies of the Company. The employees can approach the same directly to Chairman of Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**(c) Risk Management:**

The Company has a well defined risk management framework in place, further it has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed and the steps were taken by it to mitigate these risks.

**(d) There is no inter-se relationships between the Directors of the Company.**

**(e) Disclosure of Accounting Treatment:**

There have not been any significant changes in accounting policies during the year.

**(f) Compliance by the Company:**

There are no instances of non-compliances by the Company on any matters related to the capital market, nor have any penalty/strictures been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to capital market during the Financial Year ended on March 31, 2019.

**(8) MEANS OF COMMUNICATION:**

Since, Company is listed on BSE SME (ITP), subject to the provisions of Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, financial results are required to be submitted on half yearly basis in place of quarterly and it is not mandatorily required to get these results be published in newspapers, henceforth, hosting of the same is made on company's website [www.cityonsystems.in](http://www.cityonsystems.in) besides sending the same to Bombay Stock Exchange.

Whether the Management Discussion and Analysis section is part of the Annual report or not: Yes

**(9) GENERAL SHAREHOLDER INFORMATION:**

**(a) Company Registration Details:**

The Company Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72900DL2004PLC126096.

**(b) Annual General Meeting:**

**(Day, Date, Time and Venue)**

Thursday, September 26, 2019 at 3:30 P.M.  
215, Delhi Chambers, Delhi Gate, Delhi – 110002

**(c) Financial Year:**

Financial Year – April 1, 2018 to March 31, 2019

**(d) Book Closure Date:**

Thursday, September 19, 2019 to Thursday, September 26, 2019, both days inclusive. No dividend is being declared in the Annual General Meeting.

**(e) Listing:**

Equity Shares of the Company are actively listed on BSE SME (ITP).

Scrip Code: 780013

ISIN: INE324P01014

- (i) Bombay Stock Exchange Ltd.  
Phirize Jeejeephoy Towers,  
Dalal Stret, Mumbai – 400001

**(f) Performance of the Company's Stock Price vis-à-vis BSE SENSEX:**

Since, Shares of the Company is listed on BSE SME (ITP), Performance of the Company's Stock Price vis-à-vis may not be material / significant.

**(g) Registrar and Transfer Agents:**

Members/Shareholders are requested to correspond with the Company's Registrar and Transfer Agent quoting their Folio No./DP ID & Client ID at the following address:

**Skyline Financial Services Private Limited**

D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-1, New Delhi – 110020

Phone Nos. – 011-26812682-83/64732681-88, Fax No. - 011-26292681

E-mail: admin@skylinerta.com

**(h) Share Transfer System:**

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of its receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission etc. of the Company's Securities to Company Secretary of the Company. The Company obtains a certificate from Company Secretary in practice on half yearly basis certifying that all the compliances with transfer formalities, as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and files it with Stock Exchange(s).

**(i) Shareholding Pattern as on March 31, 2019:**

Category	No. of Shares	% of Holding
<b>(A) Promoters Holding</b>		
Individuals	6281360	36.68
Bodies Corporate	0	0.00
<b>Sub-Total (A)</b>	<b>6281360</b>	<b>36.68</b>
<b>(B) Non Promoters Holding</b>		
(1) Financial Institutions/Banks	510000	2.98
<b>Sub-Total (B) (1)</b>	<b>510000</b>	<b>2.98</b>
(2) Non-Institutions		
• Bodies Corporate	4173100	24.37
• Individuals	5207700	30.40
• Non Resident Indians	40000	0.23
• HUF	914200	5.34
<b>Sub-Total (B) (2)</b>	<b>10335000</b>	<b>60.34</b>
<b>Sub-Total (B)</b>	<b>10845000</b>	<b>63.32</b>
<b>Grand Total (A+B)</b>	<b>17126360</b>	<b>100.00</b>

**Distribution Schedule of Equity Shareholder as on March 31, 2019:**

Share or Debtenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debtenture holding Amount	% to Total Amount
(Rs.)			(Rs.)	
Up To 5,000	0	0.00	0	0.00
5001 To 10,000	1	0.61	9000	0.01
10001 To 20,000	1	0.61	20000	0.01
20001 To 30,000	1	0.61	28000	0.02
30001 To 40,000	0	0.00	0	0.00
40001 To 50,000	0	0.00	0	0.00
50001 To 1,00,000	7	4.27	674000	0.39
1,00,000 and Above	154	93.90	170532600	99.57
<b>Total</b>	<b>164</b>	<b>100.00</b>	<b>171263600</b>	<b>100.00</b>

**(j) Dematerialization of Equity Shares and its Liquity:**

The Company has tie-ups with NSDL and CDSL, 100% Equity Shares of the Company are in Electronic Form/Demat Form.

**(k) The Company has not issued any GDRs/ADRs.**

**(l) Branches/Plants:**

The Company has no branch / Plant.



**(m) Payment of Listing Fees:**

Annual Listing Fees for the year 2019-20 has not been paid by the Company to BSE.

**(n) Payment of Depository Fees:**

Annual Custodian fees to NSDL/CDSL has not been paid by the Company and it is expected that the same will be paid shortly to CDSL and NSDL.

**(o) E-mail ID of Grievance Redressal Division:**

info@cityonsystems.in, cityonsystems1@rediffmail.com

**(p) Address for correspondence:**

For any assistance regarding share transfer and transmission, change of address, non receipt of share certificates, demat and other matters, please write to our Registrar and Share Transfer Agent of the Company at address mentioned at (f) above. For any query on the Annual Report and for any complaints or suggestions, please write to or contact:

Mr. Mukesh Kumar  
Managing Director  
Cityon Systems (India) Limited  
215, Delhi Chambers, Delhi Gate,  
Delhi -110002  
Phone No.: 011-41563395, 43667149  
TelFax: 011-43667149  
E-mail: info@cityonsystems.in, cityonsystems1@rediffmail.com,  
Website: www.cityonsystems.in

**(10) COMPLIANCE WITH DISCRETIONARY REQUIREMENTS AS PER REGULATION 27(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following discretionary requirements of Regulations 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-

**(a) Audit Qualifications:** The Company is in regime of the un-audited financial statements.

**(b) Reporting of Internal Auditor:** The Internal Auditor reports directly to Audit Committee of the Company.

**(11) CEO AND CFO CERTIFICATION:**

The Managing Director and Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual compliance certificate given by the Chairman and Managing Director and Chief Financial Officer is attached in Annual report.

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Mukesh Kumar, Managing Director of the Company, hereby declare that, all the members of the Board and the Senior Management personnel have confirmed their compliance with the Code of Conduct for the year ended March 31, 2019.

For Cityon Systems (India) Limited

*Mukesh*  
(Mukesh Kumar)  
Managing Director  
DIN: 06573251

Place: Delhi  
Date: 26.08.2019

**CEO/CFO CERTIFICATION**  
**(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)**

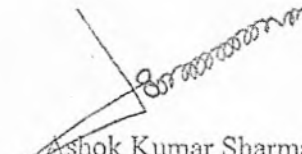
In terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company has certified to the Board that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that 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.
- (c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of conduct as adopted by the Company.
- (d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (e) We have indicated to the auditors and the audit committee that:
  - (i) there has not been any significant change in internal control over financial reporting during the year;
  - (ii) there has not been any significant changes in the accounting policies during the year requiring disclosure in the notes to the financial statements;
  - (iii) We are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Cityon Systems (India) Limited

*Mukesh*

Mukesh Kumar  
Managing Director  
DIN: 06573251

  
Ashok Kumar Sharma  
(Chief Financial Officer)

NEHA JAIN  
COMPANY SECRETARY

"KAN Chambers"  
Office No. 811, 8<sup>th</sup> Floor,  
14/113, Civil Lines,  
Kanpur-208001  
Tel: 0512-2332397  
Email: nehajain115@gmail.com

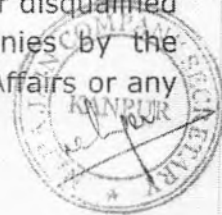
### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,  
The Members,  
CITYON SYSTEMS (INDIA) LIMITED  
215, Delhi Chambers  
Delhi Gate New Delhi 110002

We have examined the relevant registers, records and disclosures received from the Directors of CITYON SYSTEMS (INDIA) LIMITED (hereinafter referred to as "the Company") having CIN: L72900DL2004PLC126096 and having its registered office at 215, Delhi Chambers Delhi Gate New Delhi 110002 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its Officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.





NEHA JAIN  
COMPANY SECRETARY

**"KAN Chambers"**  
Office No. 811, 8<sup>th</sup> Floor,  
14/113, Civil Lines,  
Kanpur-208001  
Tel: 0512-2332397

Email: [nehajain115@gmail.com](mailto:nehajain115@gmail.com)

S.N.	Name of Director	DIN	Latest Date of Appointment/Re-appointment at current designation
1.	Gaya Prasad Gupta	00335302	30/09/2014
2.	Kavita Awasthi	03106803	29/09/2015
3.	Om Prakash Agarwal	03358726	30/09/2014
4.	Abhishek Tandon	03530860	17/06/2013
5.	Anoop Srivastava	06571462	30/09/2014
6.	Mukesh Kumar	06573251	04/07/2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

NEHA JAIN  
(Company Secretary)  
NEHA JAIN  
COMPANY SECRETARY

C.P. No. 10628

FCS No.: 8123  
C P No.: 10628

Place: Kanpur  
Date: August 26, 2019

# **Management Discussion & Analysis**

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## **ECONOMIC OVERVIEW**

The economic conditions in the country in the current fiscal have been challenging with inflation being the major factor driving economic policy. Policy formulation has become more complicated and Indian rupee has tended to remain weak against major international currencies. There was overall slowdown in the economy of the country.

## **FINANCIAL PERFORMANCE**

Due to overall slowdown in the economy of country, the company incurred loss of Rs. 1,840,722.52 during the year under review and it is expected that the company will perform better in coming years.

## **BUSINESS STRATGEY ANALYSIS AND OUTLOOK**

The Company always reviews its business strategy and it makes efforts to estimate with optimum fruitful future results and makes diversification in new avenues as and when it is necessitated and expected to be profitable in future.

## **OPPORTUNITIES AND STRENGTHS**

The Company is searching for new avenues. Your company continues to focus on the diversification its business activities. Although business opportunities are available, additional resources continues to be constraint.

## **BUSINESS OVERVIEW**

The company has good recognition among its shareholders spread throughout country. The company has evolved new vision and focus. The company has a strategy to diversify its business activities in coming years.

## **RISKS AND CONCERNS**

The Capital market industry in which your Company is operating is subject to extensive regulation. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has satisfactory internal control system. The Company including subsidiaries has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firm of Chartered Accountants. An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

## **HUMAN CAPITAL**

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 through healthy working atmosphere that ensures equal opportunity for growth and challenge to all the equal opportunity for growth and challenge to all 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.

## **CAUTIONERY STATEMENT**

The statements made in this report describe the company's objectives and projections that may be forward looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the company. The company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.



## **RAJANI MUKESH & ASSOCIATES**

*Chartered Accountants*

503, Prem Ratan Vatika,

7/180, Swaroop Nagar, Kanpur – 208 002.

Phones: Off. 9129869854, Mob : 09839035251, 09307929209

e-mail : rajani.ca@gmail.com

# **CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE**

## **Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Members of Cityon Systems (India) Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 05 July, 2018.
2. This report contains details of compliance of conditions of Corporate Governance by Cityon Systems (India) Limited ('the Company') for the year ended 31 March, 2019 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Limited (referred to as the 'Stock exchange').

### **Management's Responsibility for compliance with the conditions of Listing Regulations**

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

### **Auditor's Responsibility**

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.





7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We 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.

**Restriction on use**

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For RAJANI MUKESH & ASSOCIATES  
CHARTERED ACCOUNTANTS**



**Place: Kanpur  
Date: 28.05.2019**



# RAJANI MUKESH & ASSOCIATES

## Chartered Accountants

503, Prem Ratan Vatika,

7/180, Swaroop Nagar, Kanpur – 208 002.

Phones: Off. 9129869854, Mob : 09839035251, 09307929209

e-mail : rajani.ca@gmail.com

### INDEPENDENT AUDITOR'S REPORT

**To the Members of Cityon Systems (India) Limited**

#### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of M/s **Cityon Systems (India) Limited, 215, Delhi Chambers, Delhi Gate, Delhi – 110002**, which comprise the Balance Sheet as at **31<sup>st</sup> March 2019**, and the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant Accounting Policies and other explanatory information.

#### **Management's responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the 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 the 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 internal financial control, 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.

#### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal financial control relevant to the Company's preparation of



the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we 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 purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.



- ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii) As informed by the company, there were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For RAJANI MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**ERN: 004072C**



**(C.A. MUKESH RAJANI)**

**Proprietor**

**M. No.: 073098**

**PAN: AANPR6167J**

Date: 28.05.2019

Place: Delhi



## **"Annexure A" to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements of the Company for the year ended March 31, 2019:

**(i)** In respect of its fixed assets:

- (a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b)** As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c)** No immovable properties are held by the Company, so this clause of the Order is not applicable.

**(ii)** In respect of its inventory:

- (a)** As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals/ (at the end of the year) by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.

**(iii)** In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:

According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

- (iv)** In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 185 and section 186 of the Companies Act, 2013.
- (v)** The company has not received any public deposits during the year.
- (vi)** As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



**(vii) In respect of statutory dues:**

- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, the disputed statutory dues in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues that have not been deposited on account of matters pending before appropriate authorities are as follows:

Nature of dues / Payments	Amount due (Rs. In Lacs)	Period of which the amount Relates	Forum where amount is pending
Income Tax	760.59	A.Y.2010-11	CIT Appeal Kanpur
Income Tax	452.37	A.Y.2011-12	CIT Appeal Kanpur
Income Tax	867.59	A.Y.2012-13	CIT Appeal Kanpur
Income Tax	297.79	A.Y.2013-14	CIT Appeal Kanpur
Income Tax	48.31	A.Y.2014-15	CIT Appeal Kanpur
Income Tax	23.17	A.Y.2015-16	CIT Appeal Kanpur
Income Tax	19.19	A.Y.2016-17	CIT Appeal Kanpur

\*the above has not been acknowledged as debt as on 28.05.2019.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) The company has not raised any money by way of initial public offer or further public offer and has not obtained any term loans during the year, so this para of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid and provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company, so this para of the Order is not applicable.



- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 and all details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully convertible debentures during the year under review, so this para of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with him, so this para of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For RAJANI MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS  
FRN: 004072C



(C.A. MUKESH RAJANI)

Proprietor

M. No.: 073098

PAN: AANPR6167J

Date: 28.05.2019

Place: Delhi

## **“Annexure B” to the Independent Auditor’s Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Cityon Systems (India) Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the





transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

**For RAJANI MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS  
FRN: 004072C**



**(C.A. MUKESH RAJANI)**

**Proprietor**

**M. No.: 073098**

**PAN: AANPR6167J**

Date: 28.05.2019

Place: Delhi

**CITYON SYSTEMS (INDIA )LIMITED**  
**215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002**  
**CIN : U72900DL2004PLC126096**  
**BALANCE SHEET AS AT 31.03.2019**

(In Rs.)

Balance Sheet as at	Note	31.03.2019	31.03.2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	17,12,63,600	17,12,63,600
Reserves and surplus	2.2	2,96,77,360	3,15,18,083
		20,09,40,960	20,27,81,683
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	9,03,72,425	9,55,50,205
Deferred tax liabilities (Net)	2.4	27,947	23,665
		9,04,00,372	9,55,73,870
<b>Current liabilities</b>			
Trade payables	2.5	2,71,93,851	2,74,08,639
Other current liabilities	2.6	4,93,596	6,16,249
Short-term provisions	2.7	1,50,000	5,27,251
		2,78,37,447	2,85,52,139
<b>TOTAL</b>		<b>31,91,78,780</b>	<b>32,69,07,692</b>
<b>ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	2.8	26,207	27,597
		26,207	27,597
<b>Non-current Assets</b>			
Non-current investments	2.9	5,67,71,122	5,67,71,122
Deferred tax assets (net)		-	-
Long-term loans and advances	3.0	24,02,62,153	24,00,66,153
Other non-current assets	3.1	31,85,399	31,40,777
		30,02,44,880	30,00,05,648
<b>Current assets</b>			
Current investments		-	-
Inventories	3.2	4,08,540	4,99,820
Trade receivables	3.3	1,12,03,818	1,81,76,473
Cash and cash equivalents	3.4	4,25,841	1,25,690
Other current assets	3.5	68,95,700	81,00,060
		1,89,33,899	2,69,02,043
<b>TOTAL</b>		<b>31,91,78,780</b>	<b>32,69,07,692</b>

Note: Previous year figures have been regrouped / rearranged, wherever necessary.

In terms of our attached report of even date  
For Rajan Mukesh & Associates,  
Chartered Accountants,  
FRN : 004672G  
CA Mukesh Rajan  
(Proprietor)  
M. NO. : 073098  
PAN : AANPR6167  
Date: 28.05.2019

For CITYON SYSTEMS (INDIA)LIMITED

Mukesh Kumar  
(Managing Director)  
(DIN : 06573251)

Gaya Prasad Gupta  
(Director)  
(DIN : 00335302)

For CITYON SYSTEMS (INDIA) LTD  
CHIEF FINANCIAL OFFICER

**CITYON SYSTEMS (INDIA) LTD.**

**215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002**

**CIN : U72900DL2004PLC126096**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019**

(In Rs.)

Statement of Profit and Loss for the	Note	31.03.2019	31.03.2018
Revenue from operations	3.6	2,56,71,532.66	5,33,93,205.50
Other income	3.7	8,85,496.00	13,48,720.15
<b>Total Revenue</b>		<b>2,65,57,028.66</b>	<b>5,47,41,925.65</b>
<b>Expenses</b>			
Purchases of Stock-in-Trade	3.8	2,57,53,397.79	5,27,10,277.00
(Increase)/Decrease in inventories of finished goods	3.9	91,280.00	(4,99,820.00)
work-in-progress and Stock-in-Trade			
Employee benefits expense	4.0	14,90,000.00	14,59,000.00
Finance costs	4.1	1,101.90	2,507.45
Depreciation and amortization expense	4.2	1,390.01	2,044.44
Other expenses	4.3	10,56,299.00	12,45,410.33
<b>Total expenses</b>		<b>2,83,93,468.70</b>	<b>5,49,19,419.22</b>
Profit before prior period items and tax		(18,36,440.04)	(1,77,493.57)
Prior Period Items	4.4	-	4,19,440.00
Profit before tax		(18,36,440.04)	2,41,946.43
Tax expense:	4.5		
Current tax		-	57,351.00
Deferred tax		4,282.48	4,951.63
Profit (Loss) for the period from continuing operations		(18,40,722.52)	1,79,643.80
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit (Loss) for the period		(18,40,722.52)	1,79,643.80
Earnings per equity share:	4.6		
Basic		(0.11)	0.01
Diluted		(0.11)	0.01

In terms of our attached report of even date

For Rajani Mukesh & Associates,

Chartered Accountants,

FRN : 094072C

CA Mukesh Rajani

(Proprietor)

M. NO. 073098

PAN : AANPB6167J

Date: 28.05.2019

For CITYON SYSTEMS (INDIA) LIMITED

*Mukesh*

Mukesh Kumar  
(Managing Director)

(DIN : 06573251)

Gaya Prasad Gupta  
(Director)

(DIN : 00335302)

For CITYON SYSTEMS (INDIA) LTD

*[Signature]*  
CHIEF FINANCIAL OFFICER

**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**2.1 Share Capital**

In ` Rs

Particular	31.3.2019	31.03.2018
<b>Authorised</b>		
24000000 (24000000) Equity Shares of ` 10/- Par Value	24,00,00,000.00	24,00,00,000.00
	24,00,00,000.00	24,00,00,000.00
<b>Issued</b>		
17126360 (17126360) Equity Shares of ` 10/- Par Value	17,12,63,600.00	17,12,63,600.00
	17,12,63,600.00	17,12,63,600.00
<b>Subscribed</b>		
17126360 (17126360) Equity Shares of ` 10/- Par Value	17,12,63,600.00	17,12,63,600.00
	17,12,63,600.00	17,12,63,600.00
<b>Paid-up</b>		
17126360 Equity Shares of ` 10/- Par Value Fully Paid-up	17,12,63,600.00	17,12,63,600.00
	17,12,63,600.00	17,12,63,600.00

**Holding More Than 5%**

Particular	31.03.2019	% Held	31.03.2018	% Held
ANKUR AGARWAL	29,50,788.00	17.23	29,50,788.00	17.23
MUKESH KUMAR	26,87,332.00	15.69	26,87,332.00	15.69
CITYON NANO TECHNOLOGY P. LTD.	11,54,000.00	6.74	11,07,600.00	6.47
NIRBHARANT MANAGEMENT CONS. P. LTD.	9,94,200.00	5.81	9,91,400.00	5.79

**2.2 Reserve and Surplus**

Particular	31.03.2019	31.03.2018
Capital Reserve – Opening	1,00,00,000.00	1,00,00,000.00
Addition	-	-
Deduction	-	-
	1,00,00,000.00	1,00,00,000.00
Securities Premium Opening	1,88,55,440.00	1,88,55,440.00
	1,88,55,440.00	1,88,55,440.00
Profit and Loss Opening	26,62,642.80	24,95,227.00
Amount Transferred From Statement of P&L	(18,40,722.52)	1,79,643.80
Appropriation and Allocation		
Others	-	12,228.00
	8,21,920.28	26,62,642.80
	2,96,77,360.28	3,15,18,082.80

**2.3 Long Term Borrowings**

Particular	31.03.2019	31.03.2018
<b>Others</b>		
<b>Unsecured</b>		
BIG BROKER HOUSE STOCKS LTD.	7,20,881.00	30,20,881.00
CITYON SOLAR LTD.	1,62,28,342.00	1,66,05,172.00
NIKKI GLOBAL FINANCE LTD.	8,25,000.00	33,25,000.00
AUTEM CONSULTANCY SERVICES LIMITED	1,95,00,000.00	1,95,00,000.00
RICH UDYOG NETWORK LTD.	4,91,78,202.00	4,91,79,302.00
KPK FINANCE CONSULTANCY PVT. LTD	39,20,000.00	39,19,850.00
	9,03,72,425.00	9,55,50,205.00





**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**2.4 Deferred Taxes**

Particular	31.03.2019	31.03.2018
Deferred Tax Liabilities	27,947.11	23,664.63
	27,947.11	23,664.63

**2.5 Trade Payables**

Particular	31.03.2019	31.03.2018
<b>Creditors Due others</b>		
CITYON NANO TECHNOLOGY PVT. LTD. (TRADING A/c)	74,55,719.00	83,71,719.00
SKYLINE FINANCIAL SERVICES PVT. LTD.	65,689.00	1,75,541.00
SHASHWAT AGARWAL	1,29,47,375.00	1,29,48,875.00
SUDHIR AGARWAL	66,99,850.00	67,00,000.00
SHREE NEELKANTH BUILDERS	25,218.00	(7,87,496.00)
	2,71,93,851.00	2,74,08,639.00

**2.6 Other Current Liabilities**

Particular	31.03.2019	31.03.2018
<b>Others</b>		
TDS PAYABLE	-	2,100.00
UCO BANK A/C NO.	4,93,596.24	-
YES BANK A/c No.	-	6,14,149.10
	4,93,596.24	6,16,249.10

**2.7 Short Term Provisions**

Particular	31.03.2019	31.03.2018
<b>Others</b>		
AUDIT FEES PAYABLE PAYABLE	25,000.00	25,000.00
SALARY PAYABLE	1,25,000.00	4,44,900.00
PROVISION OF INCOME TAX	-	57,351.00
	1,50,000.00	5,27,251.00

**2.9 Non-current investments**

Particular	31.03.2019	31.03.2018
<b>Investments in Equity Instruments</b>		
BANSAL SUPP P LTD.	2,25,000.00	2,25,000.00
BIG BROKERS HOUSE STOCKS LTD.	20,00,000.00	20,00,000.00
CITYON INFRASTRUCTURE	17,95,500.00	17,95,500.00
CITYON NANO	15,00,000.00	15,00,000.00
DEV BHOOMI PROMOTERS & DEVELOPERS P.LTD.	10,00,000.00	10,00,000.00
GOLD COINS	2,32,622.00	2,32,622.00
KUNDAN CASTING P.LTD.	1,00,00,000.00	1,00,00,000.00
NEW E WORLD SERVICES LTD,	6,00,000.00	6,00,000.00
NIRBHARANT MANAGEMENT	1,09,68,000.00	1,09,68,000.00
PRISM HOUSING PVT. LTD.	94,50,000.00	94,50,000.00
AUTEM CONSULTANCY SERVICES LIMITED	20,00,000.00	20,00,000.00
RICH UDYOG NETWORK LTD.	20,00,000.00	20,00,000.00
SIGMA CASTING LTD.	1,50,00,000.00	1,50,00,000.00
	5,67,71,122.00	5,67,71,122.00



**CITYON SYSTEMS (INDIA) LIMITED**  
**215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002**  
**DEPRECIATION CHART**

**2.8 Tangible assets**

Block of Assets / Asset Group	Rate	Gross Block				Depreciation				Net Block			
		1.4.2018		31.3.19		04-01-2018		For the Year		31-03-2019		31-03-2018	
		Rupees	Additions	Sale/Adj.	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
COMPUTERS AND DATA PROCESSING UNITS													
COMPUTER	-	3,65,834.00	-	-	3,65,834.00	3,63,503.00	-	-	-	3,63,503.00	2,331.00	2,331.00	2,331.00
Total (Block)		3,65,834.00	-	-	3,65,834.00	3,63,503.00	-	-	-	3,63,503.00	2,331.00	2,331.00	2,331.00
OFFICE EQUIPMENT													
AIR CONDITIONER	-	1,02,513.00	-	-	1,02,513.00	97,388.00	-	-	-	97,388.00	5,125.00	5,125.00	5,125.00
OFFICE EQUIPMENT	-	2,71,817.00	-	-	2,71,817.00	2,59,925.00	-	-	-	2,59,925.00	11,892.00	11,892.00	11,892.00
Total (Block)		3,74,330.00	-	-	3,74,330.00	3,57,313.00	-	-	-	3,57,313.00	17,017.00	17,017.00	17,017.00
PLANT AND MACHINERY													
INVERTOR	76.41%	58,603.00	-	-	58,603.00	55,671.87	-	-	-	55,671.87	2,931.13	2,931.13	2,931.13
	32.01%	27,300.00	-	-	27,300.00	20,913.13	1,390.01	-	-	22,303.14	2,952.42	2,952.42	4,342.43
Total (Asset Group)		85,903.00	-	-	85,903.00	76,585.00	1,390.01	-	-	77,975.01	5,883.55	5,883.55	7,273.56
REFRIGERATOR	76.43%	19,500.00	-	-	19,500.00	18,525.00	-	-	-	18,525.00	975.00	975.00	975.00
Total (Asset Group)		19,500.00	-	-	19,500.00	18,525.00	-	-	-	18,525.00	975.00	975.00	975.00
Total (Block)		1,05,403.00	-	-	1,05,403.00	95,110.00	1,390.01	-	-	96,500.01	6,858.55	6,858.55	8,248.56
Grand Total		8,45,567.00	-	-	8,45,567.00	8,15,926.00	1,390.01	-	-	8,17,316.01	26,206.55	26,206.55	27,596.56
Previous Year		8,45,567.00	-	-	8,45,567.00	8,15,926.00	2,044.44	-	-	8,17,970.44	27,596.56	27,596.56	29,641.00



**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**3.0 Long-term loans and advances**

Particular	31.03.2019	31.03.2018
<b>Loans and advances to others</b>		
Unsecured considered good		
ABHIGYAN PRAKASH	2,00,000.00	2,00,000.00
AXIS EDUCATIONAL SOCIETY	1,90,00,000.00	1,90,00,000.00
BISHAN LAL SHIVHARE	20,00,000.00	22,16,000.00
DAUJEE ABHUSHAN BHANDAR PVT. LTD.	1,29,00,000.00	1,29,00,000.00
DEEPAK SEHGAL	1,00,00,000.00	1,00,00,000.00
DELUX PETRO CHEM IN	2,00,000.00	2,00,000.00
DEV BHOOMI PROMOTERS & DEVELOPERS PVT.LTD	50,00,000.00	50,00,000.00
HD STEELS	5,00,000.00	5,00,000.00
HOME LINKERS PVT. LTD.	1,25,00,000.00	1,25,00,000.00
HORIZON PORTFOLIO LTD.	13,00,000.00	13,00,000.00
KAMIA MULHOTRA	50,00,000.00	50,00,000.00
KAVITA AGARWAL	20,00,000.00	20,00,000.00
MAA VINDHYAVASINI TOBACCO PVT. LTD.	54,05,000.00	50,00,000.00
MANI SONI	30,00,000.00	30,00,000.00
MI BUILDERS LTD.	65,00,000.00	65,00,000.00
MONAL INFRATECH	57,20,000.00	57,20,000.00
NEELAM MISHRA	20,00,000.00	20,00,000.00
NIRBHARANT AGARWAL	8,76,480.00	8,76,480.00
PANKAJ PURI	3,00,000.00	3,00,000.00
PARMARTH IRON PVT. LTD.	50,00,000.00	50,00,000.00
QADIRYA & ASSOCIATES P.LTD.	1,00,00,000.00	1,00,00,000.00
RAC TECHNOLOGIES	10,00,000.00	10,00,000.00
RAHUL MEHTA	2,00,000.00	2,00,000.00
RAJ KAPOOR	10,00,000.00	10,00,000.00
REWA CHEMICALS PVT. LTD.	35,26,750.00	35,26,750.00
RICH UNIVERSE NETWORK LTD	6,45,94,500.00	6,45,94,500.00
SAFARI CHEMICALS PVT. LTD.	35,00,000.00	35,00,000.00
SANJAY TANDON	2,00,000.00	2,00,000.00
SANJAY TANDON HUF	20,00,000.00	20,00,000.00
SARITA JAIN	20,00,000.00	20,00,000.00
SHIVA SHEESHAM MARKETING P LTD.	70,00,000.00	70,00,000.00
SHREYA STOCK & SHARES BROKING PVT. LTD.	2,75,000.00	2,75,000.00
SMN ASHWINI	20,00,000.00	20,00,000.00
SMN KISHORE BABU	10,00,000.00	10,00,000.00
SUJEET KUMAR SRIVASTAVA	25,00,000.00	25,00,000.00
VISHAL MALHOTRA	8,00,000.00	8,00,000.00
VISHWADOOT EDUCATIONAL TRUST	80,00,000.00	80,00,000.00
ZENO TRADERS AND SERVICES LIMITED	2,06,07,000.00	2,06,00,000.00
SHREE MAHALAXMI COMMODITY	87,00,000.00	87,00,000.00
REWA REFINERY PVT. LTD.	10,00,000.00	10,00,000.00
STRAIT CHEM (FZE)	8,30,193.00	8,30,193.00
JAY INDUSTRIES	1,27,230.00	1,27,230.00
	<b>24,02,62,153.00</b>	<b>24,00,66,153.00</b>

**3.1 Other non-current assets**



**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

Particular	31.03.2019	31.03.2018
<b>Trade Receivable</b>		
Unsecured Considered Good		
<b>Others</b>		
EARNEST MONEY	4,25,033.00	4,01,408.00
TDS A.Y. 2018-18	46,904.00	46,904.00
TDS A.Y. 2019-19	77,189.80	1,34,540.80
TDS A.Y. 2019-20	54,588.00	-
INPUT SCGT AND CGST	23,760.00	-
VAT A/C DELHI	72,048.00	72,048.00
ADVANCE FOR SHOPMETRO	1,00,000.00	1,00,000.00
SECURITY DEPOSIT ADJUSTABLE (RENT A/C)	8,65,555.00	8,65,555.00
SECURITY DEPOSIT FIXED (RENT A/C)	8,55,000.00	8,55,000.00
TAX ON REGULAR ASSESSMENT F.Y. 2011-12 (UNDER PROTEST)	6,65,320.86	6,65,320.86
	<b>31,85,398.70</b>	<b>31,40,776.66</b>

**3.2 Inventories**

Particular	31.03.2019	31.03.2018
<b>Others</b>		
Other	4,08,540.00	4,99,820.00
	<b>4,08,540.00</b>	<b>4,99,820.00</b>

**3.3 Trade receivables**

Particular	31.03.2019	31.03.2018
<b>Trade Receivable</b>		
Unsecured considered good		
Within Six Months		
BANSAL SUPPLIERS (TRADING A/c)	97,20,483.80	1,39,74,243.80
HORIZON PORTFOLIO LTD.	69,244.42	71,139.55
NIRBHARANT MANAGEMENT CONSULTANTS PVT. LTD	13,94,090.00	41,11,090.00
PRAKASH YADAV	20,000.00	20,000.00
	<b>1,12,03,818.22</b>	<b>1,81,76,473.35</b>

**3.4 Cash and cash equivalents**

Particular	31.03.2019	31.03.2018
Cash in Hand	3,41,141.20	1,19,286.20
<b>Balances With Banks</b>		
Balance With Scheduled Banks		
Current Account		
UCO BANK A/C NO.	-	6,403.76
YES BANK A/C NO.	45,000.00	-
RBL BANK A/C NO.	39,700.00	-
	<b>4,25,841.20</b>	<b>1,25,689.96</b>

**3.5 Other Current Assets**

Particular	31.03.2019	31.03.2018
<b>Advance to supplier</b>		
STAR ENTERPRISES	38,75,000.00	50,79,360.00
<b>Other Advances</b>		
NATIONAL DEPOSITORY SERVICES LIMITED	20,700.00	20,700.00
SUDHIR AGARWAL (HUF)	30,00,000.00	30,00,000.00
	<b>68,95,700.00</b>	<b>81,00,060.00</b>





**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**3.6 Revenue from operations**

Particular	31.03.2019	31.03.2018
<b>Sale of Products</b>		
<b>Traded Goods</b>		
SALES (TAX INVOICE)	3,38,000.00	76,44,000.00
SALES OF SHARES	2,53,33,532.66	3,42,01,288.50
SALES (OTHER)	-	1,15,47,917.00
	<b>2,56,71,532.66</b>	<b>5,33,93,205.50</b>

**3.7 Other income**

Particular	31.03.2019	31.03.2018
<b>Interest</b>		
INTEREST RECEIVED	5,19,203.00	13,19,829.00
PROVISIONS WRITTEN BACK	3,40,000.00	
INTEREST RECEIVED ON FDR	26,293.00	25,577.00
<b>Miscellaneous</b>		
M TO M	-	3,314.15
	<b>8,85,496.00</b>	<b>13,48,720.15</b>

**3.8 Purchases of Stock-in-Trade**

Particular	31.03.2019	31.03.2018
<b>Stock in Trade</b>		
PURCHASE TAX INVOICE	4,18,000.00	70,98,000.00
PURCHASE OTHER	-	1,04,61,800.00
PURCHASE SHARE	2,53,35,397.79	3,51,50,477.00
	<b>2,57,53,397.79</b>	<b>5,27,10,277.00</b>

**3.9 Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particular	31.03.2019	31.03.2018
<b>Opening</b>		
Other	4,99,820.00	-
	<b>4,99,820.00</b>	<b>-</b>
<b>Closing</b>		
Other	4,08,540.00	4,99,820.00
	<b>4,08,540.00</b>	<b>4,99,820.00</b>
<b>Increase/Decrease</b>		
Other	91,280.00	(4,99,820.00)
	<b>91,280.00</b>	<b>(4,99,820.00)</b>

**Details of Increase/Decrease in Inventory**

Particular	31.03.2019	31.03.2018
<b>Other</b>		
INCREASE / DECREASE IN CLOSING STOCK	91,280.00	(4,99,820.00)
	<b>91,280.00</b>	<b>(4,99,820.00)</b>

**4.0 Employee benefits expense**

Particular	31.03.2019	31.03.2018
<b>Salary Wages &amp; Bonus</b>		
SALARY A/C	14,90,000.00	14,59,000.00
	<b>14,90,000.00</b>	<b>14,59,000.00</b>



**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**4.1 Finance costs**

Particular	31.03.2019	31.03.2018
Bank Charges		
BANK CHARGES	1,101.90	2,507.45
	<b>1,101.90</b>	<b>2,507.45</b>

**4.2 Depreciation and amortisation expense**

Particular	31.03.2019	31.03.2018
Depreciation & Amortisation		
Depreciation Tangible Assets		
DEPRICIATION	1,390.01	2,044.44
	<b>1,390.01</b>	<b>2,044.44</b>

**4.3 Other expenses**

Particular	31.03.2019	31.03.2018
Administrative and General Expenses		
Auditors Remuneration		
AUDIT FEE	25,000.00	25,000.00
Selling Distribution Expenses		
Advertising Promotional Expenses		
ADVERTISEMENT & PUBLICITY EXP.	7,056.00	7,056.00
Other Expenses		
ACCOUNTANCY CHARGES	-	48,000.00
COMPUTER EXP.	-	8,460.00
CONVEYANCE	2,420.00	
DEMAT CHARGES	-	240.00
DEPOSITARY SERVICE CHARGES	43,482.00	1,03,500.00
ELECTRIC EXP.	6,000.00	69,390.00
GENERAL EXP.	-	3,995.00
LEGAL EXP.	42,440.00	-
LISTING FEES - BSE	8,10,385.00	7,89,782.00
MISC. EXP. A/C	-	7,693.33
OFFICE EXPENSES	113.00	16,610.00
POSTAGE & TELEGRAM	790.00	3,345.00
PRINTING & STATIONARY	3,100.00	7,950.00
REPAIR & MAINTENANCE	550.00	4,880.00
ROC EXPENSES	-	8,400.00
RENT	24,000.00	-
SHARE TRANSFER & REGISTRATION EXP	82,278.00	23,469.00
TELEPHONE EXP.	1,035.00	15,305.00
TRAVELLING EXPS.	-	78,835.00
WEBSITE MAINTENANCE CHARGES	-	2,000.00
AGM Expenses	7,650.00	21,500.00
	<b>10,56,299.00</b>	<b>12,45,410.33</b>

**4.4 Prior Period items**

Particular	31.03.2019	31.03.2018
Prior Period Income	-	4,19,440.00
	<b>-</b>	<b>4,19,440.00</b>



**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**4.5 Tax expense**

Particular	31.03.2019	31.03.2018
Current tax		
PROVISION FOR CURRENT TAX	-	57,351.00
	-	57,351.00

**4.6 Earnings per equity share**

Particular	31.03.2019	31.03.2018
<b>Earnings Per Equity Share</b>		
<b>Basic</b>		
Basic EPS Before Extra Ordinary Item	(0.11)	0.01
<b>Diluted</b>		
Diluted EPS Before Extra Ordinary Item	(0.11)	0.01
<b>Number of Shares used in computing EPS</b>		
Basic	1,71,26,360.00	1,71,26,360.00
Diluted	1,71,26,360.00	1,71,26,360.00
<b>Weighted Average Number of shares</b>		
Number of Shares for basic EPS calculation		
Number of shares for dilutive calculation	1,71,26,360.00	1,71,26,360.00

In terms of our attached report of even date  
For Rajani Mukesh & Associates  
Chartered Accountants,  
FRN : 004072C  
CA Mukesh Rajani  
(Proprietor)  
M. NO. 073098  
PAN : AAMPN6167J  
Date: 28.05.2019

For CITYON SYSTEMS (INDIA) LIMITED

Mukesh Kumar  
(Managing Director)  
(DIN : 06573251)

Gaya Prasad Gupta  
(Director)  
(DIN : 00335302)

For CITYON SYSTEMS (INDIA) LTD.

CHIEF FINANCIAL OFFICER

CITYON SYSTEMS( INDIA )LIMITED

ASSESSMENT YEAR : 2019-20

FINANCIAL YEAR : 2018-19

Statement of Depreciation Allowable under Income Tax Act, 1961

Asset	Rate of Dep.	Additional Dep.	WDV As At 31.03.2018	Additions		Sales During the Year	Deduction Sale during the year	Total As At 31.03.2019	Depreciation		WDV As At 31.03.2019
				For 180 days or more	For less than 180 days				Normal	Additional	
Computer	40%	0%	70.80	-	-	-	-	70.80	28.32	-	42.48
Plant & Machinery	15%	0%	1,19,951.15	-	-	-	-	1,19,951.15	17,992.67	-	1,01,958.48
Total Rupees			1,20,021.95	-	-	-	-	1,20,021.95	18,020.99	-	1,02,000.96





**CITYON SYSTEMS (INDIA )LIMITED**  
**215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002**  
**CIN : U72900DL2004PLC126096**

Deferred Tax Asset/Liability Calculation	Amt. Rs.
Depreciation as Per Co's Act	1,390
Depreciation as Per IT Act	18,021
Timing Difference	16,631
Tax on the Above @ 25%	4,158
Add: Education cess @ 3%	125
Deferred Tax Liability (A)	4,282
Timing Difference for Expense - Sec.40a(ia) - Expenses allowable in future years	
Timing Difference - Sec.43B	0
	0
Tax on the Above @ 25%	0
Add : Surcharge @ 5%	0
Add : Education @ 3%	0
Deferred Tax Asset (B)	0
Opening Deferred Tax Liability	23,665
Less: Current Year (Net)	4,282
Deferred Tax Liability	27,947



**CITYON SYSTEMS (INDIA) LTD.**  
**215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002**  
**CIN : U72900DL2004PLC126096**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2019**

	For the year Ended 31, March 2019 Amount (Rs.)	For the year Ended 31, March 2018 Amount (Rs.)
<b>Cash flows from operating activities</b>		
Net Profit as per Profit & Loss A/c	(18,36,440)	2,41,946
Adjustments for :		
Depreciation	1,390	2,044
Other Adjustments	-	12,228
Income Tax	-	57,351
<b>Operation profit before working capital changes</b>	<b>(18,35,050)</b>	<b>1,74,412</b>
<b>Change in Current Assets:-</b>		
Decrease (Increase) in Trade & Other Receivables	69,72,655	1,17,90,995
Decrease (Increase) in Inventory	91,280	(4,99,820)
Decrease (Increase) in Loans & Advances	-	-
Decrease (Increase) in Other Assets	-	-
<b>Change in Current Liabilities:-</b>		
Increase (Decrease) in Trade Payable	(2,14,788)	(1,62,67,978)
Increase (Decrease) in Other Cur. Liabilities	(1,22,653)	(39,902)
Increase (Decrease) in provisions	(3,77,251)	1,88,251
(Increase) Decrease in Other Cur. Assets	12,04,360	(81,00,060)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>57,18,553</b>	<b>(1,27,54,102)</b>
<b>Cash flows from investing activities</b>		
(Purchase) / Sale of Investment	-	-
Purchase of fixed Assets	-	-
Sale of fixed Assets	-	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Financing activities</b>		
Increase / (Repayment) of Secured/unsecured loans	(51,77,780)	(25,00,000)
Proceed from Loans & Advances	(1,96,000)	1,50,77,607
(Increase) / Repayment of Non Current Assets	(44,622)	(1,87,275)
Preliminary Expenses incurred	-	-
Increase from issue of Fresh capital	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(54,18,402)</b>	<b>1,23,90,332</b>
<b>Net increase(Decrease) in cash and cash equivalents</b>	<b>3,00,151</b>	<b>(3,63,770)</b>
<b>Cash and Cash equivalents beginning of year</b>	<b>1,25,690</b>	<b>4,89,460</b>
<b>Cash and Cash equivalents at end of year</b>	<b>4,25,841</b>	<b>1,25,690</b>

**Notes:1**

Figures in brackets indicate cash outflow

**Notes:2**

This is the cash flow statement referred to in our report of even date prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

In terms of our attached report of even date

For Rajanik Mukesh & Associates,

Chartered Accountants,

FRN : 004072C

CA Mukesh Rajanik  
(Proprietor)

M. NO. 0073098

PAN : AANPR5167D

Date: 28.05.2019

For CITYON SYSTEMS (INDIA) LIMITED

Mukesh Kumar      Gaya Prasad Gupta

(Managing Director)      (Director)

(DIN : 06573251)      (DIN : 00335302)

For CITYON SYSTEMS (INDIA) LTD

CHIEF FINANCIAL OFFICER

## PROXY FORM

{Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014}

ANNUAL GENERAL MEETING – SEPTEMBER 26, 2019

### CITYON SYSTEMS (INDIA) LIMITED

Regd. Office: 215, Delhi Chambers, Delhi Gate, Delhi -110002

CIN: L72900DL2004PLC126096

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

I / We, being the member(s) of the above named Company hold ..... shares, hereby appoint:

Name:	Address:
E-mail ID:	Signature:

or failing him/her

Name:	Address:
E-mail ID:	Signature:

or failing him/her

Name:	Address:
E-mail ID:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, September 26, 2019 at 3:30 p.m. at 215, Delhi Chambers, Delhi Gate, Delhi-110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Businesses

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31<sup>st</sup> March, 2019 including the Balance Sheet and the Profit and Loss Account of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and notes thereto and the Reports of Board of Directors and Auditor's thereon (Ordinary Resolution).
2. To appoint a Director in place of Mr. Abhishek Tandon (DIN: 03530860), who retires by rotation and being eligible, offers himself for re-appointment (Ordinary Resolution).
3. Ratification of Re-appointment of M/s Rajani Mukesh & Associates, Chartered Accountants, Kanpur as Statutory Auditor of the Company until the conclusion of next Annual General Meeting of the Company and fixing their remuneration (Ordinary Resolution).

### Special Business

4. Approval for appointment of Mr. Gaya Prasad Gupta (DIN: 00335302) as Director (Independent) of the Company for second term of five years (Special Resolution).
5. Approval for appointment of Mr. Om Prakash Agarwal (DIN: 03358726) as Director (Independent) of the Company for second term of five years (Special Resolution).
6. Approval for appointment of Mr. Anoop Srivastava (DIN: 06571462) as Director (Independent) of the Company for second term of five years (Special Resolution).
7. Approval for appointment of Mrs. Kavita Awasthi (DIN: 03106803) as Director (Independent) of the Company for second term of five years (Special Resolution).

Signed this ..... day of ..... 2019

Signature of shareholder: .....

Affix 1 Rupees Revenue Stamp
---------------------------------------

Signature of Proxy holder(s): .....

*Note: 1. 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.*

*2. A person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member*



## ATTEDANCE SLIP

ANNUAL GENERAL MEETING – SEPTEMBER 26, 2019

### CITYON SYSTEMS (INDIA) LIMITED

Regd. Office: 215, Delhi Chambers, Delhi Gate, Delhi - 110002

CIN: L72900DL2004PLC126096

DP ID/Client ID/Folio No.

No. of shares held

I certify that I am a member/proxy for the member of the Company.

I, hereby record my presence at the Annual General Meeting held on Thursday, September 26, 2019 at 3:30 p.m. at 215, Delhi Chambers, Delhi Gate, Delhi -110002.

Name of the Member

-----

Name of the Proxy

-----

Signature

-----

*Note: Please complete this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report for reference at the meeting.*

Route Map for Annual General Meeting of Cityon Systems (India) Limited

IDEA-H 10:59 AM 84%

☰ Dariya Ganj ✕ 🎤

CHA BULAKI BEGAM

Urdu Bazar Rd

AN MEHAL

Chitli Qabar Chowk

KUCHA CHELAN

CHANDNI MAHAL

AN GATE

Asaf Ali Rd

Jawaharlal Nehru Marg

Allah Hospital

Feroz Shah Kotla Stadium Delhi

Maulana Azad

Saty

Red Fort Delhi Gate

Shantivana Marg

Shantivan

Ansari Rd

Google

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**Dariya Ganj**

Dariya Ganj, New Delhi, Delhi 110002

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