

CITYON

19th ANNUAL REPORT 2022-23

CITYON SYSTEMS (INDIA) LIMITED

CIN: L72900DL2004PLC126096

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

Ph. No.: 7054865564

E-mail: info@cityonsystems.in, cityonsystems1@rediffmail.com

Website: cityonsystems.in

BOARD OF DIRECTORS

Mr. Mukesh Kumar (DIN:06573251)

Managing Director

Mr. Abhishek Tandon (DIN:03530860)

Director

Mr. Gaya Prasad Gupta (DIN:00335302)

Director

Mr. Anoop Srivastava (DIN: 06571462)

Director

Kavita Awasthi (DIN: 03106803)

Director

Company Secretary

Radhika Jhunjhunwala

Chief Financial Officer

Ashok Kumar Sharma

Statutory Auditors:

M/s Rajani Mukesh & Associates

Chartered Accountants,

510, Prem Ratan Vaitka,

7/180, Swaroop Nagar, Kanpur -208002

Secretarial Auditors:

CS Vaibhav Agnihotri

M/s. V. Agnihotri & Associates

Company Secretaries

401, Kan Chambers, 14/113,

Civil Lines, Kanpur - 208001

Registered Office:

215, Delhi Chambers, Delhi Gate, Delhi

– 110002

CIN: L72900DL2004PLC126096

Registrar & Transfer Agent:

Skyline Financial Services Pvt. Ltd.

D-153/A, 1st Floor, Okhla Industrial Area,

Phase 1, New Delhi - 110020

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

E-mail: admin@skylinerta.com

Banker

Canara Bank

INDEX

S. No.	Content	Page No.
1	Notice	1-10
2	Director's Report	11-21
3	Secretarial Audit Report	22-27
4	CFO-CEO Certification	28
5	AOC-2	29
6	Management Discussion & Analysis Report	30-31
7	Auditor's Report	32-41
8	Balance Sheet	42
9	Cash Flow Statement	43
10	Profit & Loss Account	44
11	Notes to accounts	45-54
12	Significant Accounting Policies	55-57

Managing Director's letter

Dear Shareholders,

I hope this letter finds you in good health and high spirits. As we approach the end of the fiscal year, it is my responsibility to provide you with an update on the performance of our company. While it is regrettable to inform you that our performance for the current year has fallen slightly below our expectations and the previous year's results, we firmly believe in our ability to overcome challenges and achieve better outcomes in the coming years.

Over the past year, we faced several unforeseen circumstances that had a significant impact on our operations. Despite our best efforts, we experienced a decline in revenue and reported losses. However, it is crucial to understand that these setbacks are not reflective of our long-term potential. Our team has been working diligently to identify the root causes of our performance challenges and implement strategic measures to address them effectively.

We have taken steps to optimize our operational efficiency and streamline our internal processes. By implementing cost-saving measures and leveraging digital solutions, we have made significant progress in enhancing our productivity and reducing overhead expenses. These efforts will contribute to our ability to navigate challenging market conditions and improve our profitability in the long run.

As always, we appreciate the trust and confidence you have placed in us as shareholders. Your continued support and belief in our company motivate us to strive for excellence and deliver long-term value. We remain dedicated to transparency and open communication, and we will keep you informed of our progress at regular intervals.

In conclusion, although the current year's performance has been challenging, we are optimistic about the future. With our resilient spirit, strategic initiatives, and the dedication of our exceptional team, we are confident in our ability to rebound and achieve superior results in the years to come.

Thank you for your continued support and investment in our company. We are grateful for your unwavering commitment, and we look forward to a brighter future together.

With warm regards,

Yours sincerely

SD/-

MUKESH KUMAR
(Managing Director)

NOTICE

Notice is hereby given that the 19th Annual General Meeting of Shareholders of **Cityon Systems (India) Limited** will be held on Thursday, September 21st, 2023 at 03:00 P.M. at the registered office of the company at 215, Delhi Chambers, Delhi Gate, Delhi - 110002, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2023 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 reenactment(s) thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, as recommended by the Board of Directors of the Company M/s Srivastava S & Co. Chartered Accountants (ICAI Firm Registration No. 015187C), be and are hereby appointed as Statutory Auditors of the Company, to fill the casual vacancy caused due to the resignation of Rajani Mukesh & Associates, Chartered Accountants, Kanpur (ICAI Firm Registration No.: 004072C), to hold office for a period of 5 years from the conclusion of this, the 19th Annual General Meeting (AGM) of the Company till the conclusion of the 24th AGM of the Company to be held for the financial year 2027 - 2028 to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of Members be and is hereby accorded to continue to hold office of, Mr. Gaya Prasad Gupta (DIN: 00335302), Independent Director of the company, till his current tenure of appointment which ends on 29.04.2024 notwithstanding that Mr. Gaya Prasad Gupta has already crossed 75 years of age on 30.03.2023."

FOR CITYON SYSTEMS (INDIA) LIMITED

Sd/-
(Radhika Jhunjunwala)
Company Secretary
M. No.: A38550

Place: - Delhi
Date: - 22.08.2023

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy Form should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books will remain closed from **September 15th, 2023 to September 21st, 2023** (both days inclusive) for the purpose of AGM.
5. Shareholders are requested to promptly notify any changes in their address to the Company's Registrar and Share Transfer Agents, **Skyline Financial Services Private Limited**
6. Members who have not registered their e-mail id addresses so far are requested to register their email address in case of physical holding with the Company and in case of demat holding with the Depository Participant.
7. Electronic copy of the notice of the 19th Annual General Meeting of the Company inter alia indicating the e-voting procedure along with the attendance slip and proxy form is being sent to all the members whose e-mail address are registered with the Company/Depository Participant for communication purposes unless any member has requested for a hard copy of the same.
8. All documents referred to in the Notice and the annexure to notice shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the 19th Annual General Meeting of the Company.
9. Members are requested to bring their identity cards along with copy of Annual Report to the Meeting.
10. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company Secretary, so as to reach at least 7 days before the date of meeting, to enable the information required to be made available at the Meeting, to the extent possible.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat / electronic form, the nomination form may be filed with the respective Depository Participant.

12. Corporate Members are requested to send to the Company, a duly certified copy of the Board resolution/Power of Attorney, authorizing their representatives to attend and vote at the Annual General Meeting.

13. With reference to Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, your company is listed on SME Platform of BSE under the regulation of chapter X of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, Erstwhile chapter XB of SEBI (Issue of Capital and Disclosure Requirement) Regulations 2009, is not required to provide the e-voting process for the consideration of resolutions, proposed at the General Meeting.

ELECTRONIC DISPATCH OF ANNUAL REPORT-

In accordance with, the General Circular No. 2/2021 dated 13th January, 2021 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Information of Directors 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 -II-

Name of the Director	Mr. Abhishek Tandon
Date of Birth	14.03.1983
Date of Appointment on the Board	21.05.2013
Number of Shares held in the Company	Nil
Number of Meetings of the Board attended/held	4/4
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
Expertise	Finance and Investment
Relationship between director's inter-se, if any	No

Name of the Director	Mr. Gaya Prasad Gupta
Date of Birth	20/03/1948
Date of Appointment on the Board	02/01/2008
Number of Shares held in the Company	Nil
Number of Meetings of the Board attended/held	4/4
Directorships held in other public companies(excluding foreign companies and Government Bodies)	2
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
Expertise	Business and Trade
Relationship between director's inter-se, if any	No

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Mr. Gaya Prasad Gupta, Independent Director, was appointed on the Board of the company on 02/01/2008 in compliance of Section 149 of the Companies Act, 2013, and his appointment as an Independent Director of the company for a fixed term of 5 years was made at the Annual General Meeting held on 26.09.2019 His current term in the office of Independent Director is up to 29.09.2024.

Mr. Gaya Prasad Gupta is currently holding the Chairman position of and Nomination and Remuneration Committee of the Board. He is also a member of Audit Committee and Stakeholder Relationship Committee

In terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015—

[(1A) No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.]

Recently, on 20.03.2023 he has attained the age of 75 years and hence, as per the requirement of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a special resolution needs to be passed seeking the approval of the shareholders for continuation of his/her directorship in the company.

However this clause is not applicable to our company as we are listed on Innovators Growth Platform (IGP) exchange of BSE and are exempted from the provisions of Corporate Governance.

As a company with good corporate governance, we are voluntarily complying with the provisions of SEBI (LODR), 2015

Mr. Gaya Prasad Gupta (75) is very experienced person and have knowledge in the various fields, and the Board is considering that appointment of Mr. Gaya Prasad Gupta as Independent Director of the Company will be beneficial for the Company. The Board is of the opinion that the continued valuable contribution of Mr. Gaya Prasad Gupta could be of great help as he is the oldest member in the Board of Directors of the company as has been successfully running the company for more than a decade.

Other than Mr. Gaya Prasad Gupta, none of the Directors, Key Managerial Personnel of the company and their respective relatives, are concerned or interested in the above Resolution, financially or otherwise.

The Board commends the above-mentioned Resolution as set out in Item No. 4. as a Special Resolution for your approval.

FOR CITYON SYSTEMS (INDIA) LIMITED

Sd/-

(Radhika Jhunhunwala)

Company Secretary

M. No.: A38550

Place: - Delhi

Date: - 22.08.2023

ATTENDANCE SLIP

19th ANNUAL GENERAL MEETING – SEPTEMBER 21ST, 2023

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 19th Annual General Meeting held on Thursday, September 21, 2023 at 03:00 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.

PROXY FORM

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

19th ANNUAL GENERAL MEETING – SEPTEMBER 21ST, 2023
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:

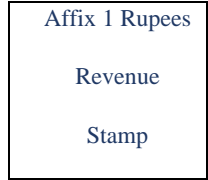
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company, to be held on Thursday, September 21, 2023 at 03:00 p.m. at 215, Delhi Chambers, Delhi Gate, Delhi – 110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTION	VOTE	
		FOR	AGAINST
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2023		
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 appoint M/s Srivastava S & Co. Chartered Accountants as Statutory Auditors for a period of 5 years.		

4.	To continue holding office of, Mr. Gaya Prasad Gupta (DIN: 00335302), as Independent Director of the company		
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Signed this day of 2023.

Signature of shareholder:



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.

ROUTE MAP TO THE VENUE OF AGM

215, DELHI CHAMBERS, DELHI GATE, DELHI - 110002



DIRECTOR'S REPORT

Your directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts for the year ended on **31st March, 2023**.

1. FINANCIAL RESULTS:

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

	Amount in (Rs.)	
<u>2. PARTICULARS ENDED</u>	<u>FINANCIAL YEAR</u>	
	<u>31.03.2023</u>	<u>31.03.2022</u>
Total Revenue	83,146.51	550,691.68
Total Expenses	9,97,643.96	1,129,793.81
Profit/ (Loss) before Prior Period Items and Tax (PBT)	(9,14,497.45)	(5,79,102.13)
Add: Prior Period Items	00.00	00.00
Profit/(Loss) before Tax	(9,14,497.45)	(5,79,102.13)
Less: Provision for taxation (including deferred tax)	2,442.00	2,874.00
Profit after Tax (PAT)	(9,16,939.45)	(5,81,976.13)
EPS (Basic)	(0.05)	(0.03)
Diluted	(0.05)	(0.03)

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:

The Board of Directors does not recommend any dividend due to loss incurred during the financial year.

CHANGES IN SHARE CAPITAL:

There has been no change in Share Capital of the company during the year.

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, if any have been disclosed in the financial statements.

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

The nature of business of the Company during the year remains unchanged.

TRANSFER TO RESERVES:

No amount was transferred to Reserve and Surplus Account during the year, due to loss incurred by the company.

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:**

There has been no change in the directors of the company during the financial year.

Mr. Abhishek Tandon (DIN: 03530860) retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his 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 has not been change in Key Managerial Personnel(s) during the financial year 2022-23.

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 read with rules made thereunder and pursuant to the regulations 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 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:

M/s. Rajani Mukesh & Associates, Chartered Accountants, Kanpur (ICAI Firm Registration No.: 004072C) existing Statutory auditors of the company expressed their inability to continue as statutory auditors of the company due to poor health.

Further board of directors have proposed the name of M/s Srivastava S & Co. Chartered Accountants (ICAI Firm Registration No. 015187C) to the shareholders for their approval for their appointment as Statutory Auditors of the company in ensuing Annual General Meeting who have given their consent for the same to fill the casual vacancy caused by the resignation of M/s Rajani Mukesh & Associates.

The auditor's report for the financial year 2022-2023 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 M/s V. Agnihotri & Associates, Practising Company Secretaries, Kanpur to undertake the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for financial year 2022-23 is annexed, which forms part of this report as Annexure-A.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year, if any 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.

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 following Directors namely:

DIN	NAME OF DIRECTOR	CATEGORY	DESIGNATION
03106803	Kavita Awasthi	Independent Director	Chairman
00335302	Gaya Prasad Gupta	Independent Director	Member
06571462	Anoop Srivastava	Independent Director	Member
06573251	Mukesh Kumar	Executive Director	Member

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 which are as follows : 28/05/2022, 19/08/2022, 10/11/2022, 16/02/2023.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee comprises of the following directors namely

DIN	NAME OF DIRECTOR	CATEGORY	DESIGNATION
06571462	Anoop Srivastava	Independent Director	Chairman
00335302	Gaya Prasad Gupta	Independent Director	Member
03106803	Kavita Awasthi	Independent Director	Member

The Committee has met once during the year on 19/08/2022, 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 Committee comprises of the following directors namely

DIN	NAME OF DIRECTOR	CATEGORY	DESIGNATION
00335302	Gaya Prasad Gupta	Independent Director	Chairman
03106803	Kavita Awasthi	Independent Director	Member
06571462	Anoop Srivastava	Independent Director	Member

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 twice during the year on 19/08/2022 and 27/02/2023

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:

Four meetings of the Board were held during the years which are as follows: **28/05/2022, 19/08/2022, 10/11/2022 and 16/02/2023**. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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
Mr. Mukesh Kumar	Executive Director, Managing Director	4	4	Yes	0
Mr. Abhishek Tandon	Non-Executive - Non Independent Director	4	4	No	0
Mr. Gaya Prasad Gupta	Non-Executive - Independent Director	4	4	Yes	2
Mr. Anoop Srivastava	Non-Executive - Independent Director	4	4	Yes	6
Mrs. Kavita Awasthi	Non-Executive - Independent Director	4	4	No	2

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 to section 135 of the Companies Act 2013 of Corporate Social Responsibility are not applicable on the Company.

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details pursuant to Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are as stated as under:-

S. No.	Requirement of Rule 5(1)	Disclosure
1	The ratio of remuneration of each director to the median remuneration of the employees for the financial year.	Mukesh Kumar (MD) : is drawing remuneration 0.53 times the median remuneration of the employees.
2	Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year.	Percentage increase in remuneration of: a)Directors:- N/A b) MD:- N/A c)CFO:- N/A d) CEO:- N/A e)Company Secretary:-N/A
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	N/A
4	The number of permanent employees on the rolls of the Company	There was 3 employees on the rolls of the Company as on March 31, 2023.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-2022 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	N/A
6	Affirmation that the remuneration is as per the remuneration policy of the Company	We affirm that the remuneration paid to employees and KMPs was based on the Remuneration Policy.

A) Details of every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

- Drawing salary of 1.02 Crore or above for the Year, if employed throughout the year- NIL
- Drawing salary of 8.5 Lakhs p/m or above for a month, if employed for part of the year- NIL
- Drawing salary more than the salary of MD and having 2% stake in the Company- NIL

B) No Managing Director or Whole-Time Director of the Company is receiving any commission from the Company as well as from the Holding Company or Subsidiary Company of the Company.

INDEPENDENT DIRECTORS MEETING:

The Independent Directors met on **16th February, 2023**, 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:

Pursuant to the provisions of Regulation 15 (2) (b) which is stated hereunder:

“The compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24,[24A,] 25, 26, 27 and clauses (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply, in respect of –

(b) [a] listed entity which has listed its specified securities on the SME Exchange: [Provided that for other listed entities which are not companies, but body corporate or are subject to regulations under other statues, the provisions of corporate governance provisions as specified in regulation 17, [17A,] 18, 19, 20, 21, 22, 23, 24, 59[24A,] 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall apply to the extent that it does not violate their respective statutes and guidelines or directives issued by the relevant authorities.]

Since our company is listed on Innovators Growth Platform (erstwhile ITP) of BSE SME Exchange. Therefore, the clauses of Corporate Governance is not applicable on us however we have complied the provisions of Corporate Governance as and when required for good corporate management practices.

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:

There were no complaints received during the financial year 2022-23 and hence no complaint is outstanding as on 31.03.2023 for redressal. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB- SECTION (12) OF SECTION 143, IF ANY:

There is no such reporting by the auditor.

MAINTENANCE OF COST RECORDS BY THE COMPANY:

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

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNTS OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASON THEREOF

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institution.

THE WEB ADDRESS, WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED

The Annual Returns of the company for the previous financial years are available at <https://www.cityonsystems.in/general-4> for convenience of the shareholders.

KEY FINANCIAL RATIOS FOR THE F.Y 2022-2023 AS COMPARED TO F.Y 2021-2022

Ratio	F.Y 2022-2023	F.Y 2021-2022
Debtors Turnover	NA	NA
Inventory Turnover	NA	0.06
Interest Coverage Ratio	NA	NA
Current Ratio	0.58	0.51
Debt Equity Ratio	0.44	0.45

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

	Sd/-	Sd/-
Place: Delhi	(Mukesh Kumar)	(Gaya Prasad Gupta)
Date: 22.08.2023	Managing Director	Director
	DIN: 06573251	DIN: 00335302

ANNEXURE – A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2023

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

To,
The Members,
CITYON SYSTEMS (INDIA) LIMITED
CIN: L72900DL2004PLC126096
215, Delhi Chambers, Delhi Gate,
New Delhi- 110002

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **CITYON SYSTEMS (INDIA) LIMITED** (hereinafter called the Company) for the Period ended on 31.03.2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **CITYON SYSTEMS (INDIA) LIMITED** (the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and; authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023 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:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by “the Company” for the financial year ended on 31st March 2023, to the extent applicable, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable 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 (Prohibition of Insider Trading) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the year);**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable during the year);**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable during the year);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the year);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable during the year);**

(vi) Other Acts- As per the information provided by the company its officers and authorize representative there is no such other act /s applicable specifically to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (as amended from time to time)

(ii) The Listing Agreements/ LODR entered into by the Company with BSE Limited, (ITP Platform)

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 reporting.

1. SEBI (Recovery and Refund Department) had issued a Notice of Demand against the Promoter of the Company, Mr. Sanjay Kumar pursuant to its Order /KS/VS/2019-2020/6967-6968 dated 27th February 2020. Penalty was imposed by Adjudicating officer vide Order dated 27th February 2020 of Rs. 2,00,000/- .In addition to that SEBI Recovery and Refund Department has also send a Notice of Attachment of Bank accounts and Demat accounts of the Promoter, Mr. Sanjay Kumar. It was stated by the management last year that the matter will be dealt in the financial year 2021-22, however as on date the matter is still pending for action.
2. As informed by the management, the Annual Listing Fee has not been paid by the Company for the financial year 2022-2023

We further report that based on the information provided by the company, its officers and its authorized representatives during the conduct of the audit , and also on the report by respective department heads /Company Secretary/CFO , taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exist in the company to monitor and to ensure the compliance with applicable general laws such as labour laws and environmental laws to the extent applicable to it.

We further report, that the compliance by the company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We 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/ KMP that took place during the period under review were carried out in compliance with the provisions of the Act. None of the directors were disqualified during the year. Mr. Mukesh Kumar who was liable to retire by rotation was duly re-appointed in the Annual General Meeting held on 21.09.2022.

Rajani Mukesh & Associates were re-appointed as statutory auditors of the company for a further period of 5 years till the conclusion of the Annual General Meeting of the Company to be held in 2026-2027 and proper compliance in regard to the same was complied with.

The board met four (4) times during the year which took place on 28.05.2022; 19.08.2022; 10.11.2022; and 16.02.2023. Further the Annual General Meeting of the Company took place on 21.09.2022. The Register of Members and the share transfer books were closed from 14.09.2022 to 21.09.2022 for the purpose of Annual General Meeting of the Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. In addition to this, 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 decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that the all the meetings of the Committees took place as per the Compliance of Secretarial standards -1 as issued by the Institute of Company Secretaries of India.

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

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.

Date: 22/08/2023

Place: Kanpur

For V. Agnihotri & Associates.

SD/-

(Prop: Vaibhav Agnihotri)

FCS No. 10363

C P No.: 21596

UDIN: F010363E000820141

Peer Review No :2065/2022

“ANNEXURE – A” TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
CITYON SYSTEMS (INDIA) LIMITED
CIN: L72900DL2004PLC126096
215, Delhi Chambers, Delhi Gate,
New Delhi- 110002

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

1. Maintenance of Secretarial records 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 have 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 and standards is the responsibility of the management. Our examination was limited to the verification of procedures 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.

Place: Kanpur

Date: 22/08/2023

For V. Agnihotri & Associates.

SD/-

(Prop: Vaibhav Agnihotri)

FCS No. 10363

C P No.: 21596

UDIN: F010363E000820141

Peer Review No :2065/2022

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, 2023 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

Date : 27.05.2023

Place: Delhi

Sd/-

Mukesh Kumar
Managing Director
DIN: 06573251

Sd/-

Ashok Kumar Sharma
Chief Financial Officer

Annexure B**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 2022-23.

Management Discussion & Analysis

ECONOMIC OVERVIEW

During the financial year 2022-23 the economy showed a positive growth at the rate of 7.2% and steady increase in Sensex and Nifty of the Stock Market. It was a favourable year for the businesses operating in the Indian Market.

FINANCIAL PERFORMANCE

2022-2023 was a challenging period for our company , as we faced numerous headwinds that impacted our financial performance. Despite our concerted efforts, we recorded higher losses compared to the previous year amounting to 9,16,939.45.

BUSINESS STRATGEY ANALYSIS AND OUTLOOK

The company consistently conducts thorough reviews of its business strategy, aiming to forecast and attain the most fruitful results for the future. It proactively pursues diversification into new avenues whenever the need arises, with a strong expectation of future profitability.

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 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 acknowledges that its achievements are intricately linked to the effectiveness of its human resources. To drive growth, the company has made substantial investments in both people and infrastructure. By fostering a supportive work environment, the company ensures equal opportunities for growth and challenges for all employees. It places great emphasis on cultivating business leaders by attracting top talent from the industry, providing them with opportunities, empowering them through delegated responsibilities, offering training, and nurturing their professional development.

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, PremRatanVatika,

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

Phones: Off. 0512-3043251, Mob : 09839035251, 09307925209

e-mail : rajani.ca@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of CITYON SYSTEMS INDIA LIMITED, DELHI.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CITYON SYSTEMS INDIA LIMITED, 215, Delhi Chambers, Delhi Gate, Delhi ("the Company")** which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its Loss, and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprise the information obtained at the date of this auditor's report , but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and , in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements , the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing , as applicable , matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternatives but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" 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 purpose of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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)With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. 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,
FRN. 004072C

SD/-

(CA MUKESH RAJANI)
Proprietor

M.No.: 073098
PAN: AANPR6167J

PLACE: New Delhi
DATED: 27.05.2023

"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, 2023:

(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 program 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 accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(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, there are following dues of income tax outstanding on account of any dispute:

Nature of dues/Payments	Amount due(Rs in Lacs)	Period of which the amount relates	Forum where amount is pending
Income Tax	760.58	A.Y 2010-11	CIT appeals
Income Tax	452.37	A.Y 2011-12	CIT appeals
Income Tax	867.59	A.Y 2012-13	CIT appeals
Income Tax	297.79	A.Y 2013-14	CIT appeals
Income Tax	48.31	A.Y 2014-15	CIT appeals
Income Tax	23.16	A.Y 2015-16	CIT appeals
Income Tax	19.18	A.Y 2016-17	CIT appeals

(viii) The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) 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.

(x) 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.

(xi) 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.

(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)** The company does have an internal audit system commensurate with the size and nature of its business. Reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- (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 to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- (xvii)** The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (XVIII)** There has been no instance of any resignation of the statutory auditors occurred during the year.
- (XIX)** No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
- (XX)** This clause is not applicable to the company.
- (XXI)** This clause is not applicable to the company.

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

SD/-

(CA MUKESH RAJANI)
Proprietor

M.No.: 073098
PAN: AANPR6167J

PLACE: New Delhi

DATED: 27.05.2023

"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, 2023 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, 2023, 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**

**PLACE: NEW DELHI
DATE: 27.05.2023**

**SD/-
(C.A.MUKESH RAJANI)
Proprietor
M.No.:073098
PAN:AANPR6167J**

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096
BALANCE SHEET AS AT 31.03.2023

(In Rs.)

Balance Sheet as at	Note	31.03.2023	31.03.2022
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2.1	17,12,63,600.00	17,12,63,600.00
(b) Reserves and surplus	2.2	2,49,68,170.23	2,58,85,109.68
		19,62,31,770.23	19,71,48,709.68
2. Non-current liabilities			
(a) Long-term borrowings	2.3	8,69,53,425.00	8,94,28,425.00
(b) Deferred tax liabilities (Net)	2.4	40,626.57	38,184.57
		8,69,94,051.57	8,94,66,609.57
3. Current liabilities			
(a) Trade payables	2.5		
(A) total outstanding dues of micro enterprises and small enterprises.			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		2,74,11,385.00	2,78,09,385.00
(b) Other current liabilities	2.6	-	-
(c) Short-term provisions	2.7	7,83,877.00	8,08,877.00
		2,81,95,262.00	2,86,18,262.00
TOTAL		31,14,21,083.80	31,52,33,581.25
II. ASSETS			
(1) Non Current Assets			
(a) Property, Plant and equipment	2.8	26,206.64	26,206.64
(b) Non-current investments	2.9	5,67,71,122.00	5,67,71,122.00
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	3.0	22,28,16,058.00	22,84,17,758.00
(e) Other non-current assets	3.1	1,54,98,018.66	1,54,14,938.66
		29,51,11,405.30	30,06,30,025.30
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	3.2	5,30,838.00	2,50,140.00
(c) Trade receivables	3.3	1,05,64,573.80	1,06,36,646.55
(d) Cash and cash equivalents	3.4	21,10,577.70	5,44,730.40
(e) Short Term Loans & Advances	3.5	30,24,529.00	30,24,529.00
(d) Other current assets	3.6	79,160.00	1,47,510.00
		1,63,09,678.50	1,46,03,555.95
TOTAL		31,14,21,083.80	31,52,33,581.25

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

Summary of Significant Accounting Policies and other explanatory information. 1

The notes on accounts form an integral part of the financial statements.

For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

For CITYON SYSTEMS (INDIA)LIMITED

SD/-
Mukesh Kumar
(Managing Director)
(DIN : 06573251)

SD/-
Gaya Prasad Gupta
(Director)
(DIN : 00335302)

SD/-
CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 27.05.2023
UDIN: 23073098BGVZY2884

SD/-
Ashok K. Sharma
(C.F.O.)

SD/-
Radhika Jhunjhunwala
(Company Secretary)

CITYON SYSTEMS (INDIA) LTD.
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2023

	For the year Ended 31, March 2023 Amount (Rs.)	For the year Ended 31, March 2022 Amount (Rs.)
Cash flows from operating activities		
Net Profit as per Profit & Loss A/c	(9,14,497.45)	(5,79,102.13)
Adjustments for :		
Depreciation	-	-
Other Adjustments	-	-
Prior Period Income Tax Exp	-	(2,318.00)
Operation profit before working capital changes	(9,14,497.45)	(5,81,420.13)
Change in Current Assets:-		
Decrease (Increase) in Trade & Other Receivables	72,072.75	5,39,252.37
Decrease (Increase) in Inventory	(2,80,698.00)	(86,790.00)
Decrease (Increase) in Loans & Advances	-	-
Decrease (Increase) in Other Assets	-	-
Change in Current Liabilities:-		
Increase (Decrease) in Trade Payable	(3,98,000.00)	(4,12,010.00)
Increase (Decrease) in Other Cur. Liabilities	-	-
Increase (Decrease) in provisions	(25,000.00)	(3,92,508.00)
(Increase) Decrease in Other Cur. Assets	68,350.00	(45,000.00)
NET CASH FROM OPERATING ACTIVITIES	(14,77,772.70)	(9,78,475.76)
Cash flows from investing activities		
(Purchase) / Sale of Investment	-	-
Purchase of fixed Assets	-	-
Sale of fixed Assets	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
Cash flows from Financing activities		
Increase / (Repayment) of Secured/unsecured loans	(24,75,000.00)	(6,14,000.00)
Proceed from Loans & Advances	56,01,700.00	12,11,250.00
(Increase) / Repayment of Non Current Assets	(83,080.00)	-
Preliminary Expenses incurred	-	-
Increase from issue of Fresh capital	-	-
NET CASH FROM FINANCING ACTIVITIES	30,43,620.00	5,97,250.00
Net increase(Decrease) in cash and cash equivalents	15,65,847.30	(3,81,225.76)
Cash and Cash equivalents beginning of year	5,44,730.40	9,25,956.16
Cash and Cash equivalents at end of year	21,10,577.70	5,44,730.40

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 CITYON SYSTEMS (INDIA) LIMITED

For Rajani Mukesh & Associates,
Chartered Accountants,

FRN : 004072C

SD/-	SD/-
Mukesh Kumar	Gaya Prasad Gupta
(Managing Director)	(Director)
(DIN : 06573251)	(DIN : 00335302)

SD/-
CA Mukesh Rajani
(Proprietor)

M. NO. : 073098
PAN : AANPR6167J
Date: 27.05.2023

SD/-	SD/-
Ashok K. Sharma	Radhika Jhunjunwala
(C.F.O.)	(Company Secretary)

CITYON SYSTEMS (INDIA) LTD.
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

(In Rs.)

Statement of Profit and Loss for the	Note	31.03.2023	31.03.2022
Revenue from operations	3.7	25,868.71	99,840.98
Other income	3.8	57,277.80	4,50,850.70
Total Revenue		83,146.51	5,50,691.68
Expenses			
Purchases of Stock-in-Trade	3.9	25,892.96	99,944.05
(Increase)/Decrease in inventories of finished goods	4.0	(2,80,698.00)	(86,790.00)
work-in-progress and Stock-in-Trade			
Employee benefits expense	4.1	3,00,000.00	8,76,000.00
Finance costs	4.2	1,050.00	7,203.76
Depreciation and amortization expense	4.3	-	-
Other expenses	4.4	9,51,399.00	2,33,436.00
Total expenses		9,97,643.96	11,29,793.81
Profit before prior period items and tax		(9,14,497.45)	(5,79,102.13)
Prior Period Items	4.5	-	-
Profit before tax		(9,14,497.45)	(5,79,102.13)
Tax expense:	4.6		
Current tax		-	-
Deferred tax		2,442.00	2,874.00
Profit (Loss) for the period from continuing operations		(9,16,939.45)	(5,81,976.13)
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit (Loss) for the period		(9,16,939.45)	(5,81,976.13)
Earnings per equity share:	4.7		
Basic		(0.05)	(0.03)
Diluted		(0.05)	(0.03)

In terms of our attached report of even date

For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

For CITYON SYSTEMS (INDIA)LIMITED

SD/-
Mukesh Kumar
(Managing Director)
(DIN : 06573251)

SD/-
Gaya Prasad Gupta
(Director)
(DIN : 00335302)

SD/-
CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 27.05.2023

SD/-
Ashok K. Sharma
(C.F.O.)

SD/-
Radhika Jhunjunwala
(Company Secretary)

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

2.1 Share Capital

Particular	In ` Rs	
	31.3.2023	31.03.2022
Authorised		
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
Issued		
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
Subscribed		
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
Paid-up		
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	31.03.2023	% Held	31.03.2022	% 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

Details of Equity Shares held by Promoters in the company are as under:-

S.No	Name	No. of Shares	% of total shares	% Change during the year
1	ANKUR AGARWAL	29,50,788	17.23	-
2	MUKASH KUMAR	26,87,332	15.69	-
3	OM PARKASH JAISWAL	2,00,400	1.17	-
4	SANDEEP JINDAL	2,00,400	1.17	-
5	SANJAY KUMAR	1,75,400	1.02	-
6	PRANAV SARIN	64,240	0.38	-
7	ASHOK KUMAR SHARMA	2,800	0.02	-
	Total	62,81,360	36.68	-

2.2 Reserve and Surplus

Particular	31.03.2023	31.03.2022
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	(29,70,330.32)	(23,86,036.19)
Amount Transferred From Statement of P&L	(9,16,939.45)	(5,81,976.13)
Appropriation and Allocation		
INTEREST ON TDS	-	(2,318.00)
Others	-	-
	(38,87,269.77)	(29,70,330.32)
	2,49,68,170.23	2,58,85,109.68

2.3 Long Term Borrowings

Particular	31.03.2023	31.03.2022
Others		
Unsecured		
BIG BROKER HOUSE STOCKS LTD.	3,20,881.00	3,20,881.00
CITYON SOLAR LTD.	1,62,28,342.00	1,62,28,342.00
NIKKI GLOBAL FINANCE LTD.	1,51,000.00	2,81,000.00
AUTEM CONSULTANCY SERVICES LIMITED	1,95,00,000.00	1,95,00,000.00
RICH UDYOG NETWORK LTD.	4,68,33,202.00	4,91,78,202.00
KPK FINANCE CONSULTANCY PVT. LTD	39,20,000.00	39,20,000.00
	8,69,53,425.00	8,94,28,425.00

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

2.4 Deferred Taxes

Particular	31.03.2023	31.03.2022
Deferred Tax Liabilities	40,626.57	38,184.57
	40,626.57	38,184.57

2.5 Trade Payables

Particular	31.03.2023	31.03.2022
Creditors Due others		
CITYON NANO TECHNOLOGY PVT. LTD. (TRADING A/c)	69,55,719.00	69,55,719.00
SKYLINE FINANCIAL SERVICES PVT. LTD.	2,83,223.00	2,83,223.00
SHASHWAT AGARWAL	1,29,47,375.00	1,29,47,375.00
SUDHIR AGARWAL	66,99,850.00	66,99,850.00
SHREE NEELKANTH BUILDERS	25,218.00	25,218.00
MANJU RANI AGARWAL	5,00,000.00	5,00,000.00
NEW E WORLD SERVICES LTD	-	3,98,000.00
	2,74,11,385.00	2,78,09,385.00

2.6 Other Current Liabilities

Particular	31.03.2023	31.03.2022
Others		
	-	-

2.7 Short Term Provisions

Particular	31.03.2023	31.03.2022
Others		
AUDIT FEES PAYABLE	25,000.00	50,000.00
LISTING FEES PAYABLE	7,58,877.00	7,58,877.00
	7,83,877.00	8,08,877.00

2.9 Non-current investments

Particular	31.03.2023	31.03.2022
Investments in Equity Instruments		
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
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

3.0 Long-term loans and advances

Particular	31.03.2023	31.03.2022
Loans and advances to others		
Unsecured considered good		
APHELEIA POWER PROJECTS LIMITED	45,000.00	45,000.00
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	20,00,000.00
DAUJEE ABHUSHAN BHANDAR PVT. LTD.	1,29,00,000.00	1,29,00,000.00
DEEPAK SEHGAL	-	(53,300.00)
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
MANI SONI	30,00,000.00	30,00,000.00
MI BUILDERS LTD.	65,00,000.00	65,00,000.00
MONAL INFRA TECH	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	6,52,27,405.00	6,53,42,405.00
SAFARI CHEMICALS PVT. LTD.	35,00,000.00	35,00,000.00
SARITA JAIN	20,00,000.00	20,00,000.00
SAURAV MISIRA ENTERPRISES PVT LTD	8,65,000.00	13,50,000.00
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
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	2,04,73,000.00	2,04,73,000.00
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
BASOS INFRA GLOBE LIMITED	12,50,000.00	9,00,000.00
	22,28,16,058.00	22,84,17,758.00

3.1 Other non-current assets

Particular	31.03.2023	31.03.2022
Trade Receivable		
Unsecured Considered Good		
Others		
EARNEST MONEY	4,25,033.00	4,25,033.00
TDS A.Y. 2017-18	46,904.00	46,904.00
TDS A.Y. 2018-19	77,189.80	77,189.80
TDS A.Y. 2019-20	54,588.00	54,588.00
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
GOODS RECEIVED UNDER SETTLEMENT	1,22,53,300.00	1,22,53,300.00
TAX ON REGULAR ASSESSMENT A.Y. 2010-11 (UNDER PROTEST)	83,080.00	-
TAX ON REGULAR ASSESSMENT A.Y. 2011-12 (UNDER PROTEST)	6,65,320.86	6,65,320.86
	1,54,98,018.66	1,54,14,938.66

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

3.2 Inventories

Particular	31.03.2023	31.03.2022
Others		
Other	5,30,838.00	2,50,140.00
	5,30,838.00	2,50,140.00

3.3 Trade receivables

Particular	31.03.2023	31.03.2022
Trade Receivables		
Unsecured considered good		
BANSAL SUPPLIERS	93,00,483.80	93,00,483.80
HORIZON PORTFOLIO LTD.	-	72,072.75
NIRBHARANT MANAGEMENT CONSULTANTS PVT. LTD	12,44,090.00	12,44,090.00
PRAKASH YADAV	20,000.00	20,000.00
	1,05,64,573.80	1,06,36,646.55

3.4 Cash and cash equivalents

Particular	31.03.2023	31.03.2022
Cash in Hand	19,87,574.20	5,19,773.20
Balances With Banks		
Balance With Scheduled Banks		
Current Account		
CANARA BANK A/C	1,23,003.50	24,957.20
	21,10,577.70	5,44,730.40

3.5 Current Assets(Short Term Loans & Advances)

Particulars	31.03.2023	31.03.2022
Other Advances		
NATIONAL DEPOSITORY SERVICES LIMITED	24,529.00	24,529.00
SUDHIR AGARWAL (HUF)	30,00,000.00	30,00,000.00
	30,24,529.00	30,24,529.00

3.6 Current Assets(Other Current Assets)

Particulars	31.03.2023	31.03.2022
Other Current Assets		
INPUT SGST	11,880.00	11,880.00
INPUT CGST	11,880.00	11,880.00
INPUT IGST	4,500.00	-
TDS A.Y. 2023-24	5,900.00	-
TDS A.Y.2022-23	-	45,000.00
TDS A.Y. 2020-21	45,000.00	45,000.00
TDS A.Y. 2021-22	-	33,750.00
	79,160.00	1,47,510.00

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

3.7 Revenue from operations

Particular	31.03.2023	31.03.2022
Sale of Products		
Traded Goods		
SALES OF SHARES	25,868.71	99,840.98
	25,868.71	99,840.98

3.8 Other income

Particular	31.03.2023	31.03.2022
Interest		
INTEREST RECEIVED	-	4,50,000.00
INTEREST ON INCOME TAX REFUND	4,330.00	-
Miscellaneous		
MISCELLANEOUS BALANCES WRITTEN OFF	53,300.00	-
DAILY OPTION PREMIUM BILL	(352.20)	850.70
	57,277.80	4,50,850.70

3.9 Purchases of Stock-in-Trade

Particular	31.03.2023	31.03.2022
Stock in Trade		
PURCHASE SHARE	25,892.96	99,944.05
	25,892.96	99,944.05

4.0 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Particular	31.03.2023	31.03.2022
Opening		
SHARES	2,50,140.00	1,63,350.00
	2,50,140.00	1,63,350.00
Closing		
SHARES	5,30,838.00	2,50,140.00
	5,30,838.00	2,50,140.00
Increase/Decrease		
SHARES	(2,80,698.00)	(86,790.00)
	(2,80,698.00)	(86,790.00)

Details of Increase/Decrease in Inventory

Particular	31.03.2023	31.03.2022
Other		
INCREASE / DECREASE IN CLOSING STOCK	(2,80,698.00)	(86,790.00)
	(2,80,698.00)	(86,790.00)

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

4.1 Employee benefits expense

Particular	31.03.2023	31.03.2022
Salary Wages & Bonus		
SALARY	3,00,000.00	8,76,000.00
	3,00,000.00	8,76,000.00

4.2 Finance costs

Particular	31.03.2023	31.03.2022
Bank Charges		
BANK CHARGES	1,050.00	7,203.76
	1,050.00	7,203.76

4.3 Depreciation and amortisation expense

Particular	31.03.2023	31.03.2022
Depreciation & Amortisation		
Depreciation Tangible Assets		
DEPRICIATION	-	-
	-	-

4.4 Other expenses

Particular	31.03.2023	31.03.2022
Administrative and General Expenses		
Auditors Remuneration		
AUDIT FEE	25,000.00	25,000.00
Selling Distribution Expenses		
Advertising Promotional Expenses		
ADVERTISEMENT & PUBLICITY EXP.	-	51,156.00
Other Expenses		
CONVEYANCE	1,987.00	975.00
DEPOSITARY SERVICE CHARGES	1,06,200.00	1,18,000.00
DIRECTOR'S REMUNERATION	7,36,000.00	-
ELECTRIC EXP.	16,986.00	6,540.00
LEGAL EXP.	-	80.00
OFFICE EXPENSES	1,273.00	785.00
POSTAGE & TELEGRAM	1,006.00	480.00
PRINTING & STATIONARY	1,760.00	840.00
REPAIR & MAINTENANCE	1,475.00	920.00
ROC EXPENSES	4,200.00	1,200.00
RENT	24,000.00	24,000.00
SOFTWARE EXP.	25,000.00	-
TELEPHONE EXP.	6,512.00	3,460.00
	9,51,399.00	2,33,436.00

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : L72900DL2004PLC126096

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

4.5 Prior Period items

Particular	31.03.2023	31.03.2022
Prior Period Income	-	-
	-	-

4.6 Tax expense

Particular	31.03.2023	31.03.2022
Current tax		
PROVISION FOR CURRENT TAX	-	-
	-	-

4.7 Earnings per equity share

Particular	31.03.2023	31.03.2022
Earnings Per Equity Share		
Basic		
Basic EPS Before Extra Ordinary Item	(0.05)	(0.03)
Diluted		
Diluted EPS Before Extra Ordinary Item	(0.05)	(0.03)
Number of Shares used in computing EPS		
Basic	1,71,26,360.00	1,71,26,360.00
Diluted	1,71,26,360.00	1,71,26,360.00
Weighted Average Number of shares		
Number of Shares for basic EPS calculation		
Number of shares for dilutive calculation	1,71,26,360.00	1,71,26,360.00

4.8- Salary to Directors & KMP

Particulars	31.03.2023	31.03.2022
Ashok Kumar Sharma,CFO	3,60,000.00	3,60,000.00
Mukesh Kumar, MD	1,60,000.00	2,88,000.00
Radhika Jhunjunwala, CS	2,16,000.00	2,16,000.00
	7,36,000.00	8,64,000.00

4.9. Title deeds of Immovable Property not held in name of the company: This clause is not applicable to the company.

5.0. There is no Capital-work-in progress in the company.

5.1. Intangible assets under development: This clause is not applicable to the company.

5.2. Details of Benami Property held: No proceedings have been initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and the rules made there under.

5.3. Wilful defaulter: This clause is not applicable to the company.

5.4. Relationship with Struck off Companies: The Company does not have any transactions with companies Struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

5.5. Registration of charges or satisfaction with Registrar of Companies: There are no such charges applicable to the Company.

5.6. Compliance with number of layers of companies: There are no violations by the Company in respect of number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

5.7. Compliance with approved Scheme(s) of Arrangements: This clause is not applicable to the company.

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	
		1.4.2022	Additions	Sale/Adj.	31.3.23	01-04-2022	For the Year	Sale/Adj.	Residual Value Adjustment	31-03-2023	31-03-2023	31-03-2022
		Rupees	Rupees	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
Total (Block)		3,65,834.00	-	-	3,65,834.00	3,63,503.00	-	-	-	3,63,503.00	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
OFFICE EQUIPMENT	-	2,71,817.00	-	-	2,71,817.00	2,59,925.00	-	-	-	2,59,925.00	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
PLANT AND MACHINERY												
INVERTOR	76.41%	58,603.00	-	-	58,603.00	55,671.87	-	-	-	55,671.87	2,931.13	2,931.13
	32.01%	27,300.00	-	-	27,300.00	24,347.49	-	-	-	24,347.49	2,952.51	2,952.51
Total (Asset Group)		85,903.00	-	-	85,903.00	80,019.36	-	-	-	80,019.36	5,883.64	5,883.64
REFRIGERATOR	76.43%	19,500.00	-	-	19,500.00	18,525.00	-	-	-	18,525.00	975.00	975.00
Total (Asset Group)		19,500.00	-	-	19,500.00	18,525.00	-	-	-	18,525.00	975.00	975.00
Total (Block)		1,05,403.00	-	-	1,05,403.00	98,544.36	-	-	-	98,544.36	6,858.64	6,858.64
Grand Total		8,45,567.00	-	-	8,45,567.00	8,19,360.36	-	-	-	8,19,360.36	26,206.64	26,206.64
Previous Year		8,45,567.00	-	-	8,45,567.00	8,17,316.01	-	-	-	8,17,316.01	26,206.55	26,206.55

CITYON SYSTEMS(INDIA)LIMITED**ASSESSMENT YEAR : 2023-24****FINANCIAL YEAR : 2022-23****Statement of Depreciation Allowable under Income Tax Act, 1961**

Asset	Rate of Depreciation	Additional Depreciation	WDV As At 01.04.2022	Additions		Sales During the Year	Deduction Sale during the year	Total As At 31.03.2023	Depreciation		WDV As At 31.03.2023
				For 180 days of more	For less than 180 days				Normal	Additional	
Computer	40%	0%	6.20	-	-	-	-	6.20	2.00	-	4.20
Plant & Machinery	15%	0%	62,615.00	-	-	-	-	62,615.00	9,392.00	-	53,223.00
Total Rupees			62,621.20	-	-	-	-	62,621.20	9,394.00	-	53,227.20

Trade Receivables ageing Schedule:						
Particulars	Outstanding for Following periods from due date of payment					Total
	Less Than 6 months	6 months-1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables- Considered good	-	-	12,44,090.00	-	93,20,483.80	1,05,64,573.80
(ii) Undisputed Trade Receivables- Considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- Considered doubtful	-	-	-	-	-	-
Trade Payables ageing Schedule:						
Particulars	Outstanding for Following periods from due date of payment					Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	77,38,942.00	1,96,72,443.00	2,74,11,385.00	
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Ratios:

	F.Y.22-23	F.Y. 21-22
(a) Current Ratio	0.58	0.51
(b) Debt- Equity Ratio	0.44	0.45
(c) Debt Service Coverage Ratio	N.A.	N.A.
(d) Return on equity ratio	-0.005	-0.003
(e) Inventory Turnover Ratio	-0.65	0.06
(f) Trade Receivables turnover Ratio	N.A.	N.A.
(g) Trade Payables turnover Ratio	N.A.	N.A.
(h) Net Capital Turnover Ratio	0.00	-0.010
(i) Net Profit ratio	-1102.80	-105.68
(j) Return on Capital Employed	0.00	0.00
(k) Return on Investment	N.A.	N.A.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

1. SYSTEM OF ACCOUNTING

The accounts are prepared on accrual basis under historical cost convention and to comply in all material aspects with applicable accounting standards in India, issued by the Institute of Chartered Accountants of India and the relevant provisions of the companies act, 2013.

2. INVENTORIES

The practice of the company is to value closing stock at lower of cost or net realizable value.

3. INVESTMENTS

Long term investments are carried at cost price

4. FIXED ASSETS

Fixed Assets are stated at cost of acquisition less depreciation as per Companies Act 2013.

5. DEPRECIATION

On Assets acquired and put to, is provided on Written down Value Method.

6. REVENUE RECOGNITION

Revenue is recognized on accrual basis.

7. PROVISIONS, CONTINGENT LIABILITY & CONTIGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events in the Notes. Contingent Assets are neither recognized not disclosed in the financial statements.

8. BORROWING COST

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalized as part of cost of such assets. A quality asset is an asset that requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

9. TAXES ON INCOME

Provision for tax on income for the year (i.e. Current tax) is made after considering the various Deductions/relieves admissible under the income Tax Act 1961 as per the normal provisions of the act. Deferred tax assets are not recognized as per the conservative approach.

10. IMPAIRMENT OF ASSETS

The company assess at each Balance sheet date whether there is any indication that an asset ma be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to the recoverable amount. The reduction is treated as an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

11. The current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount considered reasonably necessary. These amount are subject to confirmation.

12. Gross deprecation for the year is NIL.

13. No Commission on Sales has been paid or is payable as at date.

14. Disclosure of Segment reporting as per Accounting Standard (As-17) issued by the Institute of Chartered Accountants of India is as follows

Segment information for the year ended 31st March,2023

		31 March,2023					31 March,2022				
Sr. No.	PARTICULARS	SHARES TRADING	31 March,2023			SHARES TRADING	31 March,2022				
			MANURE	IRON PRODUCTS	INTEREST INCOME		TOTAL	MANURE	IRON PRODUCTS	INTEREST INCOME	TOTAL
1	REVENUES										
	External	.259	0	0	0	.259	.998	0	0	4.5	5.498
	Inter – Segment										
	Total Revenues	.259	0	0	0	.259	.998	0	0	4.5	5.498
2	RESULTS										
	Operating Profit Before Tax (PBT)	0	0	0	0	(9.14)	0	0	0	0	(5.79)
	Unallocated Costs					0					0
	Less: Tax Provision					0.02					0.03
	Profit After Tax (PAT)					(9.16)					(5.81)
3	Segment Assets										
	Unallocated Assets					3114.21					3152.33
	Total Assets		0.00	0.00	0.00	3114.21		0.00	0.00	0.00	3152.33
4	Segment Liabilities										
	Unallocated Liabilities					1151.89					1180.85
	Total Liabilities		0.00	0.00	0.00	1151.89		0.00	0.00	0.00	1180.85
5	Capital Employed		0.00	0.00	0.00	1962.32		0.00	0.00	0.00	1971.48

b) Information about Secondary Business Segments

Revenue by Geographical Market		(Rupees in Lacs)					
Sr. No.	PARTICULARS	2022-23			2021-22		
		WITHIN INDIA	OUTSIDE INDIA	TOTAL	WITHIN INDIA	OUTSIDE INDIA	TOTAL
1	External	.259	0.00	.259	5.498	0.00	5.498
2	Inter Segment	0.00	0.00	0.00	0.00	0.00	0.00
	Total	.259	0.00	.259	5.498	0.00	5.498
	Additions to Fixed Assets			0.00			0.00

c) Notes:

The Company is organized into four main business segments, namely:

- i) Manure Trading
- ii) Iron Products Trading
- iii) Interest Income
- iv) Trading of shares

Segments have been identified and reported considering the distinct nature of products and differing risks and returns accruing there from, the organization structure, and the internal financial reporting systems.
Segment Revenue in each of the above business segments primarily includes domestic and export sales, export incentives and other miscellaneous income. It also includes Inter Segment transfers priced at cost plus a predetermined rate of profit.

The Segment Revenue in the geographical segments considered for disclosure are as follows:

- (a) Revenue within India includes sales to customers located within India and earnings in India.
(b) Revenue outside India includes sales to customers located outside India and earnings outside India.

15. Disclosure of Related Party Transactions in accordance with Accounting Standard (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountants of India

Remuneration of Directors and KMP :

Name	Designation	Salary
Radhika Jhunhunwala	Company Secretary	2,16,000
Ashok Kumar Sharma	CFO	3,60,000
Mukesh Kumar	MD	1,60,000

16. During the year under consideration no borrowing cost has capitalized by the company in accordance with the Accounting Standard 16. 'Borrowing Cost' issued by the Institute of Chartered Accountants of India.
17. The figure of the previous year have been regrouped/ rearranged wherever necessary in order to make them comparable with the figures of the current year.
18. Figures have been rounded off to the two decimals places.
19. Income Tax department has raised demand of Rs. 24,69,01,615.00 relating to A.Y. 2010-11 to A.Y. 2016-17. The company has filed appeal against the relevant AO's order relating to A.Y. 2010-11 to A.Y. 2016-17 before the First Appellant Authority. This is a contingent liability which has not been provided for in books of accounts.
20. No Interest has been charged on the amount recoverable from the parties.
21. The balance of debtors, creditors and loans are subject to confirmation by the respective parties.
22. As reported by the management there is no party covered under MSME in the account payables.

In terms of our attached report of even date

For CITYON SYSTEMS (INDIA) LIMITED

**For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C**

**SD/-
CA Mukesh Rajani
(Proprietor)**

**M. NO. : 073098
PAN : AANPR6167J
Date: 27.05.2023**

**SD/-
Mukesh Kumar
(Managing Director)
(DIN : 06573251)**

**SD/-
Ashok K. Sharma
(C.F.O.)**

**SD/-
Gaya Prasad Gupta
(Director)
(DIN : 00335302)**

**SD/-
Radhika Jhunhunwala
(Company Secretary)**