

Cityon Systems (India) Ltd.

Regd. Office :

215, Delhi Chambers, Delhi Gate, Delhi- 110002

CIN : U72900DL2004PLC126096

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

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



Date: 31.08.2018

To,
The Deputy General Manager,
Department of Corporate Services,
Bombay Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001

Sub: Notice of Annual General Meeting

Ref.: Scrip Code - 780013

Dear Sir / Madam,

This is to inform you that Annual General Meeting of the Members of the Company will be held on Friday, September 28, 2018 at 4:00 P.M. at the Registered Office of the Company at 215, Delhi Chambers, Delhi Gate, Delhi – 110002, a copy of Notice of Annual General Meeting with Explanatory Statement is enclosed herewith. Notice of Book Closure has already been filed with Bombay Stock Exchange.

Kindly acknowledge the receipt.

Thanking you,

Yours Faithfully,

For Cityon Systems (India) Limited

A handwritten signature in black ink, appearing to read "Radhika Jhunjunwala", written over a horizontal line.

(Radhika Jhunjunwala)

Company Secretary

M. No. -A38550

Encl.: As above

NOTICE

Notice is hereby given that Annual General Meeting of Shareholders of Cityon Systems (India) Limited (CIN: L72900DL2004PLC126096) will be held on Friday, September 28, 2018 at 4:00 P.M. at the Registered Office of the Company at 215, Delhi Chambers, Delhi Gate, Delhi - 110002, to transact the following business:

ORDINARY BUSINESSES

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2018 including the Balance Sheet and the Profit and Loss Account of the Company for the financial year ended on 31st March, 2018 and notes thereto and the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Mukesh Kumar (DIN: 06573251), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), following resolution as an ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to resolution passed by the members at the Annual General Meeting held on September 29, 2017, appointment of M/s Rajani Mukesh & Associates, Chartered Accountants, Kanpur (ICAI Firm Registration No.: 004072C), as the Statutory Auditor of the Company to hold office till the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2019, in consultation with the auditor."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution**:-

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act (including any statutory modifications or re-enactment thereof for the time being in force) as recommended by the Nomination & Remuneration Committee of the Company and such other consents, sanctions and permission as may be required under law, if any, consent of the members of the Company be and is hereby accorded to approve appointment of Mr. Mukesh Kumar (DIN: 06573251), as Managing Director of the Company under the category of Key Managerial Personnel for a period of 3 (Three) years effective from 4th July, 2018 to 3rd July, 2021, liable to retire by rotation subject to the condition that his tenure will not be effected by such retirement and will be re-appointed in the same meeting, on the following terms and conditions:-

1) Salary

Consolidated Salary to the extent of Rs. 50,000/- p.m.

II) Perquisites:

As per rules of the company

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include the Remuneration or any other Committee of the Board constituted to exercise its powers conferred by this resolution) be and is hereby authorized and empowered to approve annual increments in Salary with consequential increase in all other perquisites and benefits, etc. of Mr. Mukesh Kumar effective from 1st April or any other date, each year within the maximum limit approved by members of the company subject to the limits stipulated under Schedule V to the Companies Act, 2013."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of the Managing Director, the Company will pay him remuneration by way of salary and perquisites not exceeding the ceiling laid down in Part II of Schedule V of the Companies Act, 2013 (Including any statutory modification or re-enactment thereof, for time being in force) as may be applicable from time to time."

"RESOLVED FURTHER THAT the Managing Director will not be entitled to any sitting fee for the meetings of the company."

For Cityon Systems (India) Limited



(Radhika Jhunjhunwala)
Company Secretary
M. No. -A38550

Place: - Delhi

Date: - 28.08.2018

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business mentioned at item no. 4 to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote in their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from Friday, September 21, 2018 to Friday, September 28, 2018, both days inclusive.
4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Copies of all documents referred to in the notice are available for inspection at the registered office of the Company during normal business hours on all working days, Except Saturdays, Sundays and Public Holidays, between 11:00 a.m. to 1:00 p.m. upto date of the annual general meeting of the Company.
6. Members seeking any information with regard to accounts are requested to write to the Company Secretary at least ten days in advance of annual general meeting, to enable the Company to keep the information ready.
7. Members are requested to:
 - a. Bring their copy of the annual report and attendance slip for the meeting.
 - b. Note that all correspondence relating to share transfers should be addressed to Registrar and Transfer Agent of the Company, viz. Skyline Financial Services Private Limited, at D-153, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020.
 - c. Quote their DP ID No. /Client ID No. or folio number in all their correspondence.

8. Members are requested to notify immediately any change in their addresses to the Company's Registrar and Share Transfer Agents, Skyline Financial Services Private Limited for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
9. SEBI and the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with Skyline Financial Services Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
10. The annual report 2017-18 containing notice of annual general meeting, attendance slip, proxy form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and also physical copies are being sent to all shareholders by the permitted mode.

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

| Name of the Director(s) | Mr. Mukesh Kumar |
|--|-------------------------|
| Date of Birth | 20/10/1959 |
| Date of Appointment on the Board | 04/05/2013 |
| Number of Shares held in the Company | 2687332 |
| Number of Meetings of the Board attended/held | 9 |
| Directorships held in other public companies (excluding foreign companies and Government Bodies) | Nil |
| Chairman/Member in the committees of the Boards of Companies in which he is Director (includes only Audit Committee, Stakeholder relationship Committee and Nomination and Remuneration Committee) | Nil |

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned at Item No. 4 to the accompanying Notice dated August 28, 2018:

Item No. 4: -

The Board of Directors at their meeting held on 4th July, 2018, appointed Mr. Mukesh Kumar as Managing Director of the Company for a period of three (3) years commencing from July 4, 2018 to July 3, 2021 on recommendation of Nomination and Remuneration Committee of the Company at such terms and conditions which are specified in resolution at a consolidated monthly remuneration to the extent of Rs. 50,000/- subject to approval of the Members of the Company at their meeting held after appointment made by the Board of Directors, henceforth, the Board of Directors of the Company is recommending the appointment of Mr. Mukesh Kumar as Managing Director of the Company for a period of three (3) years commencing from July 4, 2018 to July 3, 2021.

The Statement containing information as required under Schedule V to the Companies Act, 2013, to the extent applicable, is given hereunder:

I. General Information :

- (1) Nature of Industry – The Company is engaged in the trading business.
- (2) Date of Commencement of Business –the Company was incorporated on 27.04.2004 as Private Limited, hence, it started its business since its incorporation.
- (3) Financial Performance based on given indicators: The company earned a net profit of Rs. 1,79,643.81 for the year ended March 31, 2018 as compared to net profit of Rs. 3,80,051.00 during the previous year.
- (4) Foreign Investments or Collaborators – There were no foreign investments during the year 2017-18 but Company had made collaborations/tie-ups with foreign buyer and seller that are still exists.

II. Information about the Appointee:

- (1) Background Details – Mr. Mukesh Kumar is actively involved in day to day business activities of the Company since last 5 years. With his efforts and decision making process, the company has its recognition in trading sector throughout country, earlier, he was serving the company as Whole Time Director of the Company.

Basically, Mr. Mukesh Kumar is commerce graduate and he has experience of more than 24 years. He has very good understanding of trading market. His strength also includes strong relationship management, international alliances/tie ups and business development.

- (2) Past Remuneration –Mr. Mukesh Kumar was getting monthly remuneration of Rs. 24,000/- and his monthly remuneration was increased to Rs. 25,000/- with effect from February 2018.

- (3) Job profile and his suitability – Mr. Mukesh Kumar is involved in day to day business affairs of the Company as Whole Time Director of the Company. Mr. Mukesh Kumar has managed the Company's business in very effective and efficient manner. The challenging business environment requires review of operations, monitoring and decision making on day to day basis besides strategic guidance and advice on ongoing basis for upgradation and expansion/diversification activities in which the company would be immensely benefitted by his matured and timely advise.
- (4) Remuneration Proposed – Present remuneration is similar with old remuneration in all respects including all its perquisites and overall monthly remuneration paid or payable to Mr. Mukesh Kumar will be to the extent of Rs. 50,000.00 which had been approved by the members of the Company at the Annual General Meeting of the Company held in the year 2016 as Whole Time Director of the Company and now, the Board of Directors of the Company at their meeting held on July 4, 2018, approved his appointment as Managing Director of the Company for the period of three (3) commencing from July 4, 2018 to July 3, 2021 subject to the approval of the members of the Company on the same remuneration and perquisite as he was drawing as Whole Time Director of the Company.
- (5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person - The executive remuneration in the industry is on rise. The Nomination & Remuneration Committee constituted by the Board perused remuneration of managerial personnel in the trading sector and other companies comparable with the size of the company, industry benchmark in general, and accorded due cognizance to all these factors before approving the remuneration as proposed here in above. Considering qualifications, background, experience and competence of Mr. Mukesh Kumar and the responsibility shouldered by him as Whole Time Director, in terms of remuneration are considered to be fair, just and reasonable.
- (6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel – Mr. Mukesh Kumar is one of the main promoter of the Company with another promoter his son Mr. Ankur Agarwal, except it, Mr. Mukesh Kumar does not have any pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel ,

III. Other Information:

- (1) Reasons for Inadequate Profit: As the company is in trading sector and the performance of the company was not satisfactory due to up and down in trading market & high competition in trading sector.
- (2) Steps or proposed to be taken for improvement: The Company has initiated several steps for restoring profitability by considering diversification its business into new trading sectors / activities from time to time. The company has also initiated various measures towards achieving organizational and operating efficiencies and strengthening core competencies. With the above steps, the company is expected to perform reasonably well in future by focusing on new areas and by exploring its business activities.

- (3) Expected increase in productivity and profits in measurable terms - In addition to steps proposed to be taken for improvement as detailed above, key focus areas would be profit maximization, operational efficiencies, cost and working capital containment. Barring unforeseen circumstances, the overall outlook for the next years seems to be positive and the management is optimistic of achieving improvements in the company's performance. However, it is extremely difficult in present scenario to predict profits in measurable terms but the above initiatives are expected to improve productivity and profitability.

IV. Disclosures:

The required disclosures as to remuneration package, etc. are appropriately made in the report on Corporate Governance annexed to and forming a part of Annual Report every year, which may be referred to.

Keeping in view the qualifications, rich and varied experience and managerial skills of Mr. Mukesh Kumar, the Board of Directors recommends the passing of the proposed resolution as a special resolution in compliance with provisions of the Companies Act, 2013 read with rules made thereunder.

None of Directors are interested except Mr. Mukesh Kumar with his son Mr. Ankur Agarwal as shareholder(s) of the Company.

The Board recommends the resolution as set out at Item No. 4 of the Notice for approval by the Members of the Company.

For Cityon Systems (India) Limited



(Radhika Jhunjhunwala)
Company Secretary
M. No. -A38550

Place: - Delhi

Date: - 28.08.2018

ATTEDANCE SLIP

ANNUAL GENERAL MEETING – SEPTEMBER 28, 2018

CITYON SYSTEMS (INDIA) LIMITED

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

CIN: L72900DL2004PLC126096

DP ID/Client ID/Folio No.

No. of shares held

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

I, hereby record my presence at the Annual General Meeting held on Friday, September 28, 2018 at 4:00 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}

ANNUAL GENERAL MEETING – SEPTEMBER 28, 2018

CITYON SYSTEMS (INDIA) LIMITED

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

CIN: L72900DL2004PLC126096

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

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

| | |
|------------|------------|
| Name: | Address: |
| E-mail ID: | Signature: |

or failing him/her

| | |
|------------|------------|
| Name: | Address: |
| E-mail ID: | Signature: |

or failing him/her

| | |
|------------|------------|
| Name: | Address: |
| E-mail ID: | Signature: |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 4:00 p.m. at 215, Delhi Chambers, Delhi Gate, Delhi-110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Businesses

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2018 including the Balance Sheet and the Profit and Loss Account of the Company for the financial year ended on 31st March, 2018 and notes thereto and the Reports of Board of Directors and Auditor's thereon (Ordinary Resolution).
2. To appoint a Director in place of Mr. Mukesh Kumar (DIN: 06573251), who retires by rotation and being eligible, offers himself for re-appointment (Ordinary Resolution).
3. Ratification of Appointment of M/s Rajani Mukesh & Associates, Chartered Accountants, Kanpur as Statutory Auditor of the Company until the conclusion of next Annual General Meeting of the Company and fixing their remuneration (Ordinary Resolution).

Special Business

4. Appointment of Mr. Mukesh Kumar as Managing Director of the Company for a period of three (3) years commencing from July 4, 2018 to July 3, 2021 (Special Resolution).

Signed this day of 2018

Signature of shareholder:

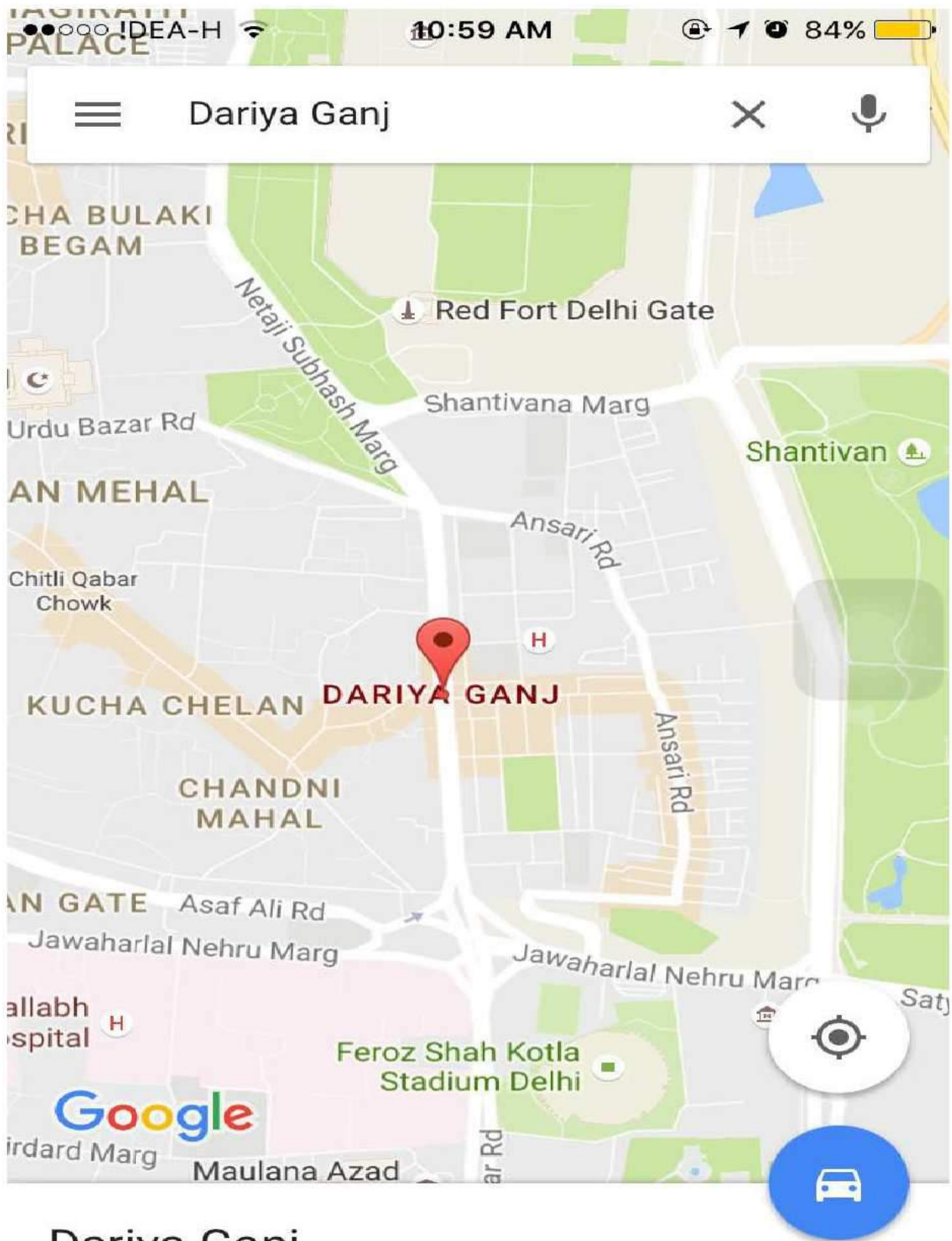
| |
|---------------------------------------|
| Affix 1 Rupees Revenue Stamp |
|---------------------------------------|

Signature of Proxy holder(s):

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

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

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



Dariya Ganj

Dariya Ganj, New Delhi, Delhi 110002

24 min