

Cityon Systems (India) Ltd.

Regd. Office :

215, Delhi Chambers, Delhi Gate, Delhi- 110002

CIN: ~~U72900DL2004PLC126096~~

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

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

CIN: L72900DL2004PLC126096



Date: 07.09.2021

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 and submission of Annual Report of the Company
Ref.:- Scrip Code - 780013

Dear Sir / Madam,

This is to inform you that the Annual General Meeting of the Members of the Company will be held on Thursday, the 30th day of September, 2021 at 3:30 P.M. through video conferencing/other audio visual to transact the business stated in Notice of Annual General Meeting of the Company.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith soft copy of the Annual Report for the financial year 2020-21 alongwith Notice of AGM.

Kindly acknowledge the receipt.

Thanking you,
Yours Faithfully,
For Cityon Systems (India) Limited

A handwritten signature in blue ink, appearing to read "Radhika Jhunjunwala", with a horizontal line drawn through it.

(Radhika Jhunjunwala)
Company Secretary
M. No.: A38550

Encl.: As above

CITYON

ANNUAL REPORT 2020-21

CITYON SYSTEMS (INDIA) LIMITED

CIN: L72900DL2004PLC126096

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

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

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

Website: cityonsystems.in

BOARD OF DIRECTORS

Mr. Mukesh Kumar <i>Managing Director</i>	(DIN: 06573251)
Mr. Abhishek Tandon <i>Director</i>	(DIN: 03530860)
Mr. Gaya Prasad Gupta <i>Director</i>	(DIN: 00335302)
Mr. Anoop Srivastava <i>Director</i>	(DIN: 06571462)
Kavita Awasthi <i>Director</i>	(DIN: 03106803)

Radhika Jhunjhunwala
Company Secretary

Auditors:

M/s Rajani Mukesh & Associates
Chartered Accountants,
510, Prem Ratan Vaitka,
7/180, Swaroop Nagar, Kanpur -208002

Registered Office:

215, Delhi Chambers, Delhi Gate, Delhi - 110002

CIN: L72900DL2004PLC126096

Registrar & Transfer Agent:

SKYLINE FINANCIAL SERVICES PVT.
LTD.
D-153/A, 1st Floor, Okhla Industrial Area,
Phase 1, New Delhi – 110020
Ph. Nos.: 011-26812681-83/64732681-88
E-mail: admin@skylinerta.com

Banker

Yes Bank

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NOTICE

Notice is hereby given that Annual General Meeting of Shareholders of Cityon Systems (India) Limited (CIN: L72900DL2004PLC126096) will be held on Thursday, September 30, 2021 at 3:30 P.M. through video conferencing/other audio visual means, to transact the following businesses s:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2021 including the Balance Sheet and the Profit and Loss Account of the Company for the financial year ended on 31st March, 2021 and notes thereto and the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Abhishek Tandon (DIN: 03530860), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. 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 re-appointment of Mr. Mukesh Kumar (DIN: 06573251), as Managing Director of the Company for a further period of 3 (Three) years effective from 4th July, 2021 to 3rd July, 2024, 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:-

I) **Salary**

Upto 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

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

Place: - Delhi
Date: - 04.09.2021

NOTES:

1. In view of the continuing restrictions on the movement of people at several places in the Country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 2/2021 dated 13th January, 2021, General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by the MCA & Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) upto 31.12.2021. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 35th Annual General Meeting of the Company shall be conducted through VC/OAVM. The Central Depository Services (India) Limited ('CSDL') will be providing facility for voting through remote e-voting, for participation in the Annual General Meeting through VC / OAVM facility and e-voting during the Annual General Meeting. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 5.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at info@cityonsystems.in or cityonsystems1@rediffmail.com.

4. 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).

5. PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:

Shareholders will be provided with a facility to attend the AGM through VC/OAVM. A link will be sent on registered emails of Shareholders, Shareholders can join the meeting by clicking on the link so provided.

Shareholders are encouraged to join the Meeting through Laptops / IPads/ Tabs for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

6. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATION WITH RESPECT TO ANNUAL REPORT:

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, Demat Account number / folio number, mobile number along with their queries to info@cityonsystems.in or cityonsystems1@rediffmail.com latest by 5.00 p.m. on Thursday 24th September, 2021. Questions / queries received by the Company till this time shall only be considered and responded during the AGM.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

7. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, September 23, 2021 to Thursday, September 30, 2021, both days inclusive.

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 -2:-

Information relating to Mr. Abhishek Tandon and Mr. Mukesh Kumar, Managing Director is given below and the above prescribed information of other Directors whose appointment/re-appointment is proposed at this ensuing Annual General Meeting are respectively given in the explanatory statement annexed with this notice-

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

Name of the Director	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	4/4
Directorships held in other public companies (excluding foreign	Nil

companies and Government Bodies)	
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)	Member in Audit Committee of the Company

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (“Act”), sets out all material facts relating to the special business mentioned at Item No. 3 of the accompanying Notice dated September 4, 2021:

Item No. 3: -

The current term of office of Mr. Mukesh Kumar (DIN: 006573251) as Managing Director of the Company was due to expire on 4th July, 2021. The Board of Directors at their meeting held on 3rd day of July, 2021 has re-appointed Mr. Mukesh Kumar as Managing Director of the company, liable to retire by rotation, for a further period of 3 (Three) years effective from 4th July, 2021 to 3rd July, 2024 subject to approval of the members at the general meeting. The Board has also approved the remunerations, perquisites and other benefits payable to Mr. Mukesh Kumar as Managing Director based on the recommendations made by Nomination & Remuneration Committee of the Company. The Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, shall have power to fix, alter or vary the scope of remuneration of Mr. Mukesh Kumar paid or payable within maximum limit as approved by the members of the Company on recommendation of nomination and remuneration committee from time to time. The aggregate of the remuneration shall be within the maximum limits as laid down under Section 197 and all other applicable provisions, if any, of the Act read with Schedule V to the Act, as amended and as in force from time to time. Now, the resolution is being placed before the members for their approval.

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 financial business.
- (2) Date of Commencement of Business – 27th April, 2004.
- (3) Financial Performance based on given indicators: Due to Covid-19, Financial Performance of the Company is affected.
- (4) Foreign Investments or Collaborators – NIL

II. Information about the Appointee:

- (1) Background Details – Mr. Mukesh Kumar is actively involved in day to day business activities of the company as Managing Director of the Company. With his efforts and decision making process, the company has its recognition in its segment among the investors spread throughout country.

Basically, Mr. Mukesh Kumar is commerce graduate and has experience of more than 27 years. He has very deep knowledge in trading sector. His strength also includes strong relationship management and business development.

- (2) Past Remuneration - The past remuneration package of Mr. Mukesh Kumar was consisting monthly salary of Rs. 25,000.00 besides allowances, perquisites and other benefits as approved by the members at the time of appointment/re-appointment of Mr. Mukesh Kumar and in accordance with the company's practice, rules and regulations in force from time to time.

- (3) Job profile and his suitability – Mr. Mukesh Kumar is entrusted with substantial powers of the management of the company by virtue of Articles of the Company or an agreement with the Company or a resolution passed in its general meeting or by its Board of Directors subject to the superintendence, control and direction of the Board of Directors, regulations made by the company in general meeting and the restrictions imposed by the Companies Act, 2013 and shall do all his power to promote, develop and extend the business 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 – proposed remuneration is equal with past remuneration as mentioned above in para II (2) including perquisite as detailed above and the same is subject to the approval of the Members of the Company, there is no increase in remuneration.
- (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 financial 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 Managing 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 - Other than entitlements of remuneration as set out above for his services as Managing Director of Cityon Systems (India) Limited, Mr. Mukesh Kumar has directly or indirectly no other pecuniary relationship with the company or any other Director or managerial personnel of the company except as shareholder himself or his relatives.

III. Other Information:

- (1) Reasons for Inadequate Profit: As the company is in financial sector and the performance of the company was not satisfactory due to up and down in security market & unfavorable monetary environment.
- (2) Steps or proposed to be taken for improvement: The Company has initiated several steps for restoring profitability by considering diversification its business activities in new financial avenues as available in market 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 exploring its business activities in finance sector.
- (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 current financial year 2021-22 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.

Other than Mr. Mukesh Kumar, none of the Directors or Key Managerial Personnel of the Company or their relatives (except himself as shareholders or his relatives as shareholders) is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

The Board recommends the Resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

For Cityon Systems (India) Limited

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

Place: - Delhi
Date: - 04.09.2021

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, 2021.

FINANCIAL RESULTS:

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

PARTICULARS	Amount in (Rs.)	
	31.03.2021	31.03.2020
Total Revenue	521900.15	4295175.31
Total Expenses	1854763.59	6612904.97
Profit/ (Loss) before Prior Period Items and Tax (PBT)	(1332863.44)	2,317,729.66)
Add: Prior Period Items	450000.00	0.00
Profit/(Loss) before Tax	(882863.44)	(2,317,729.66)
Less: Provision for taxation (including deferred tax)	3,382.57	3,980.80
Profit after Tax (PAT)	(886,246.01)	(2,321,710.46)
EPS (Basic)	(0.05)	(0.14)
Diluted	(0.05)	(0.14)

DEPOSITS:

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

DIVIDEND:

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

COVID-19:

We at Cityon Systems (India) Limited have been working on a safety first principle, ensuring that our employees and business partners are safe, and taking all necessary precautions to control the spread of Corona virus. Affairs of the Company are being operated as per the local guidelines complying with the required social distancing and high hygiene standards. While this has adversely impacted the sales performance, we continue to closely monitor the situation and take appropriate action, as necessary to scale up operations, in due compliance with the applicable regulations.

CHANGES IN SHARE CAPITAL:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

Covid-19 has affected the affairs of the Company. Further, there has been no change in nature of business of the Company during the year.

TRANSFER TO RESERVES:

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

MATERIAL CHANGES AND COMMITMENTS:

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

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

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors:

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

On the recommendation of the Board of Directors, the Members of the Company at the Annual General Meeting held on September 30, 2020 approved appointment of:

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

Declaration by the Independent Directors of the Company:

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

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

Key Managerial Personnel:

There has not been change in Key Managerial Personnel(s) during the financial year 2020-21.

Board Evaluation:

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

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

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

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that directors have selected such accounting policies and applied consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a going concern basis;
- e. The Directors have laid down such internal financial controls that are adequate and operating effectively;
- f. The Directors have devised systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & AUDITOR'S REPORT:

The Members of the Company at their Annual General Meeting held on September 29, 2017, approved appointment of M/s Rajani Mukesh & Associates, Chartered Accountants (ICAI Firm Registration No. 004072C) as Statutory Auditor of the Company to hold office as Statutory Auditor for 5 (five) years till the conclusion of Annual General Meeting of the Company to be held in the year 2022 subject to ratification at each and every intervening Annual General Meeting of the Company.

Since the requirement of ratification of Statutory Auditor is no more applicable for the Company, therefore, ratification of Statutory Auditor has not been taken into consideration.

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

SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed M/s V. Agnihotri & Associates, Practising Company Secretaries, Kanpur to undertake the Secretarial Audit of the Company for the Financial Year 2020-21. The Secretarial Audit Report for financial year 2020-21 is annexed, which forms part of this report as **Annexure-A**. The Board discussed remark given by Secretarial Auditor and noted that due to Lockdown on account of Covid-19, the annual maintenance of website of the Company could not be done on time henceforth all the contents of the website could not be verified by the Auditor, thus, she has given this remark and later on after updating/maintenance of the website of the Company, she has found it proper and according to provisions of the Act and SEBI Regulations.

RELATED PARTY TRANSACTIONS:

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

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

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

CODE OF CONDUCT:

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

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

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

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

There are no Subsidiaries, Joint Ventures or Associate Companies.

DISCLOSURES:

Audit Committee:

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

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

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

Stakeholders Relationship Committee:

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

Nomination and Remuneration Committee:

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

Vigil Mechanism / Whistle Blower Policy:

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

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

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

Number of Meetings of the Board:

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

Prevention of Insider Trading:

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

Business Risk Management:

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

Corporate Social Responsibility Statement:

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

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

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by

the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any, member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Extract of Annual Return:

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

Independent Directors Meeting:

The Independent Directors met on 26th March, 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

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

[A] CONSERVATION OF ENERGY

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

[B] TECHNOLOGY ABSORPTION:

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

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

Corporate Governance and Management Discussion and Analysis Report:

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

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

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

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

Disclosure under Sexual Harassment of Women:

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

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

MAINTENANCE OF COST RECORDS BY THE COMPANY:

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

ACKNOWLEDGEMENTS:

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

FOR CITYON SYSTEMS (INDIA) LIMITED

Sd/-

Sd/-

Place: Delhi
Date: 04.09.2021

(Mukesh Kumar)
Managing Director
DIN: 06573251

(Gaya Prasad Gupta)
Director
DIN: 00335302

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

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

Dear Sir/Madam,

I, Vaibhav Agnihotri, Proprietor of M/s V. Agnihotri & Associates 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). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. On account of our inability to conduct a physical verification owing to the impact of COVID as well as absence of third party verification, we have therefore relied upon 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, 2021 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, minute books, forms and returns filed and other records maintained by CITYON SYSTEMS (INDIA) LIMITED ("the Company") as given in for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable during the year)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable during the year);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- I. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- II. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the year);**
- III. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- IV. The Securities and Exchange Board of India(Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- V. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company under the financial year under report:-

(a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable during the year);**

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

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

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable during the reporting period);**

We further report that as per the Management Representation letter there is no other law applicable over 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. The Website of the Company is not updated on some counts as per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

We further report that

2. SEBI(Recovery and Refund Department) has 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. The management has informed that as of now, Due to Covid -19, Pandemic neither Appeal nor payment of Penalty Amount as imposed in Impugned Order could be deposited.

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 and Key Managerial Personnel if any, that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under applicable laws/Acts/Regulations to the Company.

Date: 04.09.2021

Place: Kanpur

M/s. V AGNIHOTRI & ASSOCIATES
COMPANY SECRETARIES

Vaibhav Agnihotri
(Prop.)

FCS No.:10363

C.P. No.:21596

UDIN: F010363C000898910

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

"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.

Date: 04.09.2021
Place: Kanpur

M/s. V AGNIHOTRI & ASSOCIATES
COMPANY SECRETARIES

Vaibhav Agnihotri
(Prop.)
FCS No.:10363
C.P. No.:21596
UDIN: F010363C000898910

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 2020-21 and there were no material contracts or arrangements or transactions and details of transactions with related party(ies) are given in Financial Statements for the financial year ended on 31.03.2021.*

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on 31st March, 2021

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Shares	661	100.00
-	-	-	-

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

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

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

(i) Category-wise Share Holding

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

i) Indian	4173100	0	4173100	24.37	4173100	0	4493100	26.23	1.84
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	61900	0	61900	0.36	61900	0	61900	0.36	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5145800	0	5145800	30.05	4905800	0	4905800	28.64	(1.41)
c) Others :									
Non Resident Indians	40000	0	40000	0.23	40000	0	40000	0.23	0.00
Hindu Undivided Family	914200	0	914200	5.34	914200	0	914200	5.34	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0	0.00
Sub-total (B)(2):-	10335000	0	10335000	60.35	10335000	0	10335000	60.35	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	10845000	0	10845000	63.32	10845000	0	10845000	63.32	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	17126360	0	17126360	100.00	17126360	0	17126360	100.00	-

(ii) Shareholding of Promoters:

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

6	Mukash Kumar	2687332	15.69	0.00	2687332	15.69	0.00	0.00
7	Ankur Agarwal	2950788	17.23	0.00	2950788	17.23	0.00	0.00
	Total	6281360	36.68	0.00	6281360	36.68	0.00	0.00

(iii) Change in Promoters' Shareholding

There was no change in Promoters Shareholding during the year.

(iv) Shareholding Pattern of top ten Shareholders

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

Sl. No.	Name of the shareholders	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equity etc.)			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	Cityon Nano Technology Private Limited	1154000	6.74	No Change			1154000	6.74
	At the end of the year (or on the date of separation, if separated during the year)						1154000	6.74
2	Nirbharant Management Consultants Private Limited	994200	5.81	No Change			994200	5.81
	At the end of the year (or on the date of separation, if separated during the year)						994200	5.81
3	Bansal Suppliers Private Limited	711740	4.16	No Change			711740	4.16
	At the end of the year (or on the date of separation, if separated during the year)						711740	4.16
4	Cityon Infrastructure Private Limited	539495	3.15	No Change			539495	3.15
	At the end of the year (or on the date of separation, if separated during the year)						539495	3.15
5	Next Orbit Ventures Fund	510000	2.98	No Change			510000	2.98
	At the end of the year (or on the date of separation, if separated during the year)						510000	2.98
6	Success Vyapar Limited	423225	2.47	No Change			423225	2.47
	At the end of the year (or on the date of separation, if separated during the year)						423225	2.47
7	Diplomat Leasing and Finance Pvt. Ltd.			26.03.20 21	320000	Purchase	320000	1.87
	At the end of the year (or on the date of separation, if separated during the year)						320000	1.87
8	Harish Popli	280000	1.63	No Change			280000	1.63
	At the end of the year (or on the date of separation, if separated during the year)						280000	1.63

9	Shri Mehndipur Balaji Infradevelopers Private Limited	261340	1.53	No Change	261340	1.53
	At the end of the year (or on the date of separation, if separated during the year)				261340	1.53
10	Vimal Banka	160000	0.93	No Change	160000	0.93
	At the end of the year (or on the date of separation, if separated during the year)				160000	0.93

(v) Shareholding of Directors and Key Managerial Personnel:

A. Directors

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

B. Key Managerial Personnel:

Sl. No.	Name of Key Managerial Personnel (KMP)	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equity etc.)			Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company	
1	Mukesh Kumar (Managing Director)	2687332	15.69	No change during the year			2687332	15.69	
2	Ashok Kumar Sharma (Chief Financial Officer)	2800	0.02	No change during the year			2800	0.02	
3	Radhika Jhunjhunwala	No Shareholding in the company							

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

(Amount in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	90372425	Nil	90372425
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	90372425	Nil	90372425
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	330000	Nil	330000
Net Change	Nil	(330000)	Nil	(330000)
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	90042425	Nil	90042425
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	90042425	Nil	90042425

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	(In Rupees)	
			Total	Amount
		Mukesh Kumar		
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961		318000	318000
			-	-
			-	-
			-	-
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission - as % of profit - others, specify...		- - -	- - -

5.	Others, please specify	-	-
	Total (A)	318000	318000
	Ceiling as per the Act	Since, profit of the Company is insufficient or inadequate to pay remuneration to managerial personnel and remuneration is being paid subject to the compliance of provisions of the Companies Act, 2013 read with Schedule V (erstwhile Schedule XIII of the Companies Act, 1956) and overall remuneration is subject to the provisions of Schedule V of the Companies Act, 2013.	

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

B. Remuneration to other Directors:

(Amount in Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Abhishek Tandon	Gaya Prasad Gupta	Anoop Srivastava	Kavita Awasthi	
1	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	- - -	- - -	- - -	- - -	- - -
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	- - -	- - -	- - -	- - -	- - -
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as the Act	Though, no remuneration to other Directors mentioned in point no. B has been paid during the Financial Year 2020-21 and whenever remuneration is paid, overall limits will be subject to the provisions of the Companies Act, 2013.				

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

(Amt. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5.64	2.16	7.80
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	5.64	2.16	7.80

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

CORPORATE GOVERNANCE REPORT

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

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

2. BOARD OF DIRECTORS

The Board of Directors of Cityon Systems (India) Limited is comprised of 5 (Five) Directors. One Director is Executive, One is Non Executive / Non-Independent and three are Non Executive / Independent. During the Financial Year 2020-21, 4 meetings of the Board were held. These meeting were held on 27-06-2020, 31-08-2020, 07-11-2020, and 26-02-2021.

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
Mukesh Kumar	MD	4	4	Yes	Nil
Abhishek Tandon	Director	4	4	Yes	Nil
Gaya Prasad Gupta	Director	4	4	Yes	3
Anoop Srivastava	Director	4	4	Yes	3
Kavita Awasthi	Director	4	4	Yes	6

MD denotes Managing Director.

Details of familiarization programmes imparted to independent directors during the year, are disclosed on the Company's website i.e. www.cityonsystems.in.

3. AUDIT COMMITTEE

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

Composition of Audit Committee is as under:

COMPOSITION

Mrs. Kavita Awasthi	Chairman, Non Executive/Independent Director
Mr. Gaya Prasad Gupta	Member, Non Executive/Independent Director
Mr. Anoop Srivastava	Member, Non Executive/Independent Director
Mr. Mukesh Kumar	Member, Executive Director

Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mrs. Kavita Awasthi	4	1
Mr. Gaya Prasad Gupta	4	4
Mr. Anoop Srivastava	4	4
Mr. Mukesh Kumar	4	4

Terms of Reference:

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

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of

- proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
 - (9) Scrutiny of inter-corporate loans and investments;
 - (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - (11) Evaluation of internal financial controls and risk management systems;
 - (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (14) Discussion with internal auditors of any significant findings and follow up there on;
 - (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (18) To review the functioning of the whistle blower mechanism;
 - (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

5. STAKEHOLDER RELATIONSHIP COMMITTEE:

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

Composition

Mr. Anoop Srivastava	Chairman (Non-Executive/Independent Director)
Mr. Gaya Prasad Gupta	Member, Non-Executive Director/Independent Director
Mrs. Kavita Awasthi	Member, Non-Executive Director/Independent Director

Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Anoop Srivastava	4	4
Mr. Gaya Prasad Gupta	4	4
Mrs. Kavita Awasthi	4	1

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

There were no complaints pending as on 31.03.2021.

The Board appointed to Ms. Radhika Jhunjhunwala as Company Secretary w.e.f. 25.01.2020 who is looking after the Compliance work and act as Compliance Officer of the Company.

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

5. NOMINATION AND REMUNERATION COMMITTEE

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

Composition of Committee

Mr. Gaya Prasad Gupta	Chairman, Non Executive/Independent Director
Mrs. Kavita Awasthi	Member, Non Executive/Independent Director
Mr. Anoop Srivastava	Member, Non Executive/Independent Director

Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Gaya Prasad Gupta	4	4
Mrs. Kavita Awasthi	4	1
Mr. Anoop Srivastava	4	4

No sitting fees have been paid by the Company to any Directors for attending Board Meetings or any Committee Meetings during the financial year 2020-21.

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

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

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

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

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;

- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Details of the remuneration paid to Executive Directors during the financial year 2020-21, are as under:

Name of Director	Designation	Remuneration
Mr. Mukesh Kumar	Managing Director	3,18,000.00

- Except above remuneration/salary, no other remuneration was paid to aforesaid Directors during the financial year 2020-21.
- Figures of the remuneration are on accrual basis, payment of the same may be in next financial year(s).

Details of the remuneration paid to other Directors during the financial year 2020-21, are as under

Name of Directors	Designation	Remuneration
Mr. Abhishek Tandon	Director (Non Executive / Non Independent)	No remuneration has been paid during the financial year 2020-21 by way of any modes such as sitting fees, commission or any other mode
Mr. Anoop Srivastava	Director (Independent)	No remuneration has been paid during the financial year 2020-21 by way of any modes such as sitting fees, commission or any other mode
Mr. Om Prakash Agarwal	Director (Independent)	No remuneration has been paid during the financial year 2020-21 by way of any modes such as sitting fees, commission or any other mode
Mr. Gaya Prasad Gupta	Director (Independent)	No remuneration has been paid during the financial year 2020-21 by way of any modes such as sitting fees, commission or any other mode
Mrs. Kavita Awasthi	Director (Independent)	No remuneration has been paid during the financial year 2020-21 by way of any modes such as sitting fees, commission or any other mode

COMPLIANCE OFFICER:

Ms. Radhika Jhunjhunwala, Company Secretary of the Company is acting as Compliance Officer of the Company.

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

After taking into consideration one to one inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance; pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

Independent Directors Meeting

During the year under review, the Independent Directors met on March 26, 2021, inter alia, to discuss:

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

All the Independent Directors were present at the meeting.

6. SHAREHOLDER'S MEETINGS

Details of last three AGMs held

Year	Date	Venue	Time
2020-21	30.09.2020	215, Delhi Chambers, Delhi Gate, Delhi - 110002	3:30 P.M.
2019-20	26.09.2019	215, Delhi Chambers, Delhi Gate, Delhi - 110002	3:30 P.M.
2018-19	28.09.2018	215, Delhi Chambers, Delhi Gate, Delhi - 110002	4:00 P.M.

Businesses

Year	Special Resolution passed for:
2020-21	No Special Resolution was passed at Annual General Meeting held in the year 2020
2019-20	<ol style="list-style-type: none">1. Re-appointment of Mr. Gaya Prasad Gupta (DIN: 00335302) as Director for second term of five years.2. Re-appointment of Mr. Om Prakash Agarwal (DIN: 03358726) as Director for second term of five years.3. Re-appointment of Mr. Anoop Srivastava (DIN: 06571462) as Director for second term of five years.4. Re-appointment of Mrs. Kavita Awasthi (DIN: 03106803) as Director for second term of five years.
2018-19	Appointment of Mr. Mukesh Kumar as Managing Director of the

	Company for a period of three years effective from 04.07.2018 to 03.07.2021
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No special resolution was passed through Postal Ballot during the financial year 2020-21.

7. DISCLOSURES

(a) Basis of related party transactions:

Disclosure on materially significant related transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large – Nil.

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

Policy for related party transactions is placed on website of the Company i.e. www.cityonsystems.in.

(b) Whistle Blower Policy:

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

(c) Risk Management:

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

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

(e) Disclosure of Accounting Treatment:

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

(f) Compliance by the Company:

There are no instances of non-compliances by the Company on any matters related to the capital market, nor have any penalty/strictures been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to capital market during the Financial Year ended on March 31, 2021.

(8) MEANS OF COMMUNICATION:

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

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

(9) GENERAL SHAREHOLDER INFORMATION:

(a) Company Registration Details:

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

(b) Annual General Meeting:

(Day, Date, Time and Venue)

Thursday, September 30, 2021 at 3:30 P.M.
215, Delhi Chambers, Delhi Gate, Delhi – 110002

(c) Financial Year:

Financial Year – April 1, 2020 to March 31, 2021

(d) Book Closure Date:

Thursday, September 23, 2021 to Thursday, September 30, 2021, both days inclusive. No dividend is being declared in the Annual General Meeting.

(e) Listing:

Equity Shares of the Company are actively listed on BSE SME (ITP).
Scrip Code: 780013
ISIN: INE324P01014

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

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

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

(g) Registrar and Transfer Agents:

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

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase-1, New Delhi – 110020

Phone Nos. – 011-26812682-83/64732681-88, Fax No. - 011-26292681
E-mail: admin@skylinerta.com

(h) Share Transfer System:

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

(i) Dematerialization of Equity Shares and its Liquity:

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

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

(k) Branches/Plants:

The Company has no branch / Plant.

(l) Payment of Listing Fees:

Annual Listing Fees for the year 2020-21 and 2021-22 has not been paid by the Company to BSE.

(m) Payment of Depository Fees:

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

(n) E-mail ID of Grievance Redressal Division:

info@cityonsystems.in, cityonsystems1@rediffmail.com

(o) Address for correspondence:

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

Mr. Mukesh Kumar
Managing Director

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

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

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

- (a) **Audit Qualifications:** The Company is in regime of the un-audited financial statements.
- (b) **Reporting of Internal Auditor:** The Internal Auditor reports directly to Audit Committee of the Company.

(11) CEO AND CFO CERTIFICATION:

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

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Mukesh Kumar, Managing Director of the Company, hereby declare that, all the members of the Board and the Senior Management personnel have confirmed their compliance with the Code of Conduct for the year ended March 31, 2021.

For Cityon Systems (India) Limited

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

Place: Delhi
Date: 04.09.2021

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, 2021 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

Sd/-
Mukesh Kumar
Managing Director
DIN: 06573251

Sd/-
Ashok Kumar Sharma
Chief Financial Officer

Date: 04.09.2021

Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
CERTIFICATE

(pursuant to clause 10 of Part C of Schedule V of LODR)

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

This Certificate is issued in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs ('MCA'), or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	GAYA PRASAD GUPTA	00335302	02/01/2008
2.	KAVITA AWASTHI	03106803	27/03/2015
3.	ABHISHEK TANDON	03530860	21/05/2013
4.	ANOOP SRIVASTAVA	06571462	04/05/2013
5.	MUKESH KUMAR	06573251	04/05/2013

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V. Agnihotri & Associates
Company Secretaries**

Place: Kanpur

Date: September 4th, 2021

Vaibhav Agnihotri

FCS: 10363/ C.P. No.: 21596

UDIN: F010363C000898131

Management Discussion & Analysis

ECONOMIC OVERVIEW

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

FINANCIAL PERFORMANCE

Due to overall slowdown in the economy of country, the company incurred loss of Rs. 8,86,246.01 during the year under review and it is expected that the company will perform better in coming years.

BUSINESS STRATEGY ANALYSIS AND OUTLOOK

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

OPPORTUNITIES AND STRENGTHS

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

BUSINESS OVERVIEW

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

RISKS AND CONCERNS

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

IINTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

HUMAN CAPITAL

The company recognizes that its success is deeply embedded in the success of the human resources. The company has significantly scaled up its activities through investment in people and infrastructure. The company nurtures its employees through healthy working atmosphere that ensures equal opportunity for growth and challenge to all the equal opportunity for growth and challenge to all employees. The company believes in creating business leaders by employing best talent in the industry, providing opportunities, empowerment by delegations, training and taking care of their growth.

CAUTIONERY STATEMENT

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



RAJANI MUKESH & ASSOCIATES

Chartered Accountants

503, Prem Ratan Vatika,

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

Phones: Off. 9129869854, Mob : 09839035251, 09307929209

e-mail : rajani.ca@gmail.com

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To the Members of Cityon Systems (India) Limited

We have examined the compliance of conditions of Corporate Governance by Cityon Systems (India) Limited (“the Company”), for the financial year ended on March 31, 2021 as per Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”).

MANAGEMENT’S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. The Management’s responsibility includes the implementation of the Rules and Regulations and maintenance of the internal controls and procedures to comply with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

OUR RESPONSIBILITY

Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and explanations given to us and representation made by the Directors and the Management, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations, as applicable, during the financial year ended on March 31, 2021.

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

RESTRICTIONS ON USE

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For RAJANI MUKESH & ASSOCIATES
CHARTERED ACCOUNTANTS**

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

**Place: Delhi
Date: 04.09.2021**



RAJANI MUKESH & ASSOCIATES

Chartered Accountants

503, Prem Ratan Vatika,

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

Phones: Off. 9129869854, Mob : 09839035251, 09307929209

e-mail : rajani.ca@gmail.com

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To the Members of Cityon Systems (India) Limited

We have examined the compliance of conditions of Corporate Governance by Cityon Systems (India) Limited (“the Company”), for the financial year ended on March 31, 2021 as per Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”).

MANAGEMENT’S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. The Management’s responsibility includes the implementation of the Rules and Regulations and maintenance of the internal controls and procedures to comply with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

OUR RESPONSIBILITY

Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and explanations given to us and representation made by the Directors and the Management, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations, as applicable, during the financial year ended on March 31, 2021.

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

RESTRICTIONS ON USE

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For RAJANI MUKESH & ASSOCIATES
CHARTERED ACCOUNTANTS**

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

**Place: Delhi
Date: 04.09.2021**



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 2021, 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, 2021, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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: KANPUR
DATED: 26.06.2021

"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, 2021:

(i) In respect of its fixed assets:

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

(ii) In respect of its inventory:

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

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

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

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 185 and section 186 of the Companies Act, 2013.

(v) The Company has not 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) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(ix) The company has not raised any money by way of initial public offer or further public offer and has not obtained any term loans during the year, so this para of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid and provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

(xii) The Company is not a Nidhi Company, so this para of the Order is not applicable.

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

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

Sd/-

(CA MUKESH RAJANI)
Proprietor

M.No.: 073098
PAN: AANPR6167J

PLACE: KANPUR

DATED: 26.06.2021

“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, 2021 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, 2021, 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: 26.06.2021**

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

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : U72900DL2004PLC126096
BALANCE SHEET AS AT 31.03.2021

(In Rs.)

Balance Sheet as at	Note	31.03.2021	31.03.2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	171,263,600	171,263,600
Reserves and surplus	2.2	26,469,404	27,355,650
		197,733,004	198,619,250
Non-current liabilities			
Long-term borrowings	2.3	90,042,425	90,372,425
Deferred tax liabilities (Net)	2.4	35,311	31,928
		90,077,736	90,404,353
Current liabilities			
Trade payables	2.5	28,221,395	28,322,385
Other current liabilities	2.6	-	-
Short-term provisions	2.7	1,201,385	150,000
		29,422,780	28,472,385
TOTAL		317,233,519	317,495,988
ASSETS			
Fixed Assets			
Tangible Assets	2.8	26,207	26,207
		26,207	26,207
Non-current Assets			
Non-current investments	2.9	56,771,122	56,771,122
Deferred tax assets (net)		-	-
Long-term loans and advances	3.0	229,629,008	231,488,508
Other non-current assets	3.1	15,414,939	13,214,939
		301,841,275	301,500,775
Current assets			
Current investments		-	-
Inventories	3.2	163,350	130,680
Trade receivables	3.3	11,175,899	11,203,393
Cash and cash equivalents	3.4	925,956	1,612,850
Short Term Loans & Advances	3.5	3,024,529	3,024,529
Other current assets	3.6	102,510	23,760
		15,392,244	15,995,213
TOTAL		317,233,519	317,495,988

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

In terms of our attached report of even date
For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

For CITYON SYSTEMS (INDIA)LIMITED

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

Mukesh Kumar
(Managing Director)
(DIN : 06573251)

Gaya Prasad Gupta
(Director)
(DIN : 00335302)

Ashok Kumar Sharma Radhika Jhunjunwala

CITYON SYSTEMS (INDIA) LTD.
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : U72900DL2004PLC126096
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021

(In Rs.)

Statement of Profit and Loss for the	Note	31.03.2021	31.03.2020
Revenue from operations	3.7	72,062.71	4,295,175.31
Other income	3.8	449,837.44	-
Total Revenue		521,900.15	4,295,175.31
Expenses			
Purchases of Stock-in-Trade	3.9	69,394.59	3,743,825.17
(Increase)/Decrease in inventories of finished goods	4.0	(32,670.00)	277,860.00
work-in-progress and Stock-in-Trade			
Employee benefits expense	4.1	805,000.00	1,344,000.00
Finance costs	4.2	259.00	6,083.80
Depreciation and amortization expense	4.3	-	-
Other expenses	4.4	1,012,780.00	1,241,136.00
Total expenses		1,854,763.59	6,612,904.97
Profit before prior period items and tax		(1,332,863.44)	(2,317,729.66)
Prior Period Items	4.5	450,000.00	-
Profit before tax		(882,863.44)	(2,317,729.66)
Tax expense:	4.6		
Current tax		-	-
Deferred tax		3,382.57	3,980.80
Profit (Loss) for the period from continuing operations		(886,246.01)	(2,321,710.46)
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit (Loss) for the period		(886,246.01)	(2,321,710.46)
Earnings per equity share:	4.7		
Basic		(0.05)	(0.14)
Diluted		(0.05)	(0.14)

In terms of our attached report of even date

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

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

For CITYON SYSTEMS (INDIA)LIMITED

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

Ashok Kumar Sharma Radhika Jhunjunwala
CFO Company Secretary

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

2.1 Share Capital

In ` Rs

Particular	31.3.2021	31.03.2020
Authorised		
24000000 (24000000) Equity Shares of ` 10/- Par Value	240,000,000.00	240,000,000.00
	240,000,000.00	240,000,000.00
Issued		
17126360 (17126360) Equity Shares of ` 10/- Par Value	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00
Subscribed		
17126360 (17126360) Equity Shares of ` 10/- Par Value	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00
Paid-up		
17126360 Equity Shares of ` 10/- Par Value Fully Paid-up	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00

Holding More Than 5%

Particular	31.03.2021	% Held	31.03.2020	% Held
ANKUR AGARWAL	2,950,788.00	17.23	2,950,788.00	17.23
MUKESH KUMAR	2,687,332.00	15.69	2,687,332.00	15.69
CITYON NANO TECHNOLOGY P. LTD.	1,154,000.00	6.74	1,107,600.00	6.47
NIRBHARANT MANAGEMENT CONS. P. LTD.	994,200.00	5.81	991,400.00	5.79

2.2 Reserve and Surplus

Particular	31.3.2021	31.03.2020
Capital Reserve – Opening	10,000,000.00	10,000,000.00
Addition	-	-
Deduction	-	-
	10,000,000.00	10,000,000.00
Securities Premium Opening	18,855,440.00	18,855,440.00
	18,855,440.00	18,855,440.00
Profit and Loss Opening	(1,499,790.18)	821,920.28
Amount Transferred From Statement of P&L	(886,246.01)	(2,321,710.46)
Appropriation and Allocation		
Others	-	-
	(2,386,036.19)	(1,499,790.18)
	26,469,403.81	27,355,649.82

2.3 Long Term Borrowings

Particular	31.3.2021	31.03.2020
Others		
Unsecured		
BIG BROKER HOUSE STOCKS LTD.	320,881.00	720,881.00
CITYON SOLAR LTD.	16,228,342.00	16,228,342.00
NIKKI GLOBAL FINANCE LTD.	895,000.00	825,000.00
AUTEM CONSULTANCY SERVICES LIMITED	19,500,000.00	19,500,000.00
RICH UDYOG NETWORK LTD.	49,178,202.00	49,178,202.00
KPK FINANCE CONSULTANCY PVT. LTD	3,920,000.00	3,920,000.00
	90,042,425.00	90,372,425.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

2.4 Deferred Taxes

Particular	31.3.2021	31.03.2020
Deferred Tax Liabilities	35,310.57	31,928.00
	35,310.57	31,928.00

2.5 Trade Payables

Particular	31.3.2021	31.03.2020
Creditors Due others		
CITYON NANO TECHNOLOGY PVT. LTD. (TRADING A/c)	7,355,719.00	7,455,719.00
SKYLINE FINANCIAL SERVICES PVT. LTD.	282,723.00	283,223.00
SHASHWAT AGARWAL	12,946,775.00	12,947,375.00
SUDHIR AGARWAL	6,699,450.00	6,699,850.00
SHREE NEELKANTH BUILDERS	24,918.00	25,218.00
MANJU RANI AGARWAL	499,500.00	500,000.00
SATURN ADVERTISING PVT. LTD.	2,310.00	-
NEW E WORLD SERVICES LTD	410,000.00	411,000.00
	28,221,395.00	28,322,385.00

2.6 Other Current Liabilities

Particular	31.3.2021	31.03.2020
Others		
UCO BANK A/C NO.	-	-
	-	-

2.7 Short Term Provisions

Particular	31.3.2021	31.03.2020
Others		
AUDIT FEES PAYABLE	50,000.00	25,000.00
SALARY PAYABLE	341,000.00	125,000.00
LISTING FEES PAYABLE	758,877.00	-
TDS PAYABLE	51,508.00	-
	1,201,385.00	150,000.00

2.9 Non-current investments

Particular	31.3.2021	31.03.2020
Investments in Equity Instruments		
BANSAL SUPP P LTD.	225,000.00	225,000.00
BIG BROKERS HOUSE STOCKS LTD.	2,000,000.00	2,000,000.00
CITYON INFRASTRUCTURE	1,795,500.00	1,795,500.00
CITYON NANO	1,500,000.00	1,500,000.00
DEV BHOO MI PROMOTERS & DEVELOPERS P.LTD.	1,000,000.00	1,000,000.00
GOLD COINS	232,622.00	232,622.00
KUNDAN CASTING P.LTD.	10,000,000.00	10,000,000.00
NEW E WORLD SERVICES LTD,	600,000.00	600,000.00
NIRBHARANT MANAGEMENT	10,968,000.00	10,968,000.00
PRISM HOUSING PVT. LTD.	9,450,000.00	9,450,000.00
AUTEM CONSULTANCY SERVICES LIMITED	2,000,000.00	2,000,000.00
RICH UDYOG NETWORK LTD.	2,000,000.00	2,000,000.00
SIGMA CASTING LTD.	15,000,000.00	15,000,000.00
	56,771,122.00	56,771,122.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.0 Long-term loans and advances

Particular	31.3.2021	31.03.2020
Loans and advances to others		
Unsecured considered good		
ABHIGYAN PRAKASH	200,000.00	200,000.00
AXIS EDUCATIONAL SOCIETY	19,000,000.00	19,000,000.00
BISHAN LAL SHIVHARE	2,000,000.00	2,000,000.00
DAUJEE ABHUSHAN BHANDAR PVT. LTD.	12,900,000.00	12,900,000.00
DEEPAK SEHGAL	(53,300.00)	(53,300.00)
DELUX PETRO CHEM IN	200,000.00	200,000.00
DEV BHOOMI PROMOTERS & DEVELOPERS PVT.LTD	5,000,000.00	5,000,000.00
HD STEELS	500,000.00	500,000.00
HOME LINKERS PVT. LTD.	12,500,000.00	12,500,000.00
HORIZON PORTFOLIO LTD.	1,300,000.00	1,300,000.00
KAMIA MULHOTRA	5,000,000.00	5,000,000.00
KAVITA AGARWAL	2,000,000.00	2,000,000.00
MAA VINDHYAVASINI TOBACCO PVT. LTD.	5,416,250.00	5,000,000.00
MANI SONI	3,000,000.00	3,000,000.00
MI BUILDERS LTD.	6,500,000.00	6,500,000.00
MONAL INFRATECH	5,720,000.00	5,720,000.00
NEELAM MISHRA	2,000,000.00	2,000,000.00
NIRBHARANT AGARWAL	876,480.00	876,480.00
PANKAJ PURI	300,000.00	300,000.00
PARMARTH IRON PVT. LTD.	5,000,000.00	5,000,000.00
QADIRYA & ASSOCIATES P.LTD.	10,000,000.00	10,000,000.00
RAC TECHNOLOGIES	1,000,000.00	1,000,000.00
RAHUL MEHTA	200,000.00	200,000.00
RAJ KAPOOR	1,000,000.00	1,000,000.00
REWA CHEMICALS PVT. LTD.	3,526,750.00	3,526,750.00
RICH UNIVERSE NETWORK LTD	65,378,405.00	65,379,155.00
SAFARI CHEMICALS PVT. LTD.	3,500,000.00	3,500,000.00
SANJAY TANDON	-	200,000.00
SANJAY TANDON HUF	-	2,000,000.00
SARITA JAIN	2,000,000.00	2,000,000.00
SHIVA SHEESHAM MARKETING P LTD.	7,000,000.00	7,000,000.00
SHREYA STOCK & SHARES BROKING PVT. LTD.	275,000.00	275,000.00
SMN ASHWINI	2,000,000.00	2,000,000.00
SMN KISHORE BABU	1,000,000.00	1,000,000.00
SUJEET KUMAR SRIVASTAVA	2,500,000.00	2,500,000.00
VISHAL MALHOTRA	800,000.00	800,000.00
VISHWADOOT EDUCATIONAL TRUST	8,000,000.00	8,000,000.00
ZENO TRADERS AND SERVICES LIMITED	20,532,000.00	20,607,000.00
SHREE MAHALAXMI COMMODITY	8,700,000.00	8,700,000.00
REWA REFINERY PVT. LTD.	1,000,000.00	1,000,000.00
STRAIT CHEM (FZE)	830,193.00	830,193.00
JAY INDUSTRIES	127,230.00	127,230.00
BASOS INFRA GLOBE LIMITED	900,000.00	900,000.00
	229,629,008.00	231,488,508.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.1 Other non-current assets

Particular	31.3.2021	31.03.2020
Trade Receivable		
Unsecured Considered Good		
Others		
EARNEST MONEY	425,033.00	425,033.00
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	100,000.00	100,000.00
SECURITY DEPOSIT ADJUSTABLE (RENT A/C)	865,555.00	865,555.00
SECURITY DEPOSIT FIXED (RENT A/C)	855,000.00	855,000.00
GOODS RECEIVED UNDER SETTLEMENT	12,253,300.00	10,053,300.00
TAX ON REGULAR ASSESSMENT F.Y. 2011-12 (UNDER PROTEST)	665,320.86	665,320.86
	15,414,938.66	13,214,938.66

3.2 Inventories

Particular	31.3.2021	31.03.2020
Others		
Other	163,350.00	130,680.00
	163,350.00	130,680.00

3.3 Trade receivables

Particular	31.3.2021	31.03.2020
Trade Receivables		
Unsecured considered good		
Within Six Months		
BANSAL SUPPLIERS (TRADING A/c)	9,720,483.80	9,720,483.80
HORIZON PORTFOLIO LTD.	71,325.12	68,819.56
NIRBHARANT MANAGEMENT CONSULTANTS PVT. LTD	1,364,090.00	1,394,090.00
PRAKASH YADAV	20,000.00	20,000.00
	11,175,898.92	11,203,393.36

3.4 Cash and cash equivalents

Particular	31.3.2021	31.03.2020
Cash in Hand	852,063.20	1,552,698.20
Balances With Banks		
Balance With Scheduled Banks		
Current Account		
UCO BANK A/C NO.	6,403.76	6,403.76
CANARA BANK A/C	67,489.20	53,748.20
	925,956.16	1,612,850.16

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.5 Current Assets(Short Term Loans & Advances)

Particulars	31.3.2021	31.03.2020
Other Advances		
NATIONAL DEPOSITORY SERVICES LIMITED	24,529.00	24,529.00
SUDHIR AGARWAL (HUF)	3,000,000.00	3,000,000.00
	3,024,529.00	3,024,529.00

3.6 Current Assets(Other Current Assets)

Particulars	31.3.2021	31.03.2020
Other Current Assets		
INPUT SCGT AND CGST	23,760.00	23,760.00
TDS A.Y. 2020-21	45,000.00	-
TDS A.Y. 2021-22	33,750.00	-
	102,510.00	23,760.00

3.7 Revenue from operations

Particular	31.3.2021	31.03.2020
Sale of Products		
Traded Goods		
SALES (TAX INVOICE)	-	3,281,215.00
SALES OF SHARES	72,062.71	1,013,960.31
SALES (OTHER)	-	-
	72,062.71	4,295,175.31

3.8 Other income

Particular	31.3.2021	31.03.2020
Interest		
INTEREST RECEIVED	450,000.00	-
INTEREST RECEIVED ON FDR	-	-
Miscellaneous		
DAILY OPTION PREMIUM BILL	(162.56)	-
	449,837.44	-

3.9 Purchases of Stock-in-Trade

Particular	31.3.2021	31.03.2020
Stock in Trade		
PURCHASE TAX INVOICE	-	2,729,440.00
PURCHASE OTHER	-	-
PURCHASE SHARE	69,394.59	1,014,385.17
	69,394.59	3,743,825.17

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

Particular	31.3.2021	31.03.2020
Opening		
Other	130,680.00	408,540.00
	130,680.00	408,540.00
Closing		
Other	163,350.00	130,680.00
	163,350.00	130,680.00
Increase/Decrease		
Other	(32,670.00)	277,860.00
	(32,670.00)	277,860.00

Details of Increase/Decrease in Inventory

Particular	31.3.2021	31.03.2020
Other		
INCREASE / DECREASE IN CLOSING STOCK	(32,670.00)	277,860.00
	(32,670.00)	277,860.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

4.1 Employee benefits expense

Particular	31.3.2021	31.03.2020
Salary Wages & Bonus		
SALARY A/C	805,000.00	1,344,000.00
	805,000.00	1,344,000.00

4.2 Finance costs

Particular	31.3.2021	31.03.2020
Bank Charges		
BANK CHARGES	259.00	6,083.80
	259.00	6,083.80

4.3 Depreciation and amortisation expense

Particular	31.3.2021	31.03.2020
Depreciation & Amortisation		
Depreciation Tangible Assets		
DEPRICIATION	-	-
	-	-

4.4 Other expenses

Particular	31.3.2021	31.03.2020
Administrative and General Expenses		
Auditors Remuneration		
AUDIT FEE	25,000.00	25,000.00
Selling Distribution Expenses		
Advertising Promotional Expenses		
ADVERTISEMENT & PUBLICITY EXP.	2,310.00	7,056.00
Other Expenses		
CONVEYANCE	2,344.00	2,115.00
DEPOSITARY SERVICE CHARGES	118,000.00	121,133.00
ELECTRIC EXP.	11,652.00	8,000.00
LEGAL EXP.	-	9,000.00
LISTING FEES - BSE	810,385.00	810,385.00
OFFICE EXPENSES	2,140.00	1,740.00
POSTAGE & TELEGRAM	1,168.00	928.00
PRINTING & STATIONARY	3,836.00	3,290.00
REPAIR & MAINTENANCE	2,236.00	1,410.00
ROC EXPENSES	3,600.00	-
RENT	24,000.00	24,000.00
SHARE TRANSFER & REGISTRATION EXP	-	221,974.00
TELEPHONE EXP.	6,109.00	5,105.00
	1,012,780.00	1,241,136.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

4.5 Prior Period items

Particular	31.3.2021	31.03.2020
Prior Period Income	450,000.00	-
	450,000.00	-

4.6 Tax expense

Particular	31.3.2021	31.03.2020
Current tax		
PROVISION FOR CURRENT TAX	-	-
	-	-

4.7 Earnings per equity share

Particular	31.3.2021	31.03.2020
Earnings Per Equity Share		
Basic		
Basic EPS Before Extra Ordinary Item	(0.05)	(0.14)
Diluted		
Diluted EPS Before Extra Ordinary Item	(0.05)	(0.14)
Number of Shares used in computing EPS		
Basic	17,126,360.00	17,126,360.00
Diluted	17,126,360.00	17,126,360.00
Weighted Average Number of shares		
Number of Shares for basic EPS calculation		
Number of shares for dilutive calculation	17,126,360.00	17,126,360.00

In terms of our attached report of even date
For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

FOR CITYON SYSTEMS (INDIA)
LIMITED

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

Mukesh Kumar aya Prasad Gupta
(Managing Director) (Director)
(DIN : 06573251) (DIN :
00335302)

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	
		1.4.2020	Additions	Sale/Adj.	31.3.21	4/1/2020	For the Year	Sale/Adj.	Residual Value Adjustment	3/31/2021	3/31/2021	3/31/2020
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
COMPUTERS AND DATA PROCESSING UNITS												
COMPUTER	-	365,834.00	-	-	365,834.00	363,503.00	-	-	-	363,503.00	2,331.00	2,331.00
Total (Block)		365,834.00	-	-	365,834.00	363,503.00	-	-	-	363,503.00	2,331.00	2,331.00
OFFICE EQUIPMENT												
AIR CONDITIONER	-	102,513.00	-	-	102,513.00	97,388.00	-	-	-	97,388.00	5,125.00	5,125.00
OFFICE EQUIPMENT	-	271,817.00	-	-	271,817.00	259,925.00	-	-	-	259,925.00	11,892.00	11,892.00
Total (Block)		374,330.00	-	-	374,330.00	357,313.00	-	-	-	357,313.00	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	22,303.14	-	-	-	22,303.14	2,952.42	2,952.42
Total (Asset Group)		85,903.00	-	-	85,903.00	77,975.01	-	-	-	77,975.01	5,883.55	5,883.55
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)		105,403.00	-	-	105,403.00	96,500.01	-	-	-	96,500.01	6,858.55	6,858.55
Grand Total		845,567.00	-	-	845,567.00	817,316.01	-	-	-	817,316.01	26,206.55	26,206.55
Previous Year		845,567.00	-	-	845,567.00	817,316.01	1,390.01	-	-	817,316.01	26,206.55	26,206.55

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

	For the year Ended 31, March 2021 Amount (Rs.)	For the year Ended 31, March 2020 Amount (Rs.)
Cash flows from operating activities		
Net Profit as per Profit & Loss A/c	(882,863)	(2,317,730)
Adjustments for :		
Depreciation	-	-
Other Adjustments	-	-
Income Tax	-	-
Operation profit before working capital changes	(882,863)	(2,317,730)
<u>Change in Current Assets:-</u>		
Decrease (Increase) in Trade & Other Receivables	27,494	425
Decrease (Increase) in Inventory	(32,670)	277,860
Decrease (Increase) in Loans & Advances	-	-
Decrease (Increase) in Other Assets	-	-
<u>Change in Current Liabilities:-</u>		
Increase (Decrease) in Trade Payable	(100,990)	1,128,534
Increase (Decrease) in Other Cur. Liabilities	-	(493,596)
Increase (Decrease) in provisions	1,051,385	-
(Increase) Decrease in Other Cur. Assets	(78,750)	3,871,171
NET CASH FROM OPERATING ACTIVITIES	(16,394)	2,466,664
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	(330,000)	-
Proceed from Loans & Advances	1,859,500	(1,279,655)
(Increase) / Repayment of Non Current Assets	(2,200,000)	-
Preliminary Expenses incurred	-	-
Increase from issue of Fresh capital	-	-
NET CASH FROM FINANCING ACTIVITIES	(670,500)	(1,279,655)
Net increase(Decrease) in cash and cash equivalents	(686,894)	1,187,009
Cash and Cash equivalents beginning of year	1,612,850	425,841
Cash and Cash equivalents at end of year	925,956	1,612,850

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

M/S CITYON SYSTEMS INDIA LTD.

(AS ON 31ST MARCH, 2021)

Significant Accounting Policies for the period ended March, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES:

(a) System of Accounting and Revenue Recognition

(i) Accounts are prepared under historical cost convention in accordance with applicable mandatory Accounting Standards referred to in Section 133 of the Companies Act, 2013.

(ii) Income on non-performing assets is recognized in accordance with the provisions of Prudential Norms for Income Recognition prescribed by the Reserve Bank of India and is accounted for in the year of realization.

(iii) Profit / (Losses) on sale of investments are recognized on trade date on First in First out basis.

(iv) Dividend on shares is accounted for as and when received.

(v) Loans and advances are stated net of provisions for non-performing advances. Balances of various parties are subject to confirmations.

(vi) Other Income and expenses are accounted for on accrual basis.

(vii) The inventories of shares & securities have been valued at lower of cost price or market value as at 31st March, 2021.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

(c) Depreciation

The depreciation has been provided on WDV method at the rates provided in Schedule II of the Companies Act, 2013 on pro-rata basis.

(d) Investments

(i) The investments is categorized into 'Non- Current'.

(ii) Investments are valued at cost. Provision for diminution in the value of investment, if any, is made if the Decline in value is of permanent nature.

2. CONTINGENT LIABILITIES:

(a) Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for: NIL
(Previous Year: NIL)

(b) Claims against the company not acknowledged as debts: NIL
(Previous Year: NIL)

(c) Uncalled liability on partly paid investments : NIL
(Previous Year: NIL)

3. Special reserve represents, the reserve created in accordance with the provisions of section 45-IC Of the Reserve Bank of India Act, 1934, as amended by the Reserve Bank of India (Amendment) Act, 1997.

4. The company has not entered into any lease agreement after 31.03.1999, therefore, provision of accounting standard-19 on 'Lease' are not applicable.

5. To the extent information available, there were no outstanding dues towards small scale or ancillary undertaking as on 31.03.2021.

6. The advance received or given is without any stipulation of board of directors regarding their in nature and period for which they are given or received.

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

8. The particulars as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 given in Schedule I-(i) is not appended hereto.
9. Keeping in view the current year losses of the company, net deferred tax liabilities have not been recognized in accordance with Accounting Standard AS-22-“Accounting for taxes on income” issued by the Institute of Chartered Accountants of India”.
10. Payment of Gratuity Act, 1972 and Provident Fund Act, 1952 are not presently applicable to the Company. The company does not have a policy of encashment of unavailed leaves.
11. Earnings in Foreign Currency: NIL (Previous Year: Rs. NIL)
12. Expenses in Foreign Currency: NIL (Previous Year: Rs. NIL)
13. The company has identified that there is no impairment of assets and as such no provision is required for the same in terms of Accounting Standard 28 issued by Institute of Chartered Accountants of India.
14. Figures have been rounded off to the nearest rupees.
15. Previous year's figures have been regrouped / rearranged wherever considered necessary.

In terms of our attached report of even date

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

**Sd/-
CA MUKESH RAJANI
(Proprietor)
M. NO. : 073098
PAN: AANPR6167J**

Date : 26/06/2021
Place: NEW DELHI

CITYON SYSTEMS (INDIA) LIMITED
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : U72900DL2004PLC126096
BALANCE SHEET AS AT 31.03.2021

(In Rs.)

Balance Sheet as at	Note	31.03.2021	31.03.2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	171,263,600	171,263,600
Reserves and surplus	2.2	26,469,404	27,355,650
		197,733,004	198,619,250
Non-current liabilities			
Long-term borrowings	2.3	90,042,425	90,372,425
Deferred tax liabilities (Net)	2.4	35,311	31,928
		90,077,736	90,404,353
Current liabilities			
Trade payables	2.5	28,221,395	28,322,385
Other current liabilities	2.6	-	-
Short-term provisions	2.7	1,201,385	150,000
		29,422,780	28,472,385
TOTAL		317,233,519	317,495,988
ASSETS			
Fixed Assets			
Tangible Assets	2.8	26,207	26,207
		26,207	26,207
Non-current Assets			
Non-current investments	2.9	56,771,122	56,771,122
Deferred tax assets (net)		-	-
Long-term loans and advances	3.0	229,629,008	231,488,508
Other non-current assets	3.1	15,414,939	13,214,939
		301,841,275	301,500,775
Current assets			
Current investments		-	-
Inventories	3.2	163,350	130,680
Trade receivables	3.3	11,175,899	11,203,393
Cash and cash equivalents	3.4	925,956	1,612,850
Short Term Loans & Advances	3.5	3,024,529	3,024,529
Other current assets	3.6	102,510	23,760
		15,392,244	15,995,213
TOTAL		317,233,519	317,495,988

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

In terms of our attached report of even date
For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

For CITYON SYSTEMS (INDIA)LIMITED

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

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

Ashok Kumar Sharma Radhika Jhunjunwala

CITYON SYSTEMS (INDIA) LTD.
215, DELHI CHAMBERS, DELHI GATE, DELHI-110 002
CIN : U72900DL2004PLC126096
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021

(In Rs.)

Statement of Profit and Loss for the	Note	31.03.2021	31.03.2020
Revenue from operations	3.7	72,062.71	4,295,175.31
Other income	3.8	449,837.44	-
Total Revenue		521,900.15	4,295,175.31
Expenses			
Purchases of Stock-in-Trade	3.9	69,394.59	3,743,825.17
(Increase)/Decrease in inventories of finished goods	4.0	(32,670.00)	277,860.00
work-in-progress and Stock-in-Trade			
Employee benefits expense	4.1	805,000.00	1,344,000.00
Finance costs	4.2	259.00	6,083.80
Depreciation and amortization expense	4.3	-	-
Other expenses	4.4	1,012,780.00	1,241,136.00
Total expenses		1,854,763.59	6,612,904.97
Profit before prior period items and tax		(1,332,863.44)	(2,317,729.66)
Prior Period Items	4.5	450,000.00	-
Profit before tax		(882,863.44)	(2,317,729.66)
Tax expense:	4.6		
Current tax		-	-
Deferred tax		3,382.57	3,980.80
Profit (Loss) for the period from continuing operations		(886,246.01)	(2,321,710.46)
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit (Loss) for the period		(886,246.01)	(2,321,710.46)
Earnings per equity share:	4.7		
Basic		(0.05)	(0.14)
Diluted		(0.05)	(0.14)

In terms of our attached report of even date

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

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

For CITYON SYSTEMS (INDIA)LIMITED

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

Ashok Kumar Sharma Radhika Jhunjunwala
CFO Company Secretary

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

2.1 Share Capital

In ` Rs

Particular	31.3.2021	31.03.2020
Authorised		
24000000 (24000000) Equity Shares of ` 10/- Par Value	240,000,000.00	240,000,000.00
	240,000,000.00	240,000,000.00
Issued		
17126360 (17126360) Equity Shares of ` 10/- Par Value	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00
Subscribed		
17126360 (17126360) Equity Shares of ` 10/- Par Value	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00
Paid-up		
17126360 Equity Shares of ` 10/- Par Value Fully Paid-up	171,263,600.00	171,263,600.00
	171,263,600.00	171,263,600.00

Holding More Than 5%

Particular	31.03.2021	% Held	31.03.2020	% Held
ANKUR AGARWAL	2,950,788.00	17.23	2,950,788.00	17.23
MUKESH KUMAR	2,687,332.00	15.69	2,687,332.00	15.69
CITYON NANO TECHNOLOGY P. LTD.	1,154,000.00	6.74	1,107,600.00	6.47
NIRBHARANT MANAGEMENT CONS. P. LTD.	994,200.00	5.81	991,400.00	5.79

2.2 Reserve and Surplus

Particular	31.3.2021	31.03.2020
Capital Reserve – Opening	10,000,000.00	10,000,000.00
Addition	-	-
Deduction	-	-
	10,000,000.00	10,000,000.00
Securities Premium Opening	18,855,440.00	18,855,440.00
	18,855,440.00	18,855,440.00
Profit and Loss Opening	(1,499,790.18)	821,920.28
Amount Transferred From Statement of P&L	(886,246.01)	(2,321,710.46)
Appropriation and Allocation		
Others	-	-
	(2,386,036.19)	(1,499,790.18)
	26,469,403.81	27,355,649.82

2.3 Long Term Borrowings

Particular	31.3.2021	31.03.2020
Others		
Unsecured		
BIG BROKER HOUSE STOCKS LTD.	320,881.00	720,881.00
CITYON SOLAR LTD.	16,228,342.00	16,228,342.00
NIKKI GLOBAL FINANCE LTD.	895,000.00	825,000.00
AUTEM CONSULTANCY SERVICES LIMITED	19,500,000.00	19,500,000.00
RICH UDYOG NETWORK LTD.	49,178,202.00	49,178,202.00
KPK FINANCE CONSULTANCY PVT. LTD	3,920,000.00	3,920,000.00
	90,042,425.00	90,372,425.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

2.4 Deferred Taxes

Particular	31.3.2021	31.03.2020
Deferred Tax Liabilities	35,310.57	31,928.00
	35,310.57	31,928.00

2.5 Trade Payables

Particular	31.3.2021	31.03.2020
Creditors Due others		
CITYON NANO TECHNOLOGY PVT. LTD. (TRADING A/c)	7,355,719.00	7,455,719.00
SKYLINE FINANCIAL SERVICES PVT. LTD.	282,723.00	283,223.00
SHASHWAT AGARWAL	12,946,775.00	12,947,375.00
SUDHIR AGARWAL	6,699,450.00	6,699,850.00
SHREE NEELKANTH BUILDERS	24,918.00	25,218.00
MANJU RANI AGARWAL	499,500.00	500,000.00
SATURN ADVERTISING PVT. LTD.	2,310.00	-
NEW E WORLD SERVICES LTD	410,000.00	411,000.00
	28,221,395.00	28,322,385.00

2.6 Other Current Liabilities

Particular	31.3.2021	31.03.2020
Others		
UCO BANK A/C NO.	-	-
	-	-

2.7 Short Term Provisions

Particular	31.3.2021	31.03.2020
Others		
AUDIT FEES PAYABLE	50,000.00	25,000.00
SALARY PAYABLE	341,000.00	125,000.00
LISTING FEES PAYABLE	758,877.00	-
TDS PAYABLE	51,508.00	-
	1,201,385.00	150,000.00

2.9 Non-current investments

Particular	31.3.2021	31.03.2020
Investments in Equity Instruments		
BANSAL SUPP P LTD.	225,000.00	225,000.00
BIG BROKERS HOUSE STOCKS LTD.	2,000,000.00	2,000,000.00
CITYON INFRASTRUCTURE	1,795,500.00	1,795,500.00
CITYON NANO	1,500,000.00	1,500,000.00
DEV BHOO MI PROMOTERS & DEVELOPERS P.LTD.	1,000,000.00	1,000,000.00
GOLD COINS	232,622.00	232,622.00
KUNDAN CASTING P.LTD.	10,000,000.00	10,000,000.00
NEW E WORLD SERVICES LTD,	600,000.00	600,000.00
NIRBHARANT MANAGEMENT	10,968,000.00	10,968,000.00
PRISM HOUSING PVT. LTD.	9,450,000.00	9,450,000.00
AUTEM CONSULTANCY SERVICES LIMITED	2,000,000.00	2,000,000.00
RICH UDYOG NETWORK LTD.	2,000,000.00	2,000,000.00
SIGMA CASTING LTD.	15,000,000.00	15,000,000.00
	56,771,122.00	56,771,122.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.0 Long-term loans and advances

Particular	31.3.2021	31.03.2020
Loans and advances to others		
Unsecured considered good		
ABHIGYAN PRAKASH	200,000.00	200,000.00
AXIS EDUCATIONAL SOCIETY	19,000,000.00	19,000,000.00
BISHAN LAL SHIVHARE	2,000,000.00	2,000,000.00
DAUJEE ABHUSHAN BHANDAR PVT. LTD.	12,900,000.00	12,900,000.00
DEEPAK SEHGAL	(53,300.00)	(53,300.00)
DELUX PETRO CHEM IN	200,000.00	200,000.00
DEV BHOOMI PROMOTERS & DEVELOPERS PVT.LTD	5,000,000.00	5,000,000.00
HD STEELS	500,000.00	500,000.00
HOME LINKERS PVT. LTD.	12,500,000.00	12,500,000.00
HORIZON PORTFOLIO LTD.	1,300,000.00	1,300,000.00
KAMIA MULHOTRA	5,000,000.00	5,000,000.00
KAVITA AGARWAL	2,000,000.00	2,000,000.00
MAA VINDHYAVASINI TOBACCO PVT. LTD.	5,416,250.00	5,000,000.00
MANI SONI	3,000,000.00	3,000,000.00
MI BUILDERS LTD.	6,500,000.00	6,500,000.00
MONAL INFRATECH	5,720,000.00	5,720,000.00
NEELAM MISHRA	2,000,000.00	2,000,000.00
NIRBHARANT AGARWAL	876,480.00	876,480.00
PANKAJ PURI	300,000.00	300,000.00
PARMARTH IRON PVT. LTD.	5,000,000.00	5,000,000.00
QADIRYA & ASSOCIATES P.LTD.	10,000,000.00	10,000,000.00
RAC TECHNOLOGIES	1,000,000.00	1,000,000.00
RAHUL MEHTA	200,000.00	200,000.00
RAJ KAPOOR	1,000,000.00	1,000,000.00
REWA CHEMICALS PVT. LTD.	3,526,750.00	3,526,750.00
RICH UNIVERSE NETWORK LTD	65,378,405.00	65,379,155.00
SAFARI CHEMICALS PVT. LTD.	3,500,000.00	3,500,000.00
SANJAY TANDON	-	200,000.00
SANJAY TANDON HUF	-	2,000,000.00
SARITA JAIN	2,000,000.00	2,000,000.00
SHIVA SHEESHAM MARKETING P LTD.	7,000,000.00	7,000,000.00
SHREYA STOCK & SHARES BROKING PVT. LTD.	275,000.00	275,000.00
SMN ASHWINI	2,000,000.00	2,000,000.00
SMN KISHORE BABU	1,000,000.00	1,000,000.00
SUJEET KUMAR SRIVASTAVA	2,500,000.00	2,500,000.00
VISHAL MALHOTRA	800,000.00	800,000.00
VISHWADOOT EDUCATIONAL TRUST	8,000,000.00	8,000,000.00
ZENO TRADERS AND SERVICES LIMITED	20,532,000.00	20,607,000.00
SHREE MAHALAXMI COMMODITY	8,700,000.00	8,700,000.00
REWA REFINERY PVT. LTD.	1,000,000.00	1,000,000.00
STRAIT CHEM (FZE)	830,193.00	830,193.00
JAY INDUSTRIES	127,230.00	127,230.00
BASOS INFRA GLOBE LIMITED	900,000.00	900,000.00
	229,629,008.00	231,488,508.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.1 Other non-current assets

Particular	31.3.2021	31.03.2020
Trade Receivable		
Unsecured Considered Good		
Others		
EARNEST MONEY	425,033.00	425,033.00
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	100,000.00	100,000.00
SECURITY DEPOSIT ADJUSTABLE (RENT A/C)	865,555.00	865,555.00
SECURITY DEPOSIT FIXED (RENT A/C)	855,000.00	855,000.00
GOODS RECEIVED UNDER SETTLEMENT	12,253,300.00	10,053,300.00
TAX ON REGULAR ASSESSMENT F.Y. 2011-12 (UNDER PROTEST)	665,320.86	665,320.86
	15,414,938.66	13,214,938.66

3.2 Inventories

Particular	31.3.2021	31.03.2020
Others		
Other	163,350.00	130,680.00
	163,350.00	130,680.00

3.3 Trade receivables

Particular	31.3.2021	31.03.2020
Trade Receivables		
Unsecured considered good		
Within Six Months		
BANSAL SUPPLIERS (TRADING A/c)	9,720,483.80	9,720,483.80
HORIZON PORTFOLIO LTD.	71,325.12	68,819.56
NIRBHARANT MANAGEMENT CONSULTANTS PVT. LTD	1,364,090.00	1,394,090.00
PRAKASH YADAV	20,000.00	20,000.00
	11,175,898.92	11,203,393.36

3.4 Cash and cash equivalents

Particular	31.3.2021	31.03.2020
Cash in Hand	852,063.20	1,552,698.20
Balances With Banks		
Balance With Scheduled Banks		
Current Account		
UCO BANK A/C NO.	6,403.76	6,403.76
CANARA BANK A/C	67,489.20	53,748.20
	925,956.16	1,612,850.16

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

3.5 Current Assets(Short Term Loans & Advances)

Particulars	31.3.2021	31.03.2020
Other Advances		
NATIONAL DEPOSITORY SERVICES LIMITED	24,529.00	24,529.00
SUDHIR AGARWAL (HUF)	3,000,000.00	3,000,000.00
	3,024,529.00	3,024,529.00

3.6 Current Assets(Other Current Assets)

Particulars	31.3.2021	31.03.2020
Other Current Assets		
INPUT SCGT AND CGST	23,760.00	23,760.00
TDS A.Y. 2020-21	45,000.00	-
TDS A.Y. 2021-22	33,750.00	-
	102,510.00	23,760.00

3.7 Revenue from operations

Particular	31.3.2021	31.03.2020
Sale of Products		
Traded Goods		
SALES (TAX INVOICE)	-	3,281,215.00
SALES OF SHARES	72,062.71	1,013,960.31
SALES (OTHER)	-	-
	72,062.71	4,295,175.31

3.8 Other income

Particular	31.3.2021	31.03.2020
Interest		
INTEREST RECEIVED	450,000.00	-
INTEREST RECEIVED ON FDR	-	-
Miscellaneous		
DAILY OPTION PREMIUM BILL	(162.56)	-
	449,837.44	-

3.9 Purchases of Stock-in-Trade

Particular	31.3.2021	31.03.2020
Stock in Trade		
PURCHASE TAX INVOICE	-	2,729,440.00
PURCHASE OTHER	-	-
PURCHASE SHARE	69,394.59	1,014,385.17
	69,394.59	3,743,825.17

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

Particular	31.3.2021	31.03.2020
Opening		
Other	130,680.00	408,540.00
	130,680.00	408,540.00
Closing		
Other	163,350.00	130,680.00
	163,350.00	130,680.00
Increase/Decrease		
Other	(32,670.00)	277,860.00
	(32,670.00)	277,860.00

Details of Increase/Decrease in Inventory

Particular	31.3.2021	31.03.2020
Other		
INCREASE / DECREASE IN CLOSING STOCK	(32,670.00)	277,860.00
	(32,670.00)	277,860.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

4.1 Employee benefits expense

Particular	31.3.2021	31.03.2020
Salary Wages & Bonus		
SALARY A/C	805,000.00	1,344,000.00
	805,000.00	1,344,000.00

4.2 Finance costs

Particular	31.3.2021	31.03.2020
Bank Charges		
BANK CHARGES	259.00	6,083.80
	259.00	6,083.80

4.3 Depreciation and amortisation expense

Particular	31.3.2021	31.03.2020
Depreciation & Amortisation		
Depreciation Tangible Assets		
DEPRICIATION	-	-
	-	-

4.4 Other expenses

Particular	31.3.2021	31.03.2020
Administrative and General Expenses		
Auditors Remuneration		
AUDIT FEE	25,000.00	25,000.00
Selling Distribution Expenses		
Advertising Promotional Expenses		
ADVERTISEMENT & PUBLICITY EXP.	2,310.00	7,056.00
Other Expenses		
CONVEYANCE	2,344.00	2,115.00
DEPOSITARY SERVICE CHARGES	118,000.00	121,133.00
ELECTRIC EXP.	11,652.00	8,000.00
LEGAL EXP.	-	9,000.00
LISTING FEES - BSE	810,385.00	810,385.00
OFFICE EXPENSES	2,140.00	1,740.00
POSTAGE & TELEGRAM	1,168.00	928.00
PRINTING & STATIONARY	3,836.00	3,290.00
REPAIR & MAINTENANCE	2,236.00	1,410.00
ROC EXPENSES	3,600.00	-
RENT	24,000.00	24,000.00
SHARE TRANSFER & REGISTRATION EXP	-	221,974.00
TELEPHONE EXP.	6,109.00	5,105.00
	1,012,780.00	1,241,136.00

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

4.5 Prior Period items

Particular	31.3.2021	31.03.2020
Prior Period Income	450,000.00	-
	450,000.00	-

4.6 Tax expense

Particular	31.3.2021	31.03.2020
Current tax		
PROVISION FOR CURRENT TAX	-	-
	-	-

4.7 Earnings per equity share

Particular	31.3.2021	31.03.2020
Earnings Per Equity Share		
Basic		
Basic EPS Before Extra Ordinary Item	(0.05)	(0.14)
Diluted		
Diluted EPS Before Extra Ordinary Item	(0.05)	(0.14)
Number of Shares used in computing EPS		
Basic	17,126,360.00	17,126,360.00
Diluted	17,126,360.00	17,126,360.00
Weighted Average Number of shares		
Number of Shares for basic EPS calculation		
Number of shares for dilutive calculation	17,126,360.00	17,126,360.00

In terms of our attached report of even date
For Rajani Mukesh & Associates,
Chartered Accountants,
FRN : 004072C

FOR CITYON SYSTEMS (INDIA)
LIMITED

CA Mukesh Rajani
(Proprietor)
M. NO. : 073098
PAN : AANPR6167J
Date: 26.06.2021

Mukesh Kumar aya Prasad Gupta
(Managing Director) (Director)
(DIN : 06573251) (DIN :
00335302)

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	
		1.4.2020	Additions	Sale/Adj.	31.3.21	4/1/2020	For the Year	Sale/Adj.	Residual Value Adjustment	3/31/2021	3/31/2021	3/31/2020
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
COMPUTERS AND DATA PROCESSING UNITS												
COMPUTER	-	365,834.00	-	-	365,834.00	363,503.00	-	-	-	363,503.00	2,331.00	2,331.00
Total (Block)		365,834.00	-	-	365,834.00	363,503.00	-	-	-	363,503.00	2,331.00	2,331.00
OFFICE EQUIPMENT												
AIR CONDITIONER	-	102,513.00	-	-	102,513.00	97,388.00	-	-	-	97,388.00	5,125.00	5,125.00
OFFICE EQUIPMENT	-	271,817.00	-	-	271,817.00	259,925.00	-	-	-	259,925.00	11,892.00	11,892.00
Total (Block)		374,330.00	-	-	374,330.00	357,313.00	-	-	-	357,313.00	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	22,303.14	-	-	-	22,303.14	2,952.42	2,952.42
Total (Asset Group)		85,903.00	-	-	85,903.00	77,975.01	-	-	-	77,975.01	5,883.55	5,883.55
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)		105,403.00	-	-	105,403.00	96,500.01	-	-	-	96,500.01	6,858.55	6,858.55
Grand Total		845,567.00	-	-	845,567.00	817,316.01	-	-	-	817,316.01	26,206.55	26,206.55
Previous Year		845,567.00	-	-	845,567.00	817,316.01	1,390.01	-	-	817,316.01	26,206.55	26,206.55

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

	For the year Ended 31, March 2021 Amount (Rs.)	For the year Ended 31, March 2020 Amount (Rs.)
Cash flows from operating activities		
Net Profit as per Profit & Loss A/c	(882,863)	(2,317,730)
Adjustments for :		
Depreciation	-	-
Other Adjustments	-	-
Income Tax	-	-
Operation profit before working capital changes	(882,863)	(2,317,730)
<u>Change in Current Assets:-</u>		
Decrease (Increase) in Trade & Other Receivables	27,494	425
Decrease (Increase) in Inventory	(32,670)	277,860
Decrease (Increase) in Loans & Advances	-	-
Decrease (Increase) in Other Assets	-	-
<u>Change in Current Liabilities:-</u>		
Increase (Decrease) in Trade Payable	(100,990)	1,128,534
Increase (Decrease) in Other Cur. Liabilities	-	(493,596)
Increase (Decrease) in provisions	1,051,385	-
(Increase) Decrease in Other Cur. Assets	(78,750)	3,871,171
NET CASH FROM OPERATING ACTIVITIES	(16,394)	2,466,664
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	(330,000)	-
Proceed from Loans & Advances	1,859,500	(1,279,655)
(Increase) / Repayment of Non Current Assets	(2,200,000)	-
Preliminary Expenses incurred	-	-
Increase from issue of Fresh capital	-	-
NET CASH FROM FINANCING ACTIVITIES	(670,500)	(1,279,655)
Net increase(Decrease) in cash and cash equivalents	(686,894)	1,187,009
Cash and Cash equivalents beginning of year	1,612,850	425,841
Cash and Cash equivalents at end of year	925,956	1,612,850

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

M/S CITYON SYSTEMS INDIA LTD.

(AS ON 31ST MARCH, 2021)

Significant Accounting Policies for the period ended March, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES:

(a) System of Accounting and Revenue Recognition

(i) Accounts are prepared under historical cost convention in accordance with applicable mandatory Accounting Standards referred to in Section 133 of the Companies Act, 2013.

(ii) Income on non-performing assets is recognized in accordance with the provisions of Prudential Norms for Income Recognition prescribed by the Reserve Bank of India and is accounted for in the year of realization.

(iii) Profit / (Losses) on sale of investments are recognized on trade date on First in First out basis.

(iv) Dividend on shares is accounted for as and when received.

(v) Loans and advances are stated net of provisions for non-performing advances. Balances of various parties are subject to confirmations.

(vi) Other Income and expenses are accounted for on accrual basis.

(vii) The inventories of shares & securities have been valued at lower of cost price or market value as at 31st March, 2021.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

(c) Depreciation

The depreciation has been provided on WDV method at the rates provided in Schedule II of the Companies Act, 2013 on pro-rata basis.

(d) Investments

(i) The investments is categorized into 'Non- Current'.

(ii) Investments are valued at cost. Provision for diminution in the value of investment, if any, is made if the Decline in value is of permanent nature.

2. CONTINGENT LIABILITIES:

(a) Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for: NIL
(Previous Year: NIL)

(b) Claims against the company not acknowledged as debts: NIL
(Previous Year: NIL)

(c) Uncalled liability on partly paid investments : NIL
(Previous Year: NIL)

3. Special reserve represents, the reserve created in accordance with the provisions of section 45-IC Of the Reserve Bank of India Act, 1934, as amended by the Reserve Bank of India (Amendment) Act, 1997.

4. The company has not entered into any lease agreement after 31.03.1999, therefore, provision of accounting standard-19 on 'Lease' are not applicable.

5. To the extent information available, there were no outstanding dues towards small scale or ancillary undertaking as on 31.03.2021.

6. The advance received or given is without any stipulation of board of directors regarding their in nature and period for which they are given or received.

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

8. The particulars as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 given in Schedule I-(i) is not appended hereto.
9. Keeping in view the current year losses of the company, net deferred tax liabilities have not been recognized in accordance with Accounting Standard AS-22-“Accounting for taxes on income” issued by the Institute of Chartered Accountants of India”.
10. Payment of Gratuity Act, 1972 and Provident Fund Act, 1952 are not presently applicable to the Company. The company does not have a policy of encashment of unavailed leaves.
11. Earnings in Foreign Currency: NIL (Previous Year: Rs. NIL)
12. Expenses in Foreign Currency: NIL (Previous Year: Rs. NIL)
13. The company has identified that there is no impairment of assets and as such no provision is required for the same in terms of Accounting Standard 28 issued by Institute of Chartered Accountants of India.
14. Figures have been rounded off to the nearest rupees.
15. Previous year's figures have been regrouped / rearranged wherever considered necessary.

In terms of our attached report of even date

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

**Sd/-
CA MUKESH RAJANI
(Proprietor)
M. NO. : 073098
PAN: AANPR6167J**

Date : 26/06/2021
Place: NEW DELHI