

28TH

ANNUAL REPORT

2019 - 2020



CITI PORT FINANCIAL SERVICES LIMITED

28TH ANNUAL GENERAL MEETING

Wednesday, 30th Day of September, 2020 at 12:00 PM
At Hotel Inner Circle, Raj Bhavan Road,
Somajiguda, Hyderabad-500073.

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COMPANY INFORMATION

BOARD OF DIRECTORS

- | | |
|----------------------------------|-------------------|
| 1. Mr. Enjamuri Pardha Saradhi | Managing Director |
| 2. Mr. Ratan Kishan Musurnur | Director |
| 3. Smt. Dhanushree Guddep | Women Director |
| 4. Mr. Partha sarathi Prattipati | Director |
| 5. Mr. Yetukuri Mallikarjunrao | Director |

COMPANY SECRETARY

Mr. Ramachander Rao Desharaju

CHEIF FINANCIAL OFFICER (CFO)

Mr. Raja sekhar Katta

STATUTORY AUDITORS

M/s. NSVR & Associates LLP
Road No 10, Banjara Hills,
Hyderabad-500034

INTERNAL AUDITOR

Sravanthi Karuturi
(M No.239567)
Chartered accountant
Hyderabad

SECRETARIAL CONSULTANTS

M/s P S RAO & ASSOCIATES
Company Secretaries
Hyderabad

REGISTERED OFFICE

H.No. 64&71(O), 255 & 256 (N) Flat No 5c,
5th Floor, Doyen Habitat,
Srinagar Colony Hyderabad
Telangana-500073

SHARE TRANSFER AGENTS

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

LISTED AT: BSE Limited

BOARD COMMITTEE

Audit Committee:

Mr. Parthasarathi Prattipati - (Chairman)
Mr. Yetukuri Mallikarjunrao
Smt. Dhanushree Guddep

Nomination & remuneration Committee:

Mr. Parthasarathi Prattipati - (Chairman)
Mr. Yetukuri Mallikarjunrao
Smt. Dhanushree Guddep

Stakeholder Relationship Committee:

Mr. Parthasarathi Prattipati - (Chairman)
Mr. Yetukuri Mallikarjunrao
Smt. Dhanushree Guddep

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the members of the Company will be held on Wednesday 30th September, 2020 At 12.00 P.M. At Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad-500073 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2020 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Mr. Enjamuri Pardha Saradhi (DIN: 07531047) who retires by rotation, being eligible offers herself for re-appointment.

By order of the Board
For CITI PORT FINANCIAL SERVICES LTD

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN :- 07531047

Place: Hyderabad
Date: 27.08.2020

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of him/her and such proxy need not be a member of the Company. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Proxies in order to be effective must be delivered at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Transfer Books of the Company will be closed from 24th day of September 2020 to 30th day of September, 2020 (both days inclusive) for the purpose of 28th Annual General Meeting of the company.
6. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's STA viz. M/s. Bigshare Services Private Limited, Flat No. 306, Right Wing, 3rd Floor, Amrutha Ville Apt., Opp: Yashodha Hospital, Somajiguda, Rajbhavan Road, Hyderabad-500082, by enclosing a photocopy of blank cancelled cheque of your bank account.
7. M/s. Bigshare Services Private Limited, Flat No. 306, Right Wing, 3rd Floor, Amrutha Ville Apt., Opp: Yashodha Hospital, Somajiguda, Rajbhavan Road, Hyderabad-500082, Phones: 040 4014 4967 Email: bsshyd@bigshareonline.com is the Registrar & Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.
9. Members holding shares in physical form are informed to furnish their bank account details to the STA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.
10. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.

11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto the date of the meeting.
12. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting. Members are requested to come to the venue of the meeting well in advance for registration. No registration will be entertained after fifteen minutes from the scheduled time of the commencement of the meeting.
13. The annual report for the financial year 2019-2020 is being sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, i.e. www.citiportfinancialservices.com. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2019-2020, free of cost, upon sending a request to the Company Secretary at H No. 64&71(O), 255 & 256 (N) Flat No 5c, 5th Floor, Doyen Habitat, Srinagar Colony Hyderabad -500073. Telangana.
14. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company i.e., Bigshare Services Private Limited
15. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
16. Section 108 of the Companies Act, 2013, read with rules made thereunder and Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015, requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings. Accordingly, the Company is pleased to offer e-voting facility as an alternate, for all its Members to enable them to cast their vote electronically.
17. In case a Member desires to exercise his/her/its vote by using e-voting facility then he/she/it has to carefully follow the instructions as given for E-Voting. He/she/it can use the facility and log in any number of times till he/she/it has voted on the Resolution or till the end of the voting period whichever is earlier. The detailed instructions for E-Voting are given as part of this Notice.
18. Since E-Voting facility is provided to the Members pursuant to Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015 and pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, as amended, the chairman shall call for voting by poll at the meeting and upon such call being made, the voting by show of hands will not be allowed at the meeting.

19. The results of the e-voting and result of the physical voting at the meeting will be declared within 48 hours of conclusion of the meeting and the results along with the scrutinizer's report shall be placed on the website of the Company.
20. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the Company as on Wednesday, 23rd day of September 2020 being the cut-off date.
21. The members of the Company, holding shares either in physical form or in dematerialized form, as on Wednesday, 23rd day of September 2020, being the cutoff date, may cast their vote (for or against) electronically.
22. The facility for voting through poll shall be made available at the meeting and the members attending the meeting who have not already cast their vote electronically through e-voting shall be able to exercise their voting right at the Meeting.
23. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
24. Mr. Jineshwar Kumar sankhala, Practising Company Secretary has been appointed by the Board as Scrutinizer for the purpose of ascertaining the requisite majority for all the businesses in a fair and transparent manner. The results declared along with the scrutinizer's report shall be placed on the website of the Company.
25. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, brief profile of the Directors proposed to be appointed, re-appointed, is annexed to this notice.
26. The Proxy Form and the Attendance slip are enclosed with this notice.
27. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.

E-VOTING

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

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

- (i) The voting period begins on Sunday 27th September, 2020 at 09.00 Hrs and ends on , Tuesday 29th September, 2020 at 17.00 Hrs. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “**CITI PORT FINANCIAL SERVICES LIMITED**” from the drop down menu and click on “SUBMIT”
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
● Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> ● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
28. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice

versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.

29. The Company has appointed Mr. Jineshwar Kumar Sankhala, Practicing Company secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting

By order of the Board
For CITI PORT FINANCIAL SERVICES LIMITED

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN :- 07531047

Place: Hyderabad
Date: 27.08.2020

Information in respect of directors seeking appointment/re-appointment as required under SEBI (LODR) REGULATIONS, 2015

Name of the Directors	Mr. Enjamuri Pardha Saradhi
Date of first appointment	30/05/2016
Date of birth/age	01/07/1951
Expertise in specific functional areas	Finance
Educational qualification	Graduation
Chairman/member of the committees of board of Directors of the company	NIL
List of Directorships, Committee Chairmanship, Membership held in other companies as on Date excluding Private limited Companies	NIL

DIRECTORS' REPORT**To**

The Members

Your Directors have pleasure in presenting the 28th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2020.

FINANCIAL SUMMARY**(Amt. in Rs.)**

PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Sales (Excl. Duties and Taxes)	25,85,824	17,75,186
Other Income	0	0
Total Income	25,85,824	17,75,186
Total Expenditure	24,83,350	17,46,354
Profit Before Tax	1,02,474	28,832
Exceptional Items		
Tax	25,793	6,237
Net Profit / (Loss)	76,681	22,595

COMPANY PERFORMANCE:

During the financial year under review, your Company has achieved total income of Rs. 25.85 lakhs as against the previous year income of Rs. 17.76 lakhs and recorded net profit of Rs. 0.77 lakhs for financial year 2019-20 when compared to a net profit of Rs. 0.22 lakhs during the previous year.

SHARE CAPITAL :

The paid up equity share capital of the Company as on 31st March, 2020, is Rs.3,10,00,000/-During the year under review, the Company has not issued shares with differential voting rights, sweat equity shares or Employee Stock Options.

TRANSFER OF AMOUNT TO GENERAL RESERVE :

No amount has been transferred to reserves during the year.

DIVIDEND:

Your Directors do not recommend any Dividend for the financial year 2019-2020.

FIXED DEPOSITS :

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

BOARD MEETINGS :

During the year under review, Six board meetings were held on 02.04.2019, 28.05.2019, 13.08.2019, 05.09.2019, 14.11.2019 and 10.02.2020 The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

BOARD EVALUATION :

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in the following manner:

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

A separate meeting of Independent Directors was held on 10th February 2020 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

DIRECTORS & KEY MANAGERIAL PERSONAL:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Enjamuri Pardha Saradhi (DIN - 07531047) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2019-20 and of the profit or loss of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts for the year 2019-20 have been prepared on a going concern basis.
- v. That proper internal financial control was in place and that the financial controls were adequate and were operating effectively.
- vi. That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

AUDITORS:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, M/s. NSVR & Associates LLP ,(FRN:- 008801S/S200060) Chartered Accountants, Hyderabad, appointed as Statutory Auditors of the Company for a period to hold office from the conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting at such remuneration as decided by the Board and such appointment will be in accordance with the limits specified in Section 141 of the Companies Act, 2013.

INTERNAL AUDITOR:

The Board of Directors based on the recommendation of the Audit Committee has appointed Sravanthi Karuturi (M No.239567), Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY :

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

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

The Company is under the business of investment and financing so the particulars of the Conservation of energy and Technology Absorption is **NOT APPLICABLE**

Foreign Exchange Earnings and on word: **NIL**

MANAGEMENT DISCUSSION & ANALYSIS :

Pursuant to the provision of Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015 a report on Management Discussion & Analysis is set out as an **Annexure A**.

SECRETARIAL AUDIT :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed P.S Rao and Associates, Practicing company secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "**Annexure B**" to this report.

SUBSIDIARIES & ASSOCIATE COMPANIES :

During the financial year under review, The Company has disseminated the sale of investment in Citiport credit limited, so that Citiport credit limited is no longer subsidiary of Citiport Financial Services Limited. Goldenvalley Holding Private Limited is associate company.

The Statement containing the salient feature of the financial statement of associates as per sub section (3) of section 129 of the Companies Act, 2013 in form AOC-1 is herewith annexed as **Annexure-C** to this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

RELATED PARTY TRANSACTIONS :

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

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per Regulation 23 of the SEBI (LODR) REGULATIONS, 2015 for the transactions which are of a foreseen and repetitive nature. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company. The particulars of contracts or arrangements with related parties referred to in sub-section (1)

of Section 188 of the Companies Act, 2013 in **Form AOC-2** is herewith annexed as '*Annexure D*' to this report.

EXTRACT OF ANNUAL RETURN :

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

RISK MANAGEMENT :

Pursuant to the provisions of section 134 (3) (n) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per SEBI(LODR)Regulations,2015 the Risk management is Not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY :

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

CORPORATE GOVERNANCE:

Since the paid up capital of the Company is less than Rs. 10 Crores and the net worth of the Company is less than Rs.25 Crores, the provisions of Regulations 17, 18,19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015, are not applicable to the Company.

VIGIL MECHANISM :

Pursuant to the provisions of section 177 (9) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (meetings of board and its powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (LODR)Regulations,2015 the Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. and also posted on the website of the Company.

NOMINATION & REMUNERATION POLICY

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178 of Companies Act, 2013 and to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. The policy is also posted in the of the company's website.

PARTICULARS OF EMPLOYEES :

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **Annexure-F**. In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of 102 Lakhs or more, or employees who are employed for part of the year and in receipt of 8.5 Lakhs or more per month.

HUMAN RESOURCES:

The Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE :

The Company strongly supports the rights of all its employees to work in an environment free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

The Company has not received any complaint on sexual harassment during the year

ACKNOWLEDGEMENTS:

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

By order of the Board of Directors
For CITI PORT FINANCIAL SERVICES LIMITED

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN:-07531047

Sd/-
Parthasarathi Prattipati
Director
DIN:- 00004936

Place: Hyderabad
Date: 27.08.2020

MANAGEMENT DISCUSSION & ANALYSIS**NBFC & GROWTH:**

NBFCs being financial intermediaries are engaged in the activity of bringing the saving and the investing community together. In this role they are perceived to be playing a complimentary role to banks rather than competitors, as it is a known fact that majority of the population in the country do not yet have access to mainstream financial products and services including a bank account. Therefore, the country needs institutions beyond banks for reaching out in areas where banks' presence may be lesser. Thus, NBFCs have carved niche business areas for them within the financial sector space and are also popular for providing customized products. In short, NBFCs bring the much needed diversity to the financial sector thus diversifying the risks, increasing liquidity in the markets thereby promoting financial stability and bringing efficiency to the financial sector.

OPPORTUNITIES AND THREATS:

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

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

RISKS AND CONCERNS:

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

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

INDUSTRY OUTLOOK:

Non-banking finance companies (NBFC's) are integral part of country's financial system because their complementary as well as competitive role. They act as critical link in the overall financial system catering to a large market of niche customers. However, competition continues to be intense as India and foreign banks have entered the retail trading business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitor. NBFC's can sustain in this competitive environment only through optimizing of funding costs, identification of potential business areas, widen-

ing geographical reach, and use of technology, cost efficiency , strict monitoring and raising the level of customer service.

COMPANY OUTLOOK

The company has profit during the financial year 2019-20. The board of directors of your company feel that the economy will improve still in the coming years providing the greater chance for your company to grow further. Moreover, Indian Government took many initiatives programs which will promote industry to come with many opportunities and chance to grow further in coming years. Your company is actively engaged in introducing innovative and customized products for the customers. The management of your company is making all efforts in finding new areas and markets for exploring the company's products and services.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

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

Form No MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

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

To
The Members,
CITI PORT FINANCIAL SERVICES LIMITED,
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CITI PORT FINANCIAL SERVICES LIMITED, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under.
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. (the Company has not raised any External Commercial Borrowing)
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2016;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);
- vi. Other laws including Banking Regulation Act, 1949, Rules, Regulations and Guidelines issued by the Reserve Bank of India are applicable to Non-Banking Financial Companies with classification as a 'Loan Company'; which is specifically applicable to the Company.

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

- i. The SEBI (LODR) Regulations entered into by the Company with Stock Exchange and
- ii. Secretarial Standards issued by the Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

- * The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- * Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- * All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.
- * There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

**For P S Rao & Associates
Company Secretaries**

**Sd/-
Jineshwar Kumar Sankhala
Company Secretary
C.P. No : 18365
UDIN: A021697B000623144**

Place: Hyderabad
Date: 27.08.2020

To
The Members,
CITIPORT FINANCIAL SERVICES LIMITED,
Hyderabad

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. A Substantial portion of the audit programme was completed prior to the outbreak of the pandemic COVID-19. However, owing to the lockdown measure imposed in the country and the cascading impact thereof, for certain verifications and cross checks, we have relied on management representations and assurances, wherever required, for forming our opinion and eventual reporting.
7. 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.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
Company Secretary
C.P. No : 18365
UDIN:A021697B000623144

Place: Hyderabad
Date: 27.08.2020

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of associate company as on 31.03.2020

Part "A": Subsidiaries: NA

Part "B": Associates

Name of the Associate Company	Goldenvally Holdings Private Limited
Reporting Period for the Subsidiary Both the companies are following the same Reporting concerned, if different from the holding Period namely "01-Apr-2019 to 31-Mar-2020" company's reporting period	Both the companies are following the same Reporting Period namely "01-Apr-2019 to 31-Mar-2020"
Reporting Currency	INR
Exchange Rate	NA
Capital	30861300
Reserves	-2723869
Total assets	31684971
Total Liabilities	31684971
Turnover	2378534
Profit/Loss before taxation	483798
Provision for taxation	126554
Proposed Dividend	0
No of shares	3086130
Investment	8839359

Part "C": Joint Ventures - NA

As per our report of even DateFor and on behalf of the Board

For NSVR & Associates LLP,,

Chartered Accountants

Firm Reg No. :0088015/S200060

Sd/-

R.Srinivasu

Partner

Membership No.224033

Sd/-

Enjamuri Pardha Saradhi

Managing Director

DIN : 07531047

Sd/-

PRATHIPATI PARTHASARATHI

Director

DIN: 00004936

ANNEXURE- D

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

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

Details of contracts or arrangements or transactions not at arm's length basis: There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2020 are as follows:

Name of The Related Party	Nature of Relationship	Nature of The Contract	Monetary Value Per Financial Year
	Nil	Nil	Nil

**Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN : 07531047**

Place: Hyderabad
Date: 27.08.2020

Form No. MGT-9
EXTRACT OF ANNUAL RETURN AS
ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2020
[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L65991TG1992PLC065867
Registration Date	01/07/1992
Name of the Company	CITI PORT FINANCIAL SERVICES LIMITED
Category/Sub-Category of the Company Address of the Registered office and contact details	Public Company/ Limited by Shares H No. 64&71(O), 255 & 256 (N) Flat No 5c, 5th Floor, Doyen Habitat, Srinagar Colony Hyderabad Telangana-500073
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited, 306, right wing, 3 rd floor, Amrutha Ville, Opp: Yashodha Hospital, Somajiguda, Rajbhavan Road, Hyderabad-500082.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Goldenvelly Holding Limited	U67120TG2007PTC052639	Associate	29.01	2 (6)

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

A. 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. Promoter									
Indian									
Individual/ HUF	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp	899304	0	899304	29.01	899304	0	899304	29.01	0
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	899304	0	899304	29.01	899304	0	899304	29.01	0
Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other...	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Total promoters Shareholding (A)=(A)(1)+ (A)(2)	899304	0	899304	29.01	899304	0	899304	29.01	0
B. Public Shareholding									
Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
Bodies Corp.									
(i) Indian	645	550400	551045	17.77	245	550400	550645	17.76	-0.01
(ii) Overseas									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	217044	82995	300039	9.68	217412	81825	299237	9.65	-0.03
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	106100	1243500	1349600	43.54	259100	1090500	1349600	43.54	0
Others (NRI)	12	0	12	0.00	1214	0	1214	0.04	0.04
Sub-total(B)(2)	323801	1876895	2200696	70.99	477971	1722725	2200696	70.99	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	323801	1876895	2200696	70.99	477971	1722725	2200696	70.99	0
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1223105	1876895	3100000	100	1377275	1722725	3100000	100	0

B. Shareholdings of Promoters:

S N	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 / encum- bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encum- bered to total shares	
1	Goldenvelly Holdings Private Limited	899304	29.01	0.00	899304	29.01	0.00	0.00

C. Change in Promoters' Shareholding (please specify, if there is no change)

S N	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	899304	29.01	899304	29.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGE MADE DURING THE YEAR			
	At the end of the year	899304	29.01	899304	29.01

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

S.No	Name	Share Holding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the Beginning (01.04.19) / end of the year 31.03.20)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	KATRAGADDA DEVI PRASAD	526300	16.98	01.04.2019		Nil Movement during the year		
		526300	16.98	31.03.2020			526300	16.98
2	GINZA COMMUNICATION Pvt. Ltd.,	307600	9.92	01.04.2019		Nil Movement during the year		
		307600	9.92	31.03.2020	0		307600	9.92
3	MITUL INVESTMENT PRIVATE LIMITED	242200	7.81	01.04.2019		Nil Movement during the year		
		242200	7.81	31.03.2020	0		242200	7.81
4	PRAKASH RAO	161800	5.22	01.04.2019		Nil Movement during the year		
		161800	5.22	31.03.2020	0		161800	5.22
5	Y. HANUMANTH RAO	152000	4.90	01.04.2019		Nil Movement during the year		
		152000	4.90	31.03.2020	0		152000	4.90
6	N. MOHAN RAO	151200	4.88	01.04.2019		Nil Movement during the year		
		151200	4.88	31.03.2020	0		151200	4.88
7	K.RAJASHEKAR	141200	4.55	01.04.2019		Nil Movement during the year		
		141200	4.55	31.03.2020	0		141200	4.55
8	MUSUNURU NAGA SWARNA	13600	4.39	01.04.2019		Nil Movement during the year		
		136100	4.39	31.03.2020	0		136100	4.39
9	RAMAKRISHNA B	81000	2.61	01.04.2019		Nil Movement during the year		
		81000	2.61	31.03.2020	0		81000	4.39
10	M NAGA SWARNA	30000	0.97	01.04.2019		Nil Movement during the year		
		30000	0.97	31.03.2020	0		30000	0.97

E. Shareholding of Directors and Key Managerial Personnel:

S.No	Name	Share Holding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the Beginning (01.04.19) / end of the year (31.03.20)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
	Partha sarathi Prattipati	0	0		Nil		0	0
	Ratan Kishan Musurnur	250	0.00		Nil		250	0
	Enjamuri Pardha Saradhi	0	0	NIL	Nil		0	0
	Dhanushree Guddep	0	0.00		Nil		0	0
	Yetukuri Mallikarjunrao	0	0		Nil		0	0

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross Salary	Executive Director	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission · As a % of profit · Others, specify	-	-
5.	Others please specify	-	-
	Total A	-	-
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
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 per the Act					

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

i. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2019-20 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2019-20:

Name of the Director/ Key Managerial Personnel	Remuneration of Director KMP for the financial year 2019-20	% increase in Remunera- tion in the financial year 2019-20	Ratio of the remunera- tion to the median remuneration of the employees
---	Nil	Nil	---

Note: The median remuneration of employees of the Company during the financial year was Rs. 97000/-

ii. In the financial year under review, there was a no increase of in the median remuneration of employees.

iii. The number of permanent employees on the rolls of company: 9

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

The average increase in the salaries of employees other than the managerial personnel in 2019-20 was 3.06. The Percentage increase in the managerial remuneration for the same financial year was NIL

(v) The company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

**Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN :- 07531047**

Place: Hyderabad
Date: 27.08.2020

Independent Auditor's Report

To the Members of Citiport Financial Services Limited

Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of CITI PORT FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

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

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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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 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, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Companies Act 2013, 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 appears from our examination of those books.
 - (c) The Balance Sheet and Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 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, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
 - (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 A"; and
 - (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) There are no pending litigations for or against the Company which would impact its financial position.
- ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.
- iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

For NSVR & ASSOCIATES LLP

Chartered Accountants
FRN:008801S/S200060

Sd/-

R.Srinivasu

Partner

M.No. 224033

UDIN: 20224033AAAAGF8415

Place : Hyderabad

Date : 24.06.2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CITI PORT FINANCIAL SERVICES LIMITED of even date)

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 CITI PORT FINANCIAL SERVICES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls 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. 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

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 statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2020, 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 NSVR & ASSOCIATES LLP

Chartered Accountants

FRN :008801S/S200060

Sd/-

R.Srinivasu

Partner

M.No. 224033

UDIN: 20224033AAAAGF8415

Place : Hyderabad

Date : 24.06.2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CITI PORT FINANCIAL SERVICES LIMITED of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed Provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. As explained to us, the company does not have physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the company
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act. Thus, Clause 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 provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 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 maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

- viii. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- ix. Money raised by way of term loan were applied for the purpose for which it was raised. The Company has not raised moneys by way of initial public offer or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided 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 and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is has registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NSVR & ASSOCIATES LLP

Chartered Accountants
FRN :008801S/S200060

Sd/-

R.Srinivasu

Partner

M.No. 224033

UDIN: 20224033AAAAGF8415

Place : Hyderabad

Date : 24.06.2020

Balance Sheet as at 31.03.2020

(Amount in INR)

Particulars	Note No.	As At 31-03-2020	As At 31.03.2019	As At 31.03.2018
ASSETS				
Non-current assets				
Property plant and Equipment	1	17,582	17,582	17,582
Investment Property	2	-	9,745,000	9,745,000
Long- term loans and advances	3	293,921	243,927	361,694
Deferred tax assets (net)	4	3,390	3,390	3,630
Other Non current assets	5	23,000	23,000	23,000
		337,893	10,032,899	10,150,906
Current assets				
Financial assets				
Trade Receivables	6	-	-	-
Cash and Cash equivalents	7	254,401	74,947	146,404
Other financial assets	8	30,801,881	21,161,443	20,862,421
Other current assets				
	9			
		31,056,282	21,236,390	21,008,825
TOTAL				
		31,394,175	31,269,289	31,159,731
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	31,000,000	31,000,000	31,000,000
God Account	22	22	22	22
Other Equity	11	-835,792	-912,473	-935,068
		30,164,230	30,087,549	30,064,954
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	12	-	-	-
	13	-	-	-
	14	-	-	-
Deffered tax liability				
	15	-	-	-
		-	-	-
Current liabilities				
Financial Liabilities				
	16	-	-	-
Other Financial Liabilities				
	17	-	-	-
Provisions				
	18	446,101	536,052	477,689
Other Current Liabilities				
	19	783,844	645,688	617,088
		1,229,945	1,181,740	1,094,777
TOTAL				
		31,394,175	31,269,289	31,159,731

The notes form an integral part of these financial statements 1-26

As per the report of even date attached
For NSVR & Associates LLP
Chartered Accountants
Firm Regn. No.008801S/S200060

Sd/-
R.Srinivasu
Partner
Membership No.224033

Place: Hyderabad
Date: 24.06.2020

For and On behalf of the Board
Citiport Financial services limited

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN : 07531047

Sd/-
RAJA SEKHAR KATTA
Chief Financial Officer

Sd/-
PRATHIPATI PARTHASARATHI
Director
DIN: 00004936

Sd/-
RAMACHANDER RAO DESHARAJU
Company secretary

Statement of Profit and Loss for the year ended 31.03.2020

S. No.	Particulars	Note No.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Income				
	Revenue from operations	20	2,585,824	1,775,186
	Total Revenue from operations		2,585,824	1,775,186
	Other income	21	-	-
	Total Income		2,585,824	1,775,186
Expenses				
	Cost of materials consumed	22	-	-
	Changes in inventories		-	-
	Employee benefits expense	23	1,271,185	752,560
	Finance costs	24	7,043	22,049
	Depreciation and amortization expense	1	-	-
	Other expenses	25	1,205,122	971,745
	Total Expenses		2,483,350	1,746,354
	Profit before tax		102,474	28,832
	Tax expense			
	(1) Current tax		25,793	5,997
	(2) Deferred tax		-	240
	Net Profit for the Period		76,681	22,595
	Other comprehensive income (OCI)			
	(a) (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Tax on items that will not be reclassified to profit or loss		-	-
	(b) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive income		-	-
	Total Comprehensive income		76,681	22,595
	Earnings per equity share (Face value of Rs.10/- each)			
	(1) Basic		0.02	0.01
	(2) Diluted		0.02	0.01
	The notes form an integral part of these financial statements	1-26		

As per the report of even date attached
For NSVR & Associates LLP
Chartered Accountants
Firm Regn. No.008801S/S200060

Sd/-
R.Srinivasu
Partner
Membership No.224033

Place: Hyderabad
Date: 24.06.2020

For and On behalf of the Board
Citiport Finanacial services limited

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN : 07531047

Sd/-
RAJA SEKHAR KATTA
Chief Financial Officer

Sd/-
PRATHIPATI PARTHASARATHI
Director
DIN: 00004936

Sd/-
RAMACHANDER RAO DESHARAJU
Company secretary

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Cash Flow Statement for the year ended 31.03.2020

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
A. Cash flow from Operating activities		
Net Profit before tax as per Profit and loss account	102,474	28,832
Adjustments		
(Profit) / Loss on sale of fixed assets (net)	-	-
(Profit) / Loss on sale of investments (net)	-	-
Investments Written Off	-	-
Depreciation and Amortisation Expense	-	-
Preliminary Expenditure Written Off	-	-
Interest Income	-	-
Dividend income	-	-
Effect of Exchange Rate change	-	-
Finance Costs	7,043	22,049
	<u>109,517</u>	<u>50,881</u>
(Increase)/Decrease in Trade and Other Receivables	-	-
Increase/(Decrease) in Trade Payables	-	-
(Increase)/Decrease in Inventories	-	-
Changes in Short Term Loans & Advances	(9,640,438)	(299,022)
Changes in Other Current Assets	-	-
(Increase)/Decrease in Fixed Deposits having original maturity over 3 months	-	-
Increase/(Decrease) in Other Current Liab. /Short Term Prov.	138,156	80,966
Increase/(Decrease) in Other Long Term Liab. / Long Term Prov.	(115,744)	-
Cash generated from Operations	<u>(9,508,509)</u>	<u>(167,175)</u>
Direct Taxes paid	-	-
Net Cash from Operating activities	<u>(9,508,509)</u>	<u>(167,175)</u>
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	-	-
Capital Work-in-progress	-	-
(Purchase) / Sale of Investments (Net)	9,745,000	-
Changes in Long Term Loans & Advances	(49,994)	117,767
Changes in Other Non current Assets	-	-
Interest Income	-	-
Dividend income	-	-
Cash flow before exceptional items	<u>9,695,006</u>	<u>117,767</u>
Exceptional Items	-	-
Net Cash from Investment Activities	<u>9,695,006</u>	<u>117,767</u>
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Proceeds / (Repayment) from Borrowings	-	-
Finance Costs	(7,043)	(22,049)
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-
Net cash used in financing activities	<u>(7,043)</u>	<u>(22,049)</u>

Net (Decrease) / Increase in cash and cash equivalents	179,454	(71,457)
Cash and cash equivalents at the beginning of the year	74,947	146,404
Cash and Cash equivalents at the end of the year	254,401	74,947
Short Term Bank Deposits	-	-
Cash and Bank Balances at the end of the year	254,401	74,947

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

As per the report of even date attached
For NSVR & Associates LLP
Chartered Accountants
Firm Regn. No.008801S/S200060

For and On behalf of the Board
Citiport Finanacial services limited

Sd/-
R.Srinivasu
Partner
Membership No.224033

Sd/-
Enjamuri Pardha Saradhi
Managing Director
DIN : 07531047

Sd/-
PRATHIPATI PARTHASARATHI
Director
DIN: 00004936

Place: Hyderabad
Date: 24.06.2020

Sd/-
RAJA SEKHAR KATTA
Chief Financial Officer

Sd/-
RAMACHANDER RAO DESHARAJU
Company secretary

M/S CITI PORT FINANCIAL SERVICES LIMITED**1.1 First-time adoption of Ind AS**

M/s Citiport Financial Services Limited is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company is broadly engaged in lending business. These financial statements, for the year ended 31st March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2020, together with the comparative period data as at and for the year ended 31st March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2018 and the financial statements as at and for the year ended 31st March 2019.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company has not elected to measure any item of property, plant and equipment at its fair value at the Transition Date; property, plant and equipment have been measured at cost in accordance with Ind AS.

Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"

Estimates

The estimates at 1st April 2018 and at 31st March 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTPL - Quoted equity shares
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018, the date of transition to Ind AS and as of 31st March 2019.

Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS Amount in INR

Particulars	As on 1 April 2018	As on 31 March 2019
Equity as per Indian GAAP	-9,35,068	-9,12,473
Equity as per Ind AS	-9,35,068	-9,12,473

Reconciliation between financial results as previously reported under Previous GAAP and Ind AS for the year ended 31 March 2020

Amount in INR

Particulars	Amount
Net profit ((-) (loss) under previous GAAP	22,595
Net profit ((-) (loss) for under Ind AS	22,595

Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

2.1 Auditors Remuneration

Amount in INR

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
a) Audit fees*	60,000	60,000
b) Other charges		
Taxation matters		
Other matters	-	-
c) Reimbursement of out of pocket expenses	-	-
TOTAL	60,000	60,000

** The above audit fees is excluding GST

2.2 Note: Non Current Investments

Note No.	Particulars	No. of Shares	As At 31.03.2020	No. of Shares	As At 31.03.2019	No. of Shares	As At 31.03.2018
2.2	Note: Non Current Investments						
	In Equity Shares (Quoted - fully paid up)	-	-	-	-	-	-
	Total (A)	-	-	-	-	-	-
	In Equity Shares (Unquoted - fully paid up)	-	-	-	-	-	-
	Citiport Credit Limited	-	-	974,500	9,745,000	974,500	9,745,000
	Total (B)	-	-	974,500	9,745,000	974,500	9,745,000
	Grand Total (A + B)	-	-	974,500	9,745,000	974,500	9,745,000

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
3.1	Note: Long Term Loans & Advances			
	(a) Capital Advances	-	-	-
	(b) Security Deposits	-	-	-
	(c) Loans & Advances to related parties	-	-	-
	(d) Loans & Advances to Employees	-	-	-
	(e) Prepaid Expenses	-	-	-
	(f) Advance Income Tax	-	-	-
	(g) MAT Credit Entitlement	-	-	-
	(h) Balances with Government Authorities	-	-	-
	TDS Receivable	293,921	243,927	361,694
	(i) Other Loans & Advances	-	-	-
	Secured, considered good	-	-	-
	Unsecured, considered good	-	-	-
	Doubtful	-	-	-
		293,921	243,927	361,694
	Less: Provision for other doubtful loans & advances	-	-	-
		293,921	243,927	361,694
	Note: Long Term Loans & Advances include amounts due from Directors	-	-	-
	Other Officers of company	-	-	-
	Firms in which any director is a partner	-	-	-
	Private companies in which any director is a director or member	-	-	-
4.1	Note: Other Non-Current Assets			
	(a) Long-term trade receivables	-	-	-
	(b) Unamortised expenses * (to the extent not written off or not adj.)	-	-	-
	(i) Ancillary borrowing costs	-	-	-
	(ii) Share issue expenses	-	-	-
	(iii) Discount on shares	-	-	-
	(iv) Other Expenses	-	-	-
	Preliminary Expenditure	-	-	-
	(c) Accruals	-	-	-
	(d) Other Non-current Assets			
	Rent Deposit	23,000	23,000	23,000
	Telephone Deposit	-	-	-
	Other Deposits	-	-	-
		23,000	23,000	23,000
		23,000	23,000	23,000

Citiport Financial Services Limited

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Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
5.1	Note: Inventories:			
	(a) Raw materials	-	-	-
	Goods-in-transit	-	-	-
	(b) Work-in-progress	-	-	-
	Goods-in-transit	-	-	-
	(c) Finished goods (other than those acquired for trading)	-	-	-
	Goods-in-transit	-	-	-
	(d) Stock-in-trade (acquired for trading)	-	-	-
	Goods-in-transit	-	-	-
	(e) Stores and spares	-	-	-
	Goods-in-transit	-	-	-
	(f) Loose tools	-	-	-
	Goods-in-transit	-	-	-
	(g) Others (Specify nature)	-	-	-
	Goods-in-transit	-	-	-
		-	-	-
		-	-	-
6	Note: Trade Receivables			
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
	Secured, considered good	-	-	-
	Unsecured, considered good	-	-	-
	Doubtful	-	-	-
		-	-	-
	Trade receivables outstanding for a period less than six months from the date they were due for payment			
	Secured, considered good	-	-	-
	Unsecured, considered good	-	-	-
	Doubtful	-	-	-
		-	-	-
	Less: Provision for doubtful trade receivables			
		-	-	-
		-	-	-
	* Trade receivables include debts due from:			
	Directors	-	-	-
	Other officers of the Company	-	-	-
	Firms in which any director is a partner (give details per firm)	-	-	-
	Private companies in which any director is a director or member (give details per company)	-	-	-

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
6.1	Note: Cash and Bank balances			
	(a) Cash and Cash Equivalents	-	-	
	(i) Balances with banks;	-	-	
	In Deposit Accounts	-	-	
	In Current Accounts	11,597	30,682	132,258
	(ii) Cheques, drafts on hand	-	-	
	(iii) Cash on hand	242,804	44,265	14,146
	(b) Other Bank balances	-	-	
	In Deposit Accounts	-	-	
		254,401	74,947	146,404
7.1	Note: Short Term Loans & Advances			
	(a) Loans & Advances to related parties			
	Secured, considered good	-	-	-
	Unsecured, considered good			
	Trinox Infrastructure and Developers Private Ltd	-	-	1,447,322
	Doubtful	-	-	-
		-	-	1,447,322
	Less: Provision for doubtful loans & advances	-	-	1,447,322
	(b) Security Deposits	-	-	-
	(c) Loans & Advances to Employees	-	-	320,000
	(d) Prepaid Expenses	4,544	4,544	4,544
	(e) Balances with Government Authorities			
	TDS Receivable	-	172,116	172,040
	(f) Inter-Corporate Deposits	-	-	-
	(g) Others			
	Secured, considered good	-	-	-
	Unsecured, considered good			
	Ginza Communications Pvt Ltd	12,541,621	14,357,582	14,862,442
	Godavari MSW Management Pvt Ltd	17,102,212	-	-
	Kite College of Professional Engineering Sciences	-	-	392,232
	Manchineni Jyothi	1,070,904	2,530,904	-
	Others	82,600	-	-
	Phat Phish Films (P) Ltd	-	4,096,297	3,663,841
	(j) Doubtful	-	-	-
		30,801,881	21,161,443	20,862,421
	Less: Provision for other doubtful loans & advances	-	-	-
		30,801,881	21,161,443	20,862,421

Citiport Financial Services Limited

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Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
	Note: Short Term Loans & Advances include amounts due from			
	Directors	-	-	-
	Other Officers of company	-	-	-
	Firms in which any director is a partner	-	-	-
	Private companies in which any director is a director or member	-	-	1,447,322
9	Note: Other Current Assets			
	(a) Unbilled revenue	-	-	-
	(b) Unamortised expenses	-	-	-
	(c) Accruals	-	-	-
	(d) Other Current Assets	-	-	-
		-	-	-

Note No. 10 : Share Capital

S. No.	Particulars	As At 31.03.2020		As At 31.03.2019		As At 31.03.2018	
		Number	Amount	Number	Amount	Number	Amount
1	Authorised Equity Shares of Rs. 10/- each with Voting Rights	3,200,000	32,000,000	3,200,000	32,000,000	3,200,000	32,000,000
1	Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights	3,100,000	31,000,000	3,100,000	31,000,000	3,100,000	31,000,000
	Total	3,100,000	31,000,000	3,100,000	31,000,000	3,100,000	31,000,000

(a) Reconciliation of the number of shares outstanding as at 31.03.2019 and 31.03.2020

S. No.	Particulars	As At 31.03.2020		As At 31.03.2019		As At 31.03.2018	
		Number	Amount	Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	3,100,000	31,000,000	3,100,000	31,000,000	3,100,000	31,000,000
2	Equity Shares Issued during the year	-	-	-	-	-	-
3	Equity Shares bought back during the year	-	-	-	-	-	-
4	Equity Shares outstanding at the end of the year	3,100,000	31,000,000	3,100,000	31,000,000	3,100,000	31,000,000

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Notes forming part of Financial Statements As At 31.03.2020

Note No. 11 : Fixed Assets

(Amount INR)

Particulars	Equity Component of Compound financial Instruments	GROSS BLOCK						Other Reserves(OCI)				TOTAL
		Securities Premium Reserve	Statutory Reserves	General Reserve	Capital Redemption Reserve	Retained Earnings	Share Options Outstanding Account	Capital Reserve	FVOCI equity investments	Foreign currency translation reserve		
Balance at 31 March 2017	-	-	943,935	18,913	-	(1,815,778)	-	-	-	-	-	(852,930)
Restatements	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the Year						(82,138)						(82,138)
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2018	-	-	943,935	18,913	-	(1,897,915)	-	-	-	-	-	(935,068)
Restatements	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the Year			4,519			22,595						27,114
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Reserves						(4,519)						(4,519)
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2019	-	-	948,454	18,913	-	(1,879,839)	-	-	-	-	-	(912,473)
Restatements	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the Year			15,336			76,681						92,018
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Reserves	-	-	-	-	-	(15,336)	-	-	-	-	-	(15,336)
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	-	-	963,790	18,913	-	(1,818,494)	-	-	-	-	-	(835,792)

S. No.	Particulars	Accumulated depreciation and impairment									
		Balance As At 01.04.2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance As At 31.03.2020	Balance As At 31.03.2020	Balance As At 31.03.2019
		11	12	13	14	15	16	17	18=sum (11:17)	19= (10-18)	20= (1 - 11)
A	Tangible assets :										
(a)	Computers & Software										
	Owned	181630	-	-	-	-	-	-	181,630	6,500	6,500
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	267,677	-	-	-	-	-	-	267,677	9,592	9,592
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	28,310	-	-	-	-	-	-	28,310	1,490	1,490
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
	Total (A)	477,617	-	-	-	-	-	-	477,617	17,582	17,582
	Previous Year	477,617	-	-	0	0	0	0	477,617	17,582	17,582
B	Intangible assets										
	Total (B)	-	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
C	Capital Work in Progress										
	Grand Total (A + B + C)	477,617	-	-	-	-	-	-	477,617	17,582	17,582

Citiport Financial Services Limited

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Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
13	Note: Long Term Borrowings			
	Secured	-	-	
	Term Loans from Banks	-	-	-
	Vehicle Loans from Banks	-	-	-
	Unsecured	-	-	
	From Directors	-	-	-
		-	-	-
		-	-	-
14	Note: Other Longterm Liabilities			
	Other Liabilities	-	-	-
		-	-	-
		-	-	-
15	Note: Long Term Provisions			
	Provisions - Others	-	-	-
		-	-	-
		-	-	-
16	Note: Short Term Borrowings			
	Secured			
	Loans repayable on demand from Banks	-	-	-
	Loans repayable on demand from Others	-	-	-
	Unsecured			
	Loans from Related Parties	-	-	-
	Other Loans and Advances	-	-	-
		-	-	-
		-	-	-

Notes forming part of Financial Statements As At 31.03.2020

(INR)

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019	As At 31.03.2018
17	Note: Trade Payables			
	Dues to Micro, Small and Medium Enterprises *	-	-	-
	Dues to Others	-	-	-
		-	-	-
	* The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:			
	Principal amount due and remaining unpaid	-	-	-
	Interest due on above and the unpaid interest	-	-	-
	Interest paid	-	-	-
	Payment made beyond the appointed day during the year	-	-	-
	Interest due and payable for the period of delay	-	-	-
	Interest accrued and remaining unpaid	-	-	-
	Amount of further interest remaining due and payable in succeeding years	-	-	-
	The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.			
18	Note: Other Current Liabilities			
	<u>Current Maturities of Long Term Debt (Secured)</u>			
	Termloans from Banks	-	-	-
	Interest Accrued & Due on Borrowings	-	-	-
	Advances received from Customers	-	-	-
	Other Payables*	783,844	645,688	617,088
		783,844	645,688	617,088
	* Other Payables include			
	Expenses Payable	770,582	635,188	606,588
	Statutory Liabilities	13,262	10,500	10,500
19	Note: Short Term Provisions			
	Provisions for Employee Benefits		32,000	-
	Provisions - Others:			
	Provision for Taxes	25,793	83,744	77,747
	Contingency Provision Against Standard Assets *	420,308	420,308	399,942
		446,101	536,052	477,689

Citiport Financial Services Limited

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Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	For the Year ended 31.03.2020	For the Year 31.03.2019
20	Note: Revenue from Operations		
	Interest	2,585,824	1,775,186
	Other financial Services	-	-
		<u>2,585,824</u>	<u>1,775,186</u>
21	Note: Other Income		
	Other Income	-	-
		<u>-</u>	<u>-</u>
22	Note: Purchases		
	Purchases	-	-
		<u>-</u>	<u>-</u>
23	Note: Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	<u>Inventories at the end of the year:</u>		
	Finished goods (acquired for trading)	-	-
	Work-in-progress	-	-
	Stock-in-trade	-	-
		<u>-</u>	<u>-</u>
	<u>Inventories at the beginning of the year:</u>		
	Finished goods (acquired for trading)	-	-
	Work-in-progress	-	-
	Stock-in-trade	-	-
		<u>-</u>	<u>-</u>
	Add employee Benefit Expense	<u>-</u>	<u>-</u>

Notes forming part of Financial Statements As At 31.03.2020

(INR)

Note No.	Particulars	For the Year ended 31.03.2020	For the Year 31.03.2019
25	Note: Other Expenses		
	Advertisement Expenses	28,875	27,741
	Audit Fee	60,000	70,800
	AGM Expences		59,800
	Consultancy Charges		5,000
	Conveyence Expenses	45,375	18,420
	Credit rating Agency Charges		17,770
	DeMat & RTA Expenses	101,580	88,240
	Fees & Taxes	354,000	298,540
	Internet / Cable Charges	13,631	13,634
	Office Maintenance	68,000	24,000
	Postage & Courier	-	-
	Professional / Legal Fees	433,161	251,800
	Printing and stationery	4,500	
	Rent	96,000	96,000
		<u>1,205,122</u>	<u>971,745</u>
24	Note: Finance Costs		
	Interest Expense	-	-
	Interest	-	-
	Interest on Others *	1,261	969
	Other Finance Expenses	-	
	Bank Charges	5,782	714
	Provision for Standard Assets *	-	20,366
		<u>7,043</u>	<u>22,049</u>

* Interest on Others include Interest on TDS Payable & Interest on Income Tax

NOTE 27: SIGNIFICANT ACCOUNTING POLICIES**Background**

M/s Citiport Financial Services Limited is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company is broadly engaged in lending business.

1. Basis of accounting

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

2. Use of estimates

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

3. Intangible assets and amortization

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

4. Fixed assets and depreciation / amortization

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

5. Investments

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

6. Revenue recognition

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

7. Borrowing costs

Borrowing costs that are attributable to the acquisition and / or construction of qualifying assets are capitalized

as part of the cost of such assets, in accordance with Accounting Standard AS-16 - "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use. Capitalisation of Borrowing Costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the profit & loss account as incurred.

8. Taxation

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

9. Foreign currency transactions

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

10. Employees benefits

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

(i) Provident fund

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

(ii) Gratuity

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

(iii) Compensated absences

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

(iv) Other short-term benefits

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

11. Leases

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

12. Impairment of assets

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

13. Provisions, Contingent Liabilities & Contingent Assets:

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

14. Earnings per share

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

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	FY 2019-20	FY 2018-19
28	Note: Auditors Remuneration		
	Payments to Auditors comprises:		
	As Auditors - Statutory Audit	53,100	60,075
	For taxation matters	17,700	20,025
	For company law matters	-	-
	For management services	-	-
	For other services	-	-
	Reimbursement of Expenses	-	-
	Total	70,800	80,100
29	Note: Deferred Tax Liability / (Asset) :		
	On account of		
	Depreciation and Amortisation	240	210
	Total	240	210
30	Note: Earnings Per Share		
	The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India. A statement on calculation of		
	Basic and diluted EPS is as under:		
	Profit after Tax (INR)	14,377	(90,353)
	Number of equity shares (in Nos)	3,100,000	3,100,000
	Earnings per share (INR)	0.01	(0.03)
	Face Value per Equity Share (INR)	10.00	10.00
31	Note: Tax Expense		
	The Tax Expenses for the year comprises of;		
	Income Tax	5,997	-
	Current Period	5,997	-
	Prior Period*	-	-
	Deferred Tax	240	210
	Provision for tax for the year comprises current income tax and deferred tax. Current income tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.		

32 Note: Details of Leasing Arrangements

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

Future minimum lease payments		
not later than one year	96,000.00	72,000
later than one year and not later than five years	-	-
later than five years	-	-

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

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

33 Note: Disclosures required under Section 22 of the Micro, Small and Medium

Enterprises Development Act, 2006

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

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

34 Note: Earnings in foreign currency Nil Nil

35 Note: Expenditure in foreign currency Nil Nil

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Notes forming part of Financial Statements As At 31.03.2020

Note No. 36 : Related Party Disclosures

S.No	Name of the Related Party	Nature of Relationship
1	Enjamuri Pardha Saradhi	Key Management Personnel
2	Prattipati Parthasarathi	Key Management Personnel
3	Ratan Kishan Musnuru	Key Management Personnel
4	Dhanushree Guddep	Key Management Personnel
5	Mallikarjunrao Yetukuri	Key Management Personnel
6	Rajasekhar Katta	Key Management Personnel
7	Golden Valley Holdings Private Limited	Enterprises own or significantly influenced by Key Management Personnel
8	Green Fire Agri Commodities Limited	
9	Nakshatra Organics Private Limited	

Transactions with Related Parties:

S.No.	Nature of Transaction	FY 2019-20			FY 2018-19		
		Associates	KMP	Total	Associates	KMP	Total
1	Remuneration	-	-	-	-	-	-
2	Interest Income	-	-	-	122,147	-	122,147
3	Short Term Loans & Advances	-	-	-	-	-	-

Balances with Related Parties As At 31.03.2020 :

S.No.	Nature of Transaction	FY 2019-20			FY 2018-19		
		Associates	KMP	Total	Associates	KMP	Total
1	Short Term Loans & Advances	-	-	-	-	-	-
2	Long Term Borrowings	-	-	-	-	-	-

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867

Notes forming part of Standalone Financial Statements As At 31.03.2020

Note No. 37 : Details of provisions

S. No.	Particulars	As At 01.04.2019	Additions	Utilisation	Reversal	As At 31.03.2020 (Consolidated)
1	Provision for warranty	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	"Provision for estimated losses on onerous	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Provision for other contingencies (give details)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Total	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

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

S.No.	Nature of Transaction	FY 2019-20	FY 2018-19
1	Provision for warranty	Nil	Nil
2	Provision for estimated losses on onerous	Nil	Nil
3	Provision for other contingencies (give details)	Nil	Nil

Citiport Financial Services Limited

H No 64 & 71(O), 255 & 256(N), Flat No 5C, Doyen Habitat, Srinagar Colony, Hyderabad-500073

CIN : L65991TG1992PLC065867**Notes forming part of Standalone Financial Statements As At 31.03.2020**

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

As per the report of even date attached
For NSVR & Associates LLP
 Chartered Accountants
 Firm Regn. No.008801S/S200060

For and On behalf of the Board
Citiport Financial services limited

Sd/-
R.Srinivasu
 Partner
 Membership No.224033

Sd/-
Enjamuri Pardha Saradhi
 Managing Director
 DIN : 07531047

Sd/-
PRATHIPATI PARTHASARATHI
 Director
 DIN: 00004936

Sd/-
RAJA SEKHAR KATTA
 Chief Financial Officer

Sd/-
RAMACHANDER RAO DESHARAJU
 Company secretary

Place: Hyderabad
 Date: 24.06.2020

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(To be surrendered at the venue of the meeting)

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

I hereby record my presence at the 28th Annual General Meeting of the shareholders of **CITI PORT FINANCIAL SERVICES LIMITED** on Wednesday 30th September, 2020 at 12.00 P.M. At Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad-500073.

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

*Applicable if shares are held in electronic form

Name and Address of Member

Signature of Shareholder/ Proxy/
Representative (Please Specify)

**Form No. MGT-11
Proxy form**

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

CIN	L65991TG1992PLC065867		
Name of the Company	CITI PORT FINANCIAL SERVICES LIMITED		
Registered Office	H No. 64&71(O), 255 & 256 (N) Flat No 5c, 5th Floor, Doyen Habitat, Srinagar Colony Hyderabad Telangana-500073		
Name of the Member			
Registered Address			
Email ID			
Folio No/ Client ID		DP ID.:	

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual general meeting of the company, to be held on the Wednesday 30th September, 2020 at 12.00 P.M. At Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad-500073. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No	Resolutions	For	Against
1	Consider and adopt audited financial statements, reports of the board of Directors and Auditors		
2	Re-appointment of Mr. Enjamuri Pardha Saradhi as Director who retires by rotation.		

Signed this ___ day of _____.

Signature of shareholder:

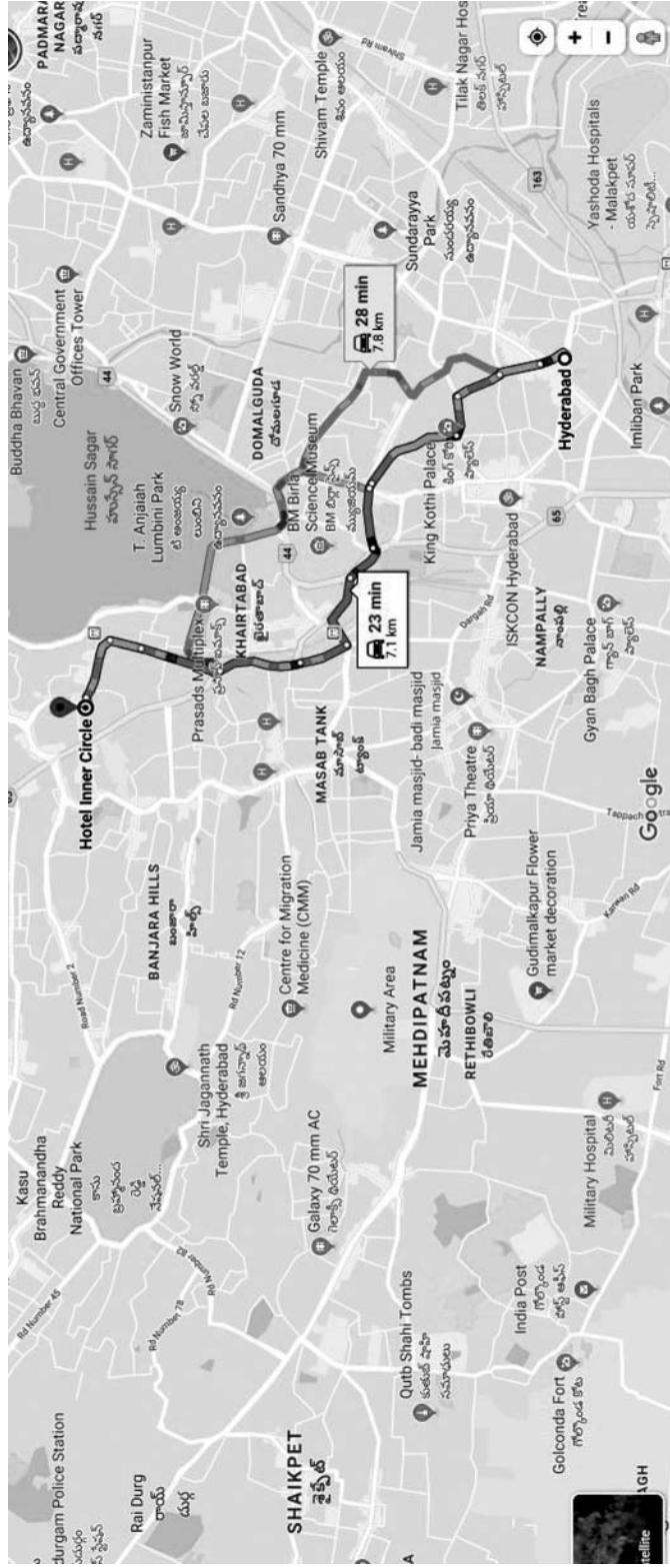
Affix
Revenue
Stamp

Signature of Proxy holder(s):

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

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ROUTE MAP



CITI PORT FINANCIAL SERVICES LIMITED

if undelivered please return to :

REGISTERED OFFICE

H.No. 64 & 71(O), 255 & 256 (N) Flat No 5c,
5th Floor, Doyen Habitat,
Srinagar Colony Hyderabad
Telangana-500073