

Date - 30th May 2022

To
The Secretary
Bombay Stock Exchange Limited
Phiroj Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001.

Dear Sir / Madam,

Sub : Outcome of Board Meeting dated 30th May 2022- Reg.

We hereby inform you that Board Meeting concluded at 7.55 PM, considered and approved :

1. Audited Financial Results for the fourth quarter and year ended on 31st March 2022. (Annexed herewith).
2. Pursuant to the approval for the sale of City Online Media Private Limited (100% subsidiary of the Company) at the Annual General Meeting held on 28th September 2021, the Board decided to Sell 10,000 Equity Shares of Face Value of Rs. 10/- each for a total consideration of Rs. 48 Lakhs. Mr. S Raghava Rao and Mr. R Krishna Mohan Directors of the Company were authorized to sign and execute necessary documents of sale.

Thanking you,

Yours truly,

For City Online Services Limited


(S Raghava Rao)
Chairman & Managing Director



Encl : Financial Results
Audit Report

To,

Date: 30.05.2022

BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400001

Dear Sir/Madam,

Sub: Declaration of unmodified opinion for the Standalone and Consolidated
Audited Financial Results for the quarter and year ended March 31, 2022

Ref: Scrip Code: 538674

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby submit that M/s. Laxminivas & Co., Chartered Accountants, Statutory Auditors of the Company have expressed an unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended March 31, 2022.

You are requested to take the above information on your records and disseminate the same on your website.

Thanking you.

Yours faithfully,

For City Online Services Limited



(S. Raghava Rao)
Chairman & Managing Director
DIN: 01441612



STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

Sl.No.	Particulars	Quarter Ended		Year Ended	Rs.in lakhs
		31-03-22	31-12-21	31-03-21	Year Ended
		Audited	Un - Audited	Audited	31.03.2021
1	Income				
	(a) Revenue from operations	198.43	244.85	264.64	829.10
	(b) Other income	19.48	6.90	4.08	104.81
	Total Income from operations	217.91	251.75	268.72	933.91
2	Expenses:				
	(a) Operating Expenses	128.09	193.69	183.68	595.27
	(b) Cost of Sales		21.34	-	-
	(b) Employee benefit expenses	51.88	64.63	44.55	231.12
	(c) Finance costs	4.00	4.17	4.51	38.36
	(d) Depreciation and amortization expenses	10.68	15.82	12.85	51.64
	(e) Other Expenses	32.91	71.36	44.02	129.46
	Total expenses	227.56	371.01	289.61	1,045.85
3	Profit / (loss) before exceptional and extraordinary items and taxation (1-2)	-9.64	-119.26	-20.89	-111.94
4	Exceptional items				
5	Profit / (loss) before extraordinary items and taxation (3-4)	-9.64	-119.26	-20.89	-111.94
6	Extraordinary items				
7	Profit / (loss) before taxation (5-6)	-9.64	-119.26	-20.89	-111.94
8	Income tax expenses				
	(a) Current tax charge / (Credit)		-	-	-
	(b) Tax relating to earlier years charge / (Credit)	-30.64	-	-	-22.13
	(c) Reversal of MAT Credit		-	-	-
	(d) Deferred tax charge / (Credit)		-0.64	-	41.77
	Total tax expenses	-30.64	-0.64	-	41.77
9	Profit / (loss) for the period (7 - 8)	21.00	-118.62	-20.89	-153.71
10	Other Comprehensive Income				
	Item that will not be re-classified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	-	-	-	-
11	Total Comprehensive income (9+10)	21.00	-118.62	-20.89	-153.71
12	Paid up Share Capital (face value of Rs. 10/- per share)	516.47	516.47	516.47	516.47
13	Reserves Excluding Revaluation Reserves				-437.88
14	Earnings per share of Rs. 10/- each : (Not Annualized)				
	(a) Basic (Rs)	0.41	-2.30	-0.40	-2.98
	(b) Diluted (Rs)	0.41	-2.30	-0.40	-2.98

Notes to the financial results:

- The above un-audited standalone financial statements results for the quarter and nine months ended 31st March 2022 has been reviewed and approved by the Board of Directors at their respective meetings held on 30th May 2022.
- This report has been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
- The Company has considered the possible effects that may results from the pandemic relating to COVID-19 on the carrying amounts of receivables, investments and other assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company has used internal and external sources of information. The company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.
- The company is primarily engaged in Internet solutions and services. There are no other reportable segments in terms of Indian Accounting Standard 108 on 'Operating Segments'.

 By order of the Board
 For CITY ONLINE SERVICES LIMITED



 S. Raghava Rao
 Chairman and Managing Director
 DIN: 01441612

 Place: Hyderabad
 Date: 30th May, 2022

Statement of Assets and Liabilities

Rs.in lakhs

Sl. No.	Particulars	As at 31st March 2022	As at 31st March 2021
		Audited	Audited
A	ASSETS		
	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	213.64	254.87
	(b) Intangible Assets	0.00	0.19
	(c) Right of use of Assets	13.62	15.72
	(d) Financial Assets		
	- Investments	4.81	4.81
	- other non-current assets	25.67	22.22
	(e) Other non-current assets	-0.00	-
	(f) Deferred Tax Asset (Net)	124.25	102.12
	TOTAL NON - CURRENT ASSETS	381.99	399.94
	CURRENT ASSETS		
	(a) Inventories	-	-
	(b) Financial Assets		
	- Loan and Advances	20.76	25.87
	- Trade receivables	196.14	223.07
	- Cash and Cash equivalents	0.30	6.65
	- Other Bank balances	121.53	116.49
	- Other financial current assets	7.41	3.39
	(c) Other current assets	111.48	88.87
	TOTAL CURRENT ASSETS	457.62	464.34
	TOTAL ASSETS	839.60	864.28
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity share capital	516.47	516.47
	(b) Other equity	-565.68	-504.91
	TOTAL EQUITY	-49.21	11.56
	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial Liabilities		
	- Borrowings	13.10	9.67
	- Lease Liability	12.47	17.78
	(iii) Others		22.96
	(b) Other Long Term Liabilities		-
	(b) Provisions	18.89	-
	TOTAL NON-CURRENT LIABILITIES	44.45	50.42
	CURRENT LIABILITIES		
	(a) Financial Liabilities		
	- Borrowings	117.83	195.79
	- Trade payables		
	Dues to Micro, Small and Medium enterprises		-
	Dues to others	411.63	339.62
	- Provisions	5.17	7.31
	-Other current liabilities	12.59	-
	(b) Other current liabilities	297.14	259.57
	TOTAL CURRENT LIABILITIES	844.36	802.30
	TOTAL EQUITY AND LIABILITIES	839.60	864.28

By order of the Board

For CITY ONLINE SERVICES LIMITED

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612



Place: Hyderabad
Date: 30th May, 2022

Standalone Cash Flow Statement

Rs.in lakhs

Particulars	For the Period ended	For the Year ended
	31-03-22 Audited)	31-03-21 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	-91.41	-118.38
Adjusted for		
Depreciation and amortisation	52.81	58.59
Interest expense	15.74	38.49
Interest on lease liability	0.51	1.73
Capital Reserve	-	44.51
Remeasurement of post employee benefits	0.30	-
Remeasurements of financial assets	-	0.39
Share of (profit)/loss from partnership firm	-	-
Profit on sale of property, plant & equipment	-	-21.69
Impairment Loss	-	-
Write Back of Liabilities	-66.24	-65.45
Provision written back	-24.99	-2.41
Interest income	-4.60	-1.88
Operating Profit before Working Capital changes	-117.89	-66.10
Change in working capital	203.21	344.71
Cash generated from operations	85.32	278.61
Direct Taxes Paid	8.51	-
Net cash flow from operating activities (A)	93.83	278.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including intangible assets	-9.28	-236.38
ROU Asset	-	-
Investment in bank deposits	3.45	-6.23
Interest received	-	1.88
Sale of property plant and equipment	-	30.16
Interest on capital from partnership firm	-	-
Share of (profit)/loss from partnership firm	-	-
Increase in non current investments	-	0.01
Net cash used in Investing Activities - (B)	-5.84	-210.55
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	3.43	6.30
Decrease in Share capital	-	-44.51
Payment of Lease liability	-5.32	-15.87
(Repayment) / Proceeds from working capital borrowings	-77.96	16.98
Interest paid	-15.74	-38.49
Net Cash used in Finance Activities - (C)	-95.60	-75.60
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	-7.60	0.02
Opening Balance in Cash and cash equivalents	7.94	7.92
Closing Balance in Cash and cash equivalents	0.34	7.94

 By order of the Board
 For CITY ONLINE SERVICES LIMITED


 S. Raghava Rao
 Chairman and Managing Director
 DIN: 01441612

 Place: Hyderabad
 Date: 30-05-22

Statement of Consolidated Audited Financial Results for the Quarter and Year ended on 31st March, 2022

Sl.No.	Particulars	Quarter Ended			Year ended	Rs.in lakhs
		31-03-22 Audited	31-12-21 Un-Audited	31-03-21 Audited	31-03-22 Audited	Year ended 31-03-21 Audited
1	Income					
	(a) Revenue from operations	222.23	244.85	283.15	928.54	851.69
	(b) Other income	24.35	6.90	-13.94	113.30	69.75
	Total Income from operations	246.58	251.76	269.20	1,041.84	921.44
2	Expenses:					
	(a) Operating Expenses	168.49	193.69	202.42	691.17	608.44
	(b) Cost of Sales	-21.34	21.34	-	-	-
	(c) Employee benefit expenses	4.04	64.63	46.54	254.91	233.11
	(d) Finance costs	56.71	4.17	4.51	15.77	38.49
	(e) Depreciation and amortization expenses	14.47	15.82	16.07	65.79	58.59
	(f) Other Expenses	42.81	71.36	63.19	175.49	148.31
	Total expenses	265.19	371.02	332.73	1,203.14	1,086.94
	Profit / (loss) before exceptional and extraordinary items and taxation (1-2)	-18.61	-119.26	-63.53	-161.29	-165.50
4	Exceptional items	-	-	-	-	-
	Profit / (loss) before extraordinary items and taxation (3-4)	-18.61	-119.26	-63.53	-161.29	-165.50
6	Extraordinary items	-	-	-	-	-
7	Profit / (loss) before taxation (5-6)	-18.61	-119.26	-63.53	-161.29	-165.50
8	Income tax expenses					
	(a) Current tax charge / (Credit)	-	-	-	-	-
	(b) Tax relating to earlier years charge / (Credit)	-	-0.66	-	-	8.32
	(c) Reversal of MAT Credit	-	-	-	-	-
	(d) Deferred tax charge / (Credit)	0.57	-0.64	-	9.15	38.63
	Total tax expenses	160.42	-1.30	-	-	46.95
9	Profit / (loss) for the period (7 - 8)	-19.17	-117.96	-63.53	-170.44	-212.45
10	Other Comprehensive Income	-	-	-	-	-
	Items that will not be reclassified to profit or loss	-	-	-	-	0.31
	Total other comprehensive income, net of income tax	-	-	-	-151.27	0.31
11	Total Comprehensive income (9+10)	-19.17	-117.96	-63.53	-321.71	-212.14
12	Paid up Share Capital (face value of Rs. 10/- per share)	516.47	516.47	516.47	516.47	516.47
13	Reserves Excluding Revaluation Reserves					
14	Earnings per share of Rs. 10/- each : (Not Annualized)					
	(a) Basic (Rs)	-0.37	-2.28	-1.23	-	-4.11
	(b) Diluted (Rs)	-0.37	-2.28	-1.23	-	-4.11

Notes to the financial results:

- The above financial results for the quarter and year ended 31 st March, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30-05-2022
- This report has been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
- The company is primarily engaged in Internet solutions and services. There are no other reportable segments in terms of Indian Accounting Standard 108 on 'Operating Segments'.
- The impact of the COVID-19 has been felt across the economy and business segments. In preparation of these results, the company has taken into account both the current situation and likely future developments and has considered internal and external source of information to arrive at its assessments. The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Hence, the Company will continue to monitor any material changes to future economic conditions which may have any bearing on the Company's operations.

 Place: Hyderabad
 Date: 30-05-22

 By order of the Board
 For CITY ONLINE SERVICES LIMITED

 S. Raghava Rao
 Chairman and Managing Director
 DIN: 01491612


Consolidated Statement of Assets and Liabilities

Sl. No.	Particulars	Rs.in lakhs	Rs.in lakhs
		As at 31st	As at 31st
		March 2022	March 2021
		Audited	Audited
A	ASSETS		
	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	269.89	321.32
	(b) Intangible Assets	4.85	3.19
	(c) Right of use of Assets	13.62	15.72
	(d) Financial Assets	-	-
	- Investments	3.48	2.81
	- other non-current financial assets	25.67	22.22
	(e) Other non-current assets	95.12	-
	(f) Deferred Tax Asset (Net)	-0.00	104.28
	TOTAL NON - CURRENT ASSETS	412.63	469.54
	CURRENT ASSETS		
	(a) Inventories	13.40	-
	(b) Financial Assets	-	-
	- Loans	-	0.25
	- Investments	-	-
	- Trade receivables	214.81	230.67
	- Cash and Cash equivalents	1.11	7.94
	- Other financial assets	121.53	7.87
	- Bank balances other than above	7.41	116.49
	(c) Income Taxes	54.39	57.96
	(d) Other current assets	77.59	40.35
	TOTAL CURRENT ASSETS	490.25	461.53
	TOTAL ASSETS	902.87	931.08
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity share capital	516.47	516.47
	(b) Other equity	-722.77	-553.00
	TOTAL EQUITY	-206.30	-36.53
	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial Liabilities		
	- Borrowings	13.10	9.67
	- Lease Liability	12.47	17.78
	- Others	-	-
	(b) Other Long Term Liabilities	-	-
	(c) Provisions	18.89	22.96
	(d) Deferred tax liabilities(net)	0.06	-
	TOTAL NON-CURRENT LIABILITIES	44.51	50.42
	CURRENT LIABILITIES		
	(a) Financial Liabilities		
	- Borrowings	297.93	304.89
	- Trade payables	428.68	-
	Dues to micro and small enterprises	-	358.76
	Dues to others	-	1.33
	- Provisions	7.49	-
	-Other current liabilities	12.59	-
	(b) Other current liabilities	317.97	252.21
	TOTAL CURRENT LIABILITIES	1,064.66	917.18
	TOTAL EQUITY AND LIABILITIES	902.87	931.08

By order of the Board
For CITY ONLINE SERVICES LIMITED

S. Raghava Rao
S. Raghava Rao
Chairman and Managing Director
DIN: 01441612

Place: Hyderabad
Date: 30-05-22



Consolidated Cash Flow Statement

Particulars	For the Year ended	For the Year ended
	31-03-22	31-03-21
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	-169.74	-118.38
Adjusted for		
Depreciation and amortisation	65.79	58.59
Interest expense	15.77	38.49
Interest on Lease Liability	-0.13	1.73
Interest income	-11.04	-1.88
Impairment Loss	6.31	-
Write Back of Liabilities	-56.15	-65.45
Provision written back	-24.99	-2.41
Capital Reserve	-	44.51
Remeasurements of financial assets	-	-
Profit on sale of property, plant & equipment	-	-21.69
Interest on capital from Partnership firm	-	0.08
Remeasurement of post employee benefits	-	0.31
Operating Profit before Working Capital changes	-174.17	-66.11
Change in working capital	185.98	344.71
Cash generated from operations	12.11	278.60
Direct Taxes Paid	8.51	7.56
Net cash flow from operating activities (A)	20.62	286.16
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in fixed deposits	3.45	-6.23
Interest received	-	1.88
Sale of property, plant and equipment	4.14	30.16
(Increase)/decrease in non current investments	-	0.01
Purchase of property, plant and equipment, including intangible assets	-17.42	-236.38
Net cash used in Investing Activities - (B)	-9.84	-210.55
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	81.44	6.30
Proceeds/ (repayment) of short term borrowings	-	16.98
Decrease in Share capital	-5.32	-44.51
Payment of Lease liability	-77.96	-15.87
Interest paid	-15.77	-38.49
Net Cash used in Finance Activities - (C)	-17.61	-75.59
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	-6.83	0.02
Opening Balance in Cash and cash equivalents	7.94	7.92
Closing Balance in Cash and cash equivalents	1.11	7.94

By order of the Board
For CITY ONLINE SERVICES LIMITED

S. Raghava Rao

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612



Place: Hyderabad
Date : 30-05-22



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of City Online Services Limited

Audit Report on Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial results of City Online Services Limited for the quarter and year ended on 31st March 2022, attached herewith, being mainlined by the company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i) are presented in accordance with the requirements of regulation 33 of the Listing Regulations in this regard; and
- ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter and year ended on 31st March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial results section of our report.



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Laxminiwas & Co.

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Opp. RTA Office Khairatabad, Hyderabad 500082, Telangana, India.

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 Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled out 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.

Emphasis of Matter

1. We draw attention to the Note no 18 of the financial statements wherein the Company incurred a net Loss before tax of Rs.82.90 Lakhs for the year ended 31st March 2022 (net loss before tax of Rs.111.94 Lakhs as on 31st March 2021) and the company is having a negative net-worth of Rs.79.85 Lakhs as on 31st March 2022 (Positive net-worth of Rs.11.56 Lakhs as on 31st March 2021).
The Management of the company has represented that in case of need, the promoters shall infuse the required capital/loan for furtherance of operations. Hence, the financial statements are prepared on going concern basis.
2. Note 12,14,19 & 24A, 23, 25(e) to the financial statements representing the balances under the head Trade Receivables, other bank balances, Borrowings, Trade payables and deposits from customer refundable as on balance sheet date are subject to confirmations and reconciliations and consequential adjustments, if any. The impact of the same on accounts cannot be ascertained.
3. Note 25(a) to the financial statements represents the balance amounting to Rs.251.73 Lakhs under the head "Other Current Liabilities" regarding "Statutory Liabilities" in the nature of TDS, GST are remaining unpaid as on the balance sheet date.
4. Note 28 to the financial statements comprises of creditors written back amounting to Rs.66.24 Lakhs under the head "Other Income" for which management approval is not provided.

Our Opinion on the financial statements is not modified in respect of above matters.



Management's Responsibilities for the Standalone financial results

These financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these Standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under section 133 of the Act read relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 Standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial results, the Board of directors are 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 Board of directors 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 financial reporting process of the company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will



always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial results.

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 Standalone Financial results, 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 Board of Director'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 Standalone 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 standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

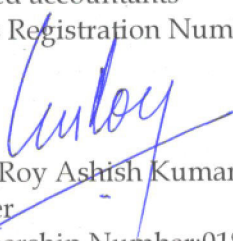


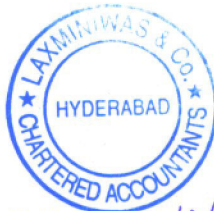
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

The Standalone financial results include the results for the quarter ended 31st March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Laxminiwas & Co. .
Chartered accountants
Firm's Registration Number:011168S


Guha Roy Ashish Kumar
Partner
Membership Number:018659
UDIN:



22018659AJW VVE2636

Hyderabad
30-05-2022



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of City Online Services Limited

Audit Report of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated financial results of City Online Services Limited ("hereinafter referred to as the Holding Company") and its subsidiaries listed below (Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended on 31st March 2022 attached herewith, being submitted by the Holding Company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports on separate audited financial statements or financial results or financial information of the subsidiary. The statement includes the results of the following entities:

List of Subsidiaries:

1. City Online Media Private Limited
 2. City Online Digital Private Limited
-
- i. are presented in accordance with the requirements of regulation 33 of the Listing Regulations in this regard; and
 - ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the Consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31st March 2022.

Basis of opinion

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report.



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- We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, 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.

Emphasis of Matter

1. We draw attention to the Note no. 20 of the Consolidated financial statements wherein the Group incurred a net Loss before tax of Rs.161.29 Lakhs for the year ended 31st March 2022 (net loss before tax of Rs.165.50 Lakhs as on 31st March 2021) and the Group is having a negative net-worth of Rs.206.30 Lakhs as on 31st March 2022 (negative net-worth of Rs.36.53 Lakhs as on 31st March 2021).
The Management of the Group has represented that in case of need, the promoters shall infuse the required capital/loan for furtherance of operations. Hence, the Consolidated financial statements are prepared on going concern basis.
2. Note 13, 15, 21&26A, 25, 27(g) to the Consolidated financial statements represents the balance amounting to Rs.214.81 Lakhs under the head Trade Receivables, other bank balances, Borrowings, Trade payables and deposits from customer refundable as on balance sheet date are subject to confirmations and reconciliations and consequential adjustments, if any. The balance confirmations were not received to the extent of Rs. 178 Lacs. The impact of the same on accounts cannot be ascertained.
3. Note 27 to the Consolidated financial statements represents the balance amounting to Rs.317.96 Lakhs under the head "Other Current Liabilities" regarding "Statutory Liabilities" in the nature of TDS, GST are remaining unpaid as on the balance sheet date.
4. Note 30 to the Consolidated financial statements comprises of creditors written back amounting to Rs.66.24 Lakhs under the head "Other Income" for which management approval is not provided.

Our Opinion on the Consolidated financial statements is not modified in respect of above matters.



Management's Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under section 133 of the Act read relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company as aforesaid.

In preparing the Consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

The Respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated financial results

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



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 Consolidated financial results, 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 the Board of Directors.
- Conclude on the appropriateness of Board of Directors 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 Group'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 Consolidated financial results 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 consolidated financial results, including the disclosures, and whether the Consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by the SEBI under regulation 33(8) of fire Listing Regulations, as amended. to the extent applicable.

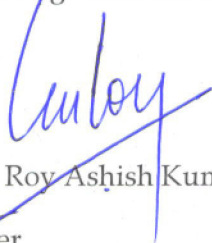
Other matter

The Consolidated financial results include the results for the quarter ended 31st March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures of previous quarter of the current financial year which were subject to limited review by us.

For Laxminiwas & Co.

Chartered accountants

Firm's Registration Number :011168S



Guha Roy Ashish Kumar

Partner



Membership Number:018659

UDIN: 22018659AJWWYR9382

Hyderabad

30-05-2022