City Online
SERVICES LIMITED
Internet Services with world class technology

Wi-Fi City

Date: 29.05.2025

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting under Regulation 30 read with 33 (3) (c) of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015

Unit: City Online Sevices Limited (Scrip Code: 538674)

With reference to the subject cited, this is to inform the Exchange that at the Board meeting of City Online Services Limited held on Thursday, the 29th day of May, 2025 at 03.00 P.M. at registered office of the Company, the following were duly considered and approved by the Board.

1. Audited Financial Results of the Company for the Quarter & Financial Year ended 31st March, 2025 along with Statement of Impact of Auditor Qualification on Financial Results of the Company for the Financial Year ended 31st March, 2025.

2. Appointment of M/s. D. Rambabu & Co, Chartered Accountant as Internal Auditors of the Company for the Financial Year 2025-26.

The meeting of the Board of Directors concluded at **07:30** P.M

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,
For City Online Services Limited

CITY ONLINE SERVICES LTD * HYDERABAD *

Krishna Mohan Ramineni
Whole-time Director & CFO
(DIN: 01678152)

City Online SERVICES LIMITED
Internet Services with world class technology

Wi-Fi City

Statement of Profit and Loss for the year ended March 31, 2025
CIN: L72200TG1999PLC032114
(All amounts in Indian Rupees, unless otherwise stated)

(Rs in Lakhs)

	Particulars	Note	For the Quarter ended March 31, 2025	For the Quarter ended December 31,2024	For the Quarter ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
I	REVENUE						
	Revenue from Operations [Gross]	26	155.13	193.69	220.31	750.81	1,025.34
	Other Operating Income	27	-	-	-	-	-
	Total Revenue from Operations		155.13	193.69	220.31	750.81	1,025.34
	Other Income	28	21.89	3.44	83.35	28.69	107.58
	TOTAL REVENUE [I]		177.02	197.14	303.66	779.50	1,132.92
II	EXPENSES						
	Employee benefit expenses	29	46.15	37.79	44.13	165.72	170.61
	Finance costs	30	2.16	2.97	2.76	10.74	12.71
	Depreciation and amortization expense	3, 4 & 5	7.69	8.41	8.71	33.19	36.41
	Bandwidth expenses	31	75.66	122.66	154.60	461.34	755.28
	Other expenses	32	30.74	18.71	40.19	84.31	146.57
	TOTAL EXPENSES [II]		162.40	190.54	250.39	755.29	1,121.59
III	Profit/(Loss) Before Tax		14.62	6.59	53.27	24.20	11.34
IV	Tax Expense:						
	- Current tax	33	3.78	-	-	3.78	-
	- Deferred tax	33	20.04	-	32.33	16.91	32.33
V	Profit/(Loss) for the period		-9.20	6.59	20.94	3.51	-20.99
VI	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of post-employment benefit obligations		9.45	-	1.89	9.45	1.89
	- Remeasurements of financial assets		14.01	-	-	14.01	-
	- Recognition of borrowings using effective interest rate		-	-	-	-	-
	Other comprehensive income for the year, net of tax		14.27	6.59	22.83	26.97	-19.10
VII	Earnings per equity share Rs. 10/- each fully paid						
	- Basic	39	-0.18	0.13	0.41	0.07	-0.41
	- Diluted	39	-0.18	0.13	0.41	0.07	-0.41

Notes to the financial results:

1. The above financial results for the quarter and Nine months ended 31st March, 2025 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th May, 2025.
2. The Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013 read with rules issued there under and other accouting principles generally accepted in India and in terms of the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
3. 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'.

For and on behalf of the Board of Directors of
CITY ONLINE SERVICES LIMITED

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612

CITY ONLINE SERVICES LTD * HYDERABAD *

Place: Hyderabad
Date: 29-05-2025

Balance Sheet as at March 31, 2025

(Rs in Lakhs)

	Particulars	Note	As at March 31, 2025	As at March 31, 2024
A	ASSETS			
1	Non-Current Assets			
	(a) Property, plant and equipment	3	130.34	157.94
	(b) Intangible assets	4	0.10	0.09
	(c) Right of use of Asset	5	-	4.53
	(d) Financial Assets			
	- Investments	6	0.50	2.84
	- Other non-current assets	7	13.44	13.44
	(e) Deferred tax assets [Net]	8	75.00	91.92
	(f) Other non-current assets	9	-	-
	Total Non-Current Assets [A]		219.38	270.77
2	Current Assets			
	(a) Inventories	10	-	-
	(b) Financial Assets			
	- Loans and Advances	11	14.97	14.68
	- Trade receivables	12	68.07	122.41
	- Cash and cash equivalents	13	0.11	4.49
	- Other Bank balances	14	154.05	148.16
	- Other financial current assets	15	31.56	27.71
	(c) Other current assets	16	76.62	78.82
	Total Current Assets [B]		345.37	396.26
	TOTAL ASSETS [A+B]		564.75	667.03
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	17	516.47	516.47
	(b) Other Equity	18	-523.98	-550.95
	Total Equity [A]		-7.51	-34.48
2	Non-Current Liabilities			
	(a) Financial Liabilities			
	- Borrowings	19	-	-
	-Lease liability	20	-	4.98
	(b) Provisions	21	15.63	23.89
	Total Non-Current Liabilities [B]		15.63	28.86
3	Current Liabilities			
	(a) Financial Liabilities			
	- Borrowings	22	98.53	132.04
	- Trade payables	23	182.30	266.03
	-Provisions	24	5.81	6.08
	-Other current liabilities	24A	-	-
	(b) Other current liabilities	25	270.00	268.51
	Total Current Liabilities [C]		556.63	672.65
	TOTAL EQUITY AND LIABILITIES [A+B+C]		564.75	667.03

For and on behalf of the Board of Directors of
CITY ONLINE SERVICES LIMITED

CITY ONLINE SERVICES LTD * HYDERABAD

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612

Place: Hyderabad
Date: 29-05-2025

Cash Flow Statement for the year ended March 31, 2025					(Rs in Lakhs)
Particulars	Note	Year ended March 31, 2025		Year Ended March 31,2024	
A. Cash flow from operating activities					
Profit / (Loss) before tax		24.20		11.34	
Adjustments:					
Depreciation and amortisation		33.19		36.41	
Interest expense		10.74		12.71	
Write Back of Liabilities		-		-44.54	
Interest on lease liability		-		-	
Bad debts written off		-		0.45	
Assets Writeoff		-		0.80	
INDAS effect		-		-0.25	
Remeasurement of post employee benefits		9.45		1.89	
Remeasurements of financial assets		14.01		-	
Provision written back		-15.42		-51.53	
Interest income		-10.24	65.93	-10.33	-43.05
Cash generated before working capital changes			65.93		-43.05
Increase/(Decrease) in trade payables		-83.72		12.93	
Increase/(Decrease) in other current liabilities		16.91		-47.66	
Increase/(Decrease) in Other current financial liabilities		-		-	
Increase/(Decrease) in Short term provisions		-0.27		9.44	
Increase/(Decrease) in long term provisions		-8.26		1.82	
(Increase)/Decrease in inventories		-		-	
(Increase)/Decrease in short term loans and advances		-0.30		-0.20	
(Increase)/Decrease in trade receivables		54.34		104.52	
(Increase)/Decrease in other non-current financial assets		-		-	
(Increase)/Decrease in other Bank Balances		-5.89		-5.68	
(Increase)/Decrease in other non current assets		-		-	
(Increase)/Decrease in other current financial assets		-3.85		-12.19	
(Increase)/Decrease in other current assets		2.20	-28.83	-1.18	61.80
Cash generated from operations			37.09		18.77
Direct taxes refund/ (paid)			-3.78		
Net cash flow from operating activities (A)			33.32		18.77
B. Cash flows from investing activities					
Purchase / (Proceeds) of property, plant and equipment, including intangible assets		-1.06		-3.19	
Investment in bank deposits		-		1.32	
Interest received		10.24		10.33	
(Increase)/Decrease in non current investments		2.34	11.53	-	8.45
Net cash flow used in investing activities (B)			11.53		8.45
C. Cash flows from financing activities					
(Repayment)/Proceeds from long term borrowings		-		-2.43	
Payment of Lease liability		-4.98		-3.79	
(Repayment) / Proceeds from working capital borrowings		-33.51		-9.68	
Interest paid		-10.74	-49.23	-12.71	-28.61
Net cash flow used in financing activities ©			-49.23		-28.61
D. Net Increase/(decrease) in cash and cash equivalents (A+B+C)			-4.38		-1.40
E. Cash and cash equivalents	13				
at the beginning of the year			4.49		5.88
at the end of the year			0.11		4.49

Components of cash and cash equivalents Balance with banks					
- In current accounts			0.06		4.24
- Deposits with maturity less than 3 months			-		-
Cash on hand			0.05		0.25
Less: Bank overdraft			-		-
Cash and cash equivalents at the end of the year			0.11		4.49

The cash flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on Cash Flow Statement' and presents the Cash Flows by Operating , Investing and Financing activities.

For and on behalf of the Board of Directors of
CITY ONLINE SERVICES LIMITED

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612

Place: Hyderabad
Date: 29-05-2025

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL RESULTS OF CITY ONLINE SERVICES LIMITED PURSUANT TO REGULATION 33 AND REGULATION 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
City Online Services Limited
Hyderabad

Report on the Audit of the Standalone Financial Results

1. **Qualified Opinion**

We have audited the Standalone Financial Results ("the Statement") of City Online Services Limited ("the Company") for the quarter and year ended 31st March 2025, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (" the Listing Regulations"), read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19th July 2019 and SEBI Circular No. SEBI/HO/DDHS/CIR/2021/0000000638 dated 14th October 2021.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the "Basis for Qualified Opinion" section of our report, the Statement:

a) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard, and
b) gives a True and Fair view in conformity with the recognition and measurement principles laid down in the applicable Indian 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 2025.

2. **Basis of Qualified Opinion**

1. There is a difference in the revenue reported as per the books of account as compared with the revenue reported in the GST Returns filed with the GST Authorities, thereby resulting in under-reporting of Revenue to the Authorities by Rs. 94.77 Lakhs.
2. There is a difference between the Input as per the books of account and the Input Tax Credit as per GST Returns, which amounts to Rs. 5.72 Lakhs (net). Input Tax Credit (ITC) is being claimed solely based on entries appearing in GSTR-2B, without adequate verification to ensure that the underlying Input Tax Credit is genuinely related to the Company's business operations or not.
3. As on 31st March 2025, we have identified Unbilled revenue amounting to Rs. 17.86 lakhs. This represents services that have been rendered, but invoices have not yet been raised.

We conducted our audit of the Statement 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.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. **Going Concern**

The company has a negative net worth of Rs 7.51 Lakhs as on 31st March 2025. 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 a going concern basis.
Our opinion on the financial statements is not modified in respect of the above matters.

4. **Emphasis of Matter**

1. Note 12 to the financial statements represents the balance amounting to Rs. 68.07 Lakhs under the head "Financial Assets- Trade Receivables" regarding the amount receivable from sundry debtors as on the balance sheet date is subject to confirmations and reconciliations and consequential adjustments, if any.
2. Note 23 to the financial statements represents the balance amounting to Rs. 182.30 Lakhs under the head "Financial Liabilities - Trade Payables" regarding the amount payable to sundry creditors as on the balance sheet date is subject to confirmations and reconciliations and consequential adjustments, if any.
3. Note 25 to the financial statements represents the balance amounting to Rs 231.97 Lakhs under the head "Other Current Liabilities" regarding "Statutory Liabilities" in the nature of Tax Deducted At Source, General ST, PF, ESI & PT are remaining unpaid as on the balance sheet date.

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

5. **Management's Responsibilities for the Standalone Financial Results**

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related Standalone Financial Statements of the Company. The Company's Board of Directors are responsible for the preparation and presentation of the 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 Standards prescribed under Section 133 of the Act, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 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 judgements and estimates that are reasonable and prudent; and the 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 the 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 also responsible for overseeing the Company's financial reporting process.

6. **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 it 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 controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements 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 the 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 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 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 Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the branch to express an opinion on the standalone financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of the components which have been audited by us. For the branches included in the standalone financial statements, which have been audited by branch auditors, if any, such other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

KOMANDOOR & Co. LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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.

For KOMANDOOR & CO LLP
Chartered Accountants
FRN: 001420S/ S200034

K Narasimhan
Partner
M. No. 021345
UDIN: 25021345BMFYUY8543
Place: Hyderabad
Date: 29th May 2025

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Financial Results

₹ in Lakhs

I.			
	Statement on Impact of Audit Qualifications for the Year ended 31 March, 2025		
Sl. No.	**Particulars**	**Audited Figures (as reported before adjusting For qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
1.	Turnover / Total income	779.50	779.50
2.	Total Expenditure	755.29	755.29
3.	Net Profit/(Loss)	3.51	3.51
4.	Earnings/(Loss) Per Share	0.07	0.07
5.	Total Assets	564.75	564.75
6.	Total Liabilities	564.75	564.75
7.	Net Worth	-7.51	-7.51
8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

II. Audit Qualifications

a. Details of Audit Qualifications:	1. There is a difference in the revenue reported as per the books of account as compared with the revenue reported in the GST Returns filed with the GST Authorities, thereby resulting in under-reporting of Revenue to the Authorities by Rs. 94.77 Lakhs. 2. There is a difference between the Input as per the books of account and the Input Tax Credit as per GST Returns, which amounts to Rs. 5.72 Lakhs (net). Input Tax Credit (ITC) is being claimed solely based on entries appearing in GSTR-2B, without adequate verification to ensure that the underlying Input Tax Credit is genuinely related to the Company's business operations or not. 3. As on 31st March 2025, we have identified Unbilled revenue amounting to Rs. 17.86 lakhs. This represents services that have been rendered, but invoices have not yet been raised.
b. Type of Audit Qualification:	Qualified Opinion
c. Frequency of qualification:	New and Repetitive Qualifications
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	We have noted the Qualifications and will take necessary steps to resolve the same.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:	(i) NA (ii) NA (iii) NA

III. Signatories:

CEO/Managing Director	
CFO	
Audit Committee Chairman	TALLURI RAMBABU Digitally signed by TALLURI RAMBABU Date: 2025.05.29 17:30:31 +05'30'
Statutory Auditor	K Narasimhan, Partner, Komandoor & Co LLP, Hyderabad
Place: Hyderabad	
Date: 29th MAY 2025	