COMPANY NO: L67120GJ1994PLC023561

21ST ANNUAL REPORT

2014-2015

CITIZEN INFOLINE LIMITED

411, Sakar-II, Ellisbridge, Ashram Road, Ahmedabad - 380 006

AUDITERS

BAHETI BAHADADA & ASSOCIATES

201, SHAILY COMPLEX, BEHIND OLD GUJARAT HIGH COURT, OPP. LOHA BHAVAN, INCOME TAX, AHMEDABAD-380009.

COMPANY INFORMATION

BOARD OF DIRECTORS

• Omprakash L. Jain	-	Managing Director
• Harsh O. Jain	-	Director
• Ravindra O. Jain	-	Director
• Kasturi R. Jain	-	Director
• Pukhraj K. Ved	-	Independent Director
• Vikas H. Jirawala	-	Independent Director
• Mitesh A Jain	-	Independent Director
• Sandip M Jain	-	Independent Director

• Chief Financial Officer •

Alpa Mehta

• AUDITORS •

M/S. BAHETI BHADADA & ASSOCIATES
Chartered Accountants
201, Shaily Complex,
Nr. Old Guj. High Court,
Ashram Road,
Ahmedabad-380009

• BANKERS •

HDFC Bank

• REGISTERED OFFICE •

411, SAKAR – II,
ELLISBRIDGE, ASHRAM ROAD,
AHMEDABAD – 380 006

• SHARE REGISTER AND TRANSFER AGENT •

LINK INTIME INDIA PRIVATE LIMITED
303, Shoppers Plaza V, 3rd Floor,
C G Road, Opp Municipal Market,
Navrangpura,
Ahmedabad - 380009
Ph. – 079-26465179

Notice

Notice is hereby given that the 21st **ANNUAL GENERAL MEETING** of the members of **CITIZEN INFOLINE LIMITED** will be held on 29 September 2015, Tuesday at 411, Sakar II, Ellis Bridge, Ashram Road, Ahmedabad-380006 at 12.00 noon to transact the following business:

- **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet for the year ended **31st March, 2015**, the Profit and Loss Account and Cash flow statement as at that date, notes there on and the reports of the Directors and the Auditor thereon.
2. To appoint a director, **Kasturi R Jain** who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a director, **Pukhraj K Ved** who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution:

   " "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Harsh O Jain** (DIN:00269655), who was appointed as an Additional Director of the Company by the Board of Director and who holds the office, under section 152 of the companies Act, 2013 up to the date of Annual General Meeting and in respect of whom the company has, pursuant to section 161 of Companies Act, 2013, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retirement by rotation."

6. To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mitesh A. Jain** (DIN:03495847), who was appointed as Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company not liable to retire by rotation and hold office for five consecutive terms till conclusion of 26th Annual General Meeting."

7. To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Sandeep M Jain** (DIN:06932060), who was appointed as Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, subject to liable for retirement by rotation.'

BY ORDER OF THE BOARD

Place: Ahmedabad
Date : 23/07/2015

(Omprakash Jain)
Managing Director
DIN NO. : 00171365

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the commencement of the meeting.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 22 September 2015 to Tuesday 29 September 2015.

3. Members holding Shares in Physical form are requested to intimate immediately to the Registrar & Transfer Agent of the Company, M/s. **LINK INTIME INDIA PRIVATE LIMITED,** 303, Shoppers Plaza V, 3rd Floor, C G Road, Opp Municipal Market, Navrangpura, Ahmedabad – 380009, quoting the Registered Folio Numbers (a) details of their email ID (b) Change in their address if any with the Pin Code Number.

4. Members are requested to intimate to the Company, queries, if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

5. Members attending the meeting are requested to bring with them the Attendance slip attached the Annual report duly filled in and signed and handover the same at the entrance of the meeting place.

6. All documents referred to in the notice shall be available for inspection at Company's registered officer during 12 noon to 4 pm hours on working days up to the date of AGM. Members are requested to serve minimum 48 hours notice to inspect the same.

7. Kindly refer to instructions for E-voting attached with Annual Report. Business set out in Notice will be transacted through e-voting only. The Company has provided facility for e-voting system.

8. **Voting Through electronic Means:**

   In compliance with the provision of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and administration) Amendment Rules, 2015 and clause 35B of the Listing agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-voting services. The facility of casting the votes by members using an electronic voting system from a place other than venue of the AGM (remote e-voting) is provided by Central Depository Services Limited (CDSL).

   The voting period begins on Saturday 26 September 2015 (9.00 AM) and ends on Monday 28 September 2015 (5.00 PM). During this period Members of the company, holding shares either in physical form or in dematerialized from, **as on the cut-off date of 22 September 2015** may cast their vote electronically. The E-voting module shall be disabling by CDSL for voting after 28 September 2015 (5.00 P.M.)

   The instructions for Members for voting electronically are as under:

A. **In case of Members receiving Notice of Annual General Meeting (AGM) through E- mail:**

i. **The voting period begins on Saturday 26 September 2015 (9.00 AM) and ends on Monday 28 September 2015 (5.00 PM).** During this period Members of the company, holding shares either in physical form or in dematerialized from, **as on the cut-off date of 22 September 2015** may cast their vote electronically. The E-voting module shall be disabling by CDSL for voting afte 28 September 2015 (5.00 P.M.)

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Log on to the E-voting website : www.evotingindia.com

iv. Click on Shareholders

v. Now enter your User Id

   a) For CDSL: : 16 digits beneficiary ID.

   b) For NSDL : 8 Character DP ID followed by 8 Digit 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:

Permanent Account Number	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholder as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both 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

x. Members holding shares in Physical form will then reach directly to the Company Selection screen. However, members holding shares in demat form will now reach to '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 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 Electronic Voting sequence Number (EVSN 150902039) of "CITIZEN INFOLINE LIMITED".

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 tot the resolution and option NO implies that you dissent to the resolution.

xiv. Click on the "RESOLUTION 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 "CANCLE" 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 changed password then enter the USER ID and image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. (a) Institutional shareholders (i.e. other than individual, HUF, NRI, etc.) are required to log in to www.evotingindia.com and register themselves as corporate.

(b) Institutional shareholders should submit a scanned copy of the Registration form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com

(c) After receiving the login details a 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.

(d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.cm and on approval of the accounts institutional shareholders would be able to cast their vote.

(e) A scanned copy of the Board Resolution and Power of Attorney 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

xxi. Chopra Nayna Parasmalji, Company Secretaries (Membership No. FCS 32833 CP No. 12187) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote E-voting process in a fair and transparent manner.

xxii. The chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling paper" for all those members who are present at the AGM but have not cast their votes by availing to remote E-voting facility.

xxiii. The scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote E –voting in the presence of at least two witness not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xxiv. The results declared along with the report of the scrutinizer shall be immediately forwarded to the BSE Limited.

xxv. For members who wish to vote through ballot forms:

(a) The Ballot Form is provided for the benefit of shareholders, who do not have access to remote E-voting facility.

(b) Pursuant to clause 35B of the Listing Agreement, members who do not have access to remote E-voting facility, may exercise their right to vote on business be transacted at the Annual General Meeting of the Company. The Ballot Form will be provided at the Annual General Meeting of the Company.

B. In case of Members receiving physical copy of Notice of AGM:

i Please follow all steps from Sr. No. (i) to sr. No. (xix) Above, to cast vote.

ii Incase you have any queries or issue regarding E-voting, you may refer the Frequently Asked Question ("FAQs) and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com

C. General Instruction:

Members, who have registered their E-mail addresses with the Company or their Depositary participant, are being sent the AGM Notice along with the annual Report, Attendance slip, Proxy by E-mail and other are being sent by post.

9. Members are requested to note that pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, brief particulars including shareholding of the Directors proposed to be appointed/re-appointed is given below and forms part of the Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

Item 5

The board of director at its meeting held on 7th July 2014 appointed Harsh O Jain as an additional director of the Company with effect from that date, pursuant to section 161(1) of the Companies Act, 2013.

Harsh O Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In term of section 164 of the Companies Act 2013 he holds office till ensuring AGM.

No other director except Omprakash L Jain, Ravindra O. Jain and Kasturi R. Jain are interested in this resolution.

Item 6

Section 149 of Companies Act, 2013 requires approval of members for appointment of Independent Directors. The company had appointed Mitesh A Jain (03495847) as independent director of the company on 7th July 2014 to hold office till conclusion of ensuing Annual General Meeting in terms of provisions of Section 161(1) of the Companies Act, 2013.

Miteh A Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be ncluded in the total number of directors for retirement by rotation.

The Company has received a declaration from Mitesh A. Jain that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mitesh A. Jain is a CFO & MBA and possesses appropriate skills, experience and knowledge; *inter alia*, in the field of finance.

Brief resume of Mitesh A. Jain, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Mitesh A. Jain as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mitesh A Jain and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

No other directors are interested in this resolution.

Item 7

The company had appointed Sandeep M Jain (06932060) as independent director of the company on 7th July 2014 to hold office till conclusion of ensuing Annual General Meeting in terms of provisions of Section 161(1) of the Companies Act, 2013.

Sandeep A Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Sandeep M. Jain that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Sandeep M Jain is a MBA and possesses appropriate skills, experience and knowledge; *inter alia*, in the field of finance.

Brief resume of Sandeep M Jain, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Sandeep M Jain as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Sandeep M. Jain and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

No other directors are interested in this resolution.

By the Order of Board of Directors

Place: Ahmedabad
Date: 22/05/2015

(Omprakash L Jain)	**(Ravindra Jain)**
Managing Director	**Director**
DIN NO:00171365	**DIN NO: 00412684**

ANNEXURE TO THE NOTICE

NOTES ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49 OF LISTING AGGEREMENT ENTERED INTO WITH STOCK EXCHANGES.

Profile of Directors being appointment/ Re-appointment under Item Nos.5 and 6 of the above Notice:

	APPOINTMENT			RE-APPOINTMENT	
Name of Director	**Mr. Harsh O Jain**	**Mr. Sandeep M Jain**	**Mr. Mitesh A Jain**	**Kasturi R Jain**	**Mr. Pukharaj K Ved**
Date of Birth	8th September 1982	7th August 1985	3rd November 1988	27th November 1985	1st May 1940
Date of Appointment	7th July 2014	7th July 2014	7th July 2014	26th March 2014	28th March 2003
Qualification	MBA	MBA	MBA & CFO	Graduate	
Expertise in Specific Functional Area	He is a Master of Business Administration in finance. He is providing a valuable support to the management of company. He is young and dynamic face of the company.	He is a Master of Business Administra-tion. He is providing a valuable support to the management of company. He is young and dynamic face of the company	He is Chartered Finance Officer and Master of Business Administration. He is providing a valuable support to the management of company. He is young and dynamic face of the company He is a Graduate in Master of Business Administrator. He is providing a valuable support to the management of company. He is young and dynamic face of the company.	She is a Graduate in Master of commerce . She is providing a valuable support to the management of company. She is young and dynamic face of the company.	He is providing a valuable support to the management of company. He is having experience of more than 38 years in the field of textile trading and having very good contacts in textile market.
Directorship in Other Companies (Excluding Private & Foreign Companies)	Yes	Nil	Yes	Yes	Nil
Membership/Chairmanship of Committee (includes only Audit Committee & Investor Grievances Committee)	Nil	Nil	Nil	Nil	Yes
Shareholding as on March 14	70900 Equity Shares	Nil	Nil	242600 Equity shares	Nil

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice/documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipts of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. www.citizeninfoline.com to support this green initiative of the Government in full measure, members who have not registered their e-mail address so far, are requested to register their e-mail addresses on the website of the Company i.e. www.citizeninfoline.com or by sending email to Ahmedabad@linkintime.co.in with subject as E-mail for 'Green Initiative' mentioning their Folio No./ Client ID, name of the Company. Members holding shares in electronic form may register/update their e-mail addresses with the Depository through concerned Depository Participant(s).

DIRECTORS' REPORT

To
The Members
Citizen Infoline Ltd.,

Your Directors have great pleasure in presenting the **21st ANNUAL REPORT** and the **Audited Statement of Accounts** of the Company for the year ended on **31st March, 2015**

- **FINANCIAL RESULTS:-** **(Figures in lacs)**

Particulars	Amount for 2014-15 (Rs.)	Amount for 2013-14 (Rs.)
Total Income	497.53	524.44
Total Expenditure	(446.27)	(462.22)
Profit Before Depreciation, Non Cash Expenses &Tax	51.26	62.22
Less: Depreciation & Other Non Cash Expenses	(33.08)	(28.74)
Profit Before Tax	**18.18**	**33.48**
Less: Provision for Taxes	(8.57)	(10.02)
Add: Deferred Tax Asset/Liabilities	14.19	(0.35)
Less: Income tax Short / Excess Provision of earlier year	(0.04)	0.45
Profit After Tax	23.76	23.56
Add: Balance Brought Forward from Previous Year	72.97	49.41
Balance Carried to Reserve & Surpluse	**96.73**	**72.97**

- **PERFORMANCE REVIEW :-**

  During the year, the company's turnover is decreased from Rs. 473.18 Lacs to Rs.438.13 Lacs from the previous year. This year the net profit increase from Rs. 23.56 Lacs to 23.76 Lacs. The net profit ratio has Increase from 4.98% to 5.42% uring year. Your directors expect better performance in future.

- **DIVIDEND:-**

  The dividend payout for the year under the review has been formulated in accordance with the company's policy to pay substantial dividend linked to long term performance, keeping in view the company's need for capital for its growth plans and the intent to finance through internal accruals to maximum. Your directors have always wished to appreciate the trust and faith of its members by paying them appropriate dividends.

  Even though, the company has maintained good earning track records, your directors consider need to plough back current earnings to meet its future need. Therefore, your directors do not recommend any dividend current year.

- **PUBLIC DEPOSITS :-**

  During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013.

  INSURANCE:

  All the existing properties including Building are adequately insured.

Directors' Report

- **DIRECTORATE:-**

  Pursuant to the provisions of Companies Act, 2013 Kasturi R Jain and Pukhraj K Ved directors of the Company, who retires by rotation and being eligible, offer themselves for re-appointment. The Board recommends their reappointment as Directors of the Company.

  The Board has appointed Harsh O. Jain as additional director of the Company and Mitesh A Jain, Sandeep M Jain as independent director of the company on 7th July 2014. Their appointments are subject to confirmation by the members at annual general meeting. The board recommends them for their appointment.

- **DEPRECIATION ON FIXED ASSETS**

  Attention of members is drawn to Note of financial statements regarding calculations of depreciation for current financial year. The Companies Act, 2013 has changed method of computation of depreciation from calculations based on rates of depreciation to calculations based on the useful life of the company. Therefore, the company was required to ascertain useful life of all assets as on 1 April 2014 and depreciate the written down value on remaining useful life of the assets.

Further, those assets whose useful life has become Nil as on 1 April 2014 are required to be discarded and remaining WDV of such assets is required to be adjusted towards reserves of the company. The company has carried out required changes and identified useful life and WDV of all assets as per provisions of Companies Act, 2013 and recalculated depreciation on all assets accordingly. Further, the company has debited amount of Rs. 32, 14,399/- against reserves and surplus as write off towards fixed assets whose useful life has become zero on 1 April 2014. This is one time write off and not expected to recur in future. Your directors believe that this will enable the company to present more correct view of financial position of the company.

- **FORMAL EVALUATION STATEMENT**

  Formal evaluation statement u/s 134(3)(p) of Companies Act, 2013 is here with attached as annexure to the report. The evaluation includes evaluation of board as a whole, individual director and of every committee of board.

- **AUDITORS:-**

  M/s. Baheti Bhadada & Associates, auditors of the company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

  Members are requested to appoint M/s Baheti Bhadada and Associates, Chartered Accountants as statutory auditor of the company from current annual general meeting till end of next annual general meeting. The board has received letter from them to the effect that their re-appointment if made will be within limits specified u/s 141(1)(g) of Companies Act, 2013.

- **AUDITORS' REPORT:**

  The observations made in the Auditors Report are self explanatory and therefore, need not require any further comments by the board of directors.

- **SECRETARIAL AUDIT REPORT**

  In pursuant to Section 204 of the Companies Act, 2013, the Board herewith attaches secretarial audit report issued by practicing company secretary. There are no remarks or comments in said report which requires clarifications by the board.

Directors' Report

- **ABSTRACTS OF ANNUAL RETURN**

  Pursuant to requirement of 93 (3) of Companies Act, 2013, the abstracts of annual return is herewith attached in Annexure of the report in prescribed Form No MGT-9.

- **DIRECTORS' RESPONSIBILITY STATEMENT :-**

  Pursuant to requirement under section 134(3)(c) of Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed.

  (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

  (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the inancial year and of the profit and loss of the company for that period;

  (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

  (d) the directors had prepared the annual accounts on a going concern basis; and

  (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

  (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

- **CONSERVATION OF ENERGY :-**

  Since the company is engaged in service business, its operation does not involve substantial consumption of energy. However, the company has taken necessary care to conserve scarce resources of the nation.

- **TECHNOLOGY ABSORPTION:-**

  The company has not imported any technology but the company is very conscious to absorb necessary technological advancement in its service. The company is continuously upgrading existing technology as well as innovating for cost eduction and quality improvements.

- **FOREIGN EXCHANGE EARNINGS AND OUTGO:-**
  - Foreign Exchange earnings - Rs. NIL
  - Foreign Exchange outgo - Rs. NIL

- **PARTICULARS OF EMPLOYEES :-**

  During the year, there were no employees, within the organization, who were in receipt of remuneration exceeding Rs. 60,00,000/- p.a. or if employed for part of the year drawing remuneration in excess of Rs. 5,00,000/- p.m, as prescribed.

- **RISK MANAGEMENT POLICY**

  The Risk management policy of the company has been discussed in detail in the Management Discussion & Analysis Report which forms part of this directors' report, attached with annual report.

- **MANAGERIAL REMUNERATION**

  The details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows.

Sr No.	Name of Director	Remuneration (Rs. In Lakhs)	% increase in FY 2014-15	Comparison of Remuneration of KMP against performance of the company
1	Ompraksh L Jain	7,20,000	Nil	Net profit has decreased by 1.10% during FY 2014-15.
2	Ravindra O Jain	4,80,000	Nil	
3	Kasturi R Jain	4,80,000	Nil	

Market Capitalization of Company	As on 31 March 2015 – Rs. 304.41 Lacs
Price Earnings Ratio	As on 31 March 2015 – (0.57)
Percentage Increase (Decrease) in Market Price of shares with at rate at which company came up with last public offer.	As on 31 March 2015 – Rs. (4.36)
Relationship between Increase in Remuneration and Companies Performance	Remuneration of employees have been increased by Rs. 2.00 Lacs and net profit of company has been increased by 0.34% .
Comparison of Remuneration of Key Managerial Personnel with Performance of Company	There is no variable component in remuneration of any director.
Average Percentage Increase in salaries of managerial personnel & Managerial Personnel	NIL
Average Percentage Increase in salaries of employees other than managerial personnel & Managerial Personnel	There is 8% to 10% Increase in salaries of employees other than managerial personnel.
Key Parameter for variable component of remuneration availed by the director	There is no variable component in remuneration of any director
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable

There is no employee who receives remuneration in excess of highest paid director.

The Board hereby confirms that remuneration paid to all managerial personnel is in accordance with the remuneration policy of the company.

- **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

- **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

- **CORPORATE GOVERNANCE:-**

The Company has generally implemented the procedure and adopted practices in conformity with the Code of Corporate Governance as enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Management Discussion & Analysis and Corporate Governance Report are made a part of the Annual Report. A Certificate from the Practicing Company Secretaries regarding compliance of the conditions of the Corporate Governance is given in annexure, which is attached hereto and forms part of Directors' Report.

- **NUMBER OF BOARD MEETINGS**

During the year, the company had conducted total 7 board meetings. Notice for them were given properly and due quorum was present at above meetings. The date of meetings are 24/05/2014, 07/07/2014, 28/07/2014, 17/10/2014, 25/12/2014, 31/01/2015 and 31/03/2015

- **NOMINATION AND REMUNERATION COMMITTEE**

The Board has formed nomination and remuneration committee as required under section 178(1) of Companies Act, 2013. The company has disclosed policies as required under 178 (3) of Companies Act in its Corporate Governance Statement, forming part of directors' report.

- **AUDIT COMMITTEE**

The Board has constituted Audit Committee as required under section 177(1) of Companies Act, 2013. The Composition of the same has been disclosed in Corporate Governance report forming part of directors' report. During the year, the Board has agreed to all recommendations of the audit committee.

- **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

   Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The vigil mechanism has been disclosed in detail in corporate governance policy of the company which forms part of Annual Report.

- **ACKNOWLEDGEMENT:-**

Your Directors take this opportunity to acknowledge with gratitude for the trust reposed in the Company by the Shareholders, Investors and Readers/Customers, Corporations and Government Authorities. Directors of your Company specifically express their gratitude to the Bankers, which has extended their full support to the Company. Further, Your Directors also keenly appreciate the dedication & commitment of the Employees of the Company.

For and on behalf of the Board

Place: Ahmedabad	**(Omprakash L Jain)**	**(Ravindra O Jain)**
Date: 23/07/2015	**Managing Director**	**Director**
	DIN NO:00171365	**DIN NO: 00412684**

Annexure to Directors' Report

Annexure – 1 –

Form No MR 3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[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,

CITIZEN INFOLINE LIMITED

411, Sakar - II, Ellisbridge,

Ashram Road, Ahmedabad – 380006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Citizen Infoline Limited (CIN: L67120GJ1994PLC023561) (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 my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31.03.2015, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Citizen Infoline Limited (CIN: L67120GJ1994PLC023561) (**"The Company"**) for the period ended on 31.03.2015 according to the provisions of:

(i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not Applicable

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

- (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, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not Applicable;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not Applicable;
- (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008- Not Applicable.
- (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; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable.
- (i) The other laws as may be applicable specifically to the Company, if any.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified hence not applicable to the Company during the audit period)
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange;

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

I 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. The 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that during the audit period the Company has not passed any Special Resolution which is having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

PLACE : AHMEDABAD **CHOPRA NAYNA PARASMALJI**

DATE : 23/07/2015 **COMPANY SECRETARY**

ACS: 32833

No.: 12187

ANNEXURE-2

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 and the Listing Agreement, entered into by the Company with Stock Exchanges, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors on 25 May 2014.. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

a) To recommend to the Board appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with criteria laid down.

b) To recommend to the Board a policy including following:

(i) Determining qualifications, positive attributes and independence of a director;

(ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

(iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(vi) Performance evaluation of Independent Directors and the Board.

(vii) Board diversity.

3. Definitions

"**Act**" means Companies Act, 2013 and rules thereunder.

"**Board**" means Board of Directors of the Company. "**Committee**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board. "**Company**" means Citizen Infoline Limited

"**Independent Director**" means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Agreement with the stock exchanges.

"**Key Managerial Personnel**" means Key managerial personnel as defined under the Companies Act, 2013 and includes: i. Managing Director or Executive Director or Chief Executive Officer or Manager ii. Whole-time Director; iii. Company Secretary; iv. Chief Financial Officer and v. Such other officer as may be prescribed. Annual Report 2014-15.

"**Policy**" means Nomination and Remuneration Policy.

"**Senior Management**" means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

4. Functions of Committee

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

b) To recommend to the Board a policy for following:

(i) Determining qualifications, positive attributes and independence of a director;

(ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

(iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(v) Remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(vi) Performance evaluation of Independent Directors and the Board.

(vii) Board diversity.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the committee authorised by the Chairperson in this behalf shall attend the general meetings of the company. Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

5. Membership

(i) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

(ii) The quorum shall be either two members or one third of the members of the Committee whichever is higher.

(iii) Membership of the Committee shall be disclosed in the Annual Report. iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

6. Chairperson

(i) Chairperson of the Committee shall be an Independent Director.

(ii) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

(iii) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

7. Frequency of Meeting

The meeting of the Committee shall be held at such regular intervals as may be required.

8. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

9. Minutes of Committee

Meeting Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

10. Policy for appointment and removal of Director, KMP and Senior Management

(A) Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(C) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

(A) General:

a) The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.

c) Term / Tenure of the Directors shall be as per company's policy and subject to the provisions of the Act.

(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government. Annual Report 2014-15

(C) Remuneration to Non-Executive / Independent Director

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. 12. Amendments This Policy may be amended by the board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including Listing Agreement.

12. Amendments

This Policy may be amended by the board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including Listing Agreement.

Annexure – 3 –

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[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:

i) CIN:- L67120GJ1994PLC023561

ii) Registration Date: 14/11/1994

iii) Name of the Company: CITIZEN INFOLINE LIMITED

iv) Category / Sub-Category of the Company: Limited Company

v) Address of the Registered office and contact details:

411 SAKAR-II ELLISBRIDGE, ASHRAM ROAD, Ahmedabd-380006, Ph No. : 079 26585555

vi) Whether listed company: Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent:

LINK INTIME INDIA PRIVATE LIMITED

303, Shoppers Plaza V, 3rd Floor, C G Road, Opp Municipal Market, Navrangpura, Ahmedabad-38009

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	SERVICE SECTOR-YELLOW PAGES DIRECTORY	222	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	Infoline.in Private Limited	U72900GJ2012PTC070262	Associate		
2	Citizen Exports Private Limited	U51109GJ2012PTC068607	Associate		

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Changeduring the year
		Physical	Total	% of Total Shar es	Dem at	Phy sical	Total	% of Total Shar es	
A. Promoter s									
(1) **Indian**									
g) Individual/ HUF	3005800	57400	3063200	56.75	3063200	0	306320 0	56.75	0
h) Central Govt									
i) State Govt (s)									
j) Bodies Corp.									
k) Banks / FII									
l) Any Other….									
Sub-total (A) (1):-	3005800	57400	3063200	56.75	3063200	0	306320 0	56.75	0
(2) **Foreign**									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FII									
e) Any Other….									
Sub-total (A) (2):-		0					0		
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	305800	57400	3063200	56.75	3063200	0	3063200	56.75	
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	0	22900	22900	0.42	0	21500	21500	0.40	0.02
b) Banks / FII									
c) Central Govt									
(d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1):-	0	22900	22900	0.42	0	21500	21500	0.40	0.02
2. **Non- Institutions**									
a) Bodies Corp.									
i) Indian									
ii) Overseas	8200	135600	143800	2.67	12851	105300	118151	2.19	0.48
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	151300	1801200	1952500	36.18	280983	191720	1898183	35.17	1.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	71000	107700	178700	3.31	147000	115900	262900	4.87	1.56
c) Others									
Clearing Members		0							
HUF	0	1200	0	0	566	0	566	0.01	0.01
NRI	0	35000	1200	0.02	0	1200	1200	0.02	0
(specify)	0		35000	0.65	600	31000	31600	0.59	0.06
Sub-total (B)(2):-	230500	2080700	2311200	42.83	442000	187060	2312600	42.85	0.02
Total Public Shareholding (B)=(B)(1)+ (B)(2)	230500	2103600	2334100	43.25	442000	189210	2334100	43.25	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3236300	2161000	5397300	100	3505200	189210 0	53973000	100	

(ii) ***Shareholding of Promoters***

Sr. No.	Sharehold er's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shar es	% of total Shares of the compa ny	%of Shares Pledged / encumbe red to total shares	No. of Shar es	% of total Shares of the compa ny	% of total Shares of the compa ny	% chan ge in share holdi ng durin g the year
1	OMPRAKASH L JAIN	758500	14.06	0.00	776200	14.38	0.00	0.02
2	RAVINDRA O JAIN	671000	12.43	0.00	671000	12.43	0.00	NIL
3	UGMADEVI O Jain	460000	8.52	0.00	702500	13.02	0.00	0.36
4	DHANPATRAJ L JAIN	300000	5.56	0.00	300000	5.56	0.00	NIL
5	KASTURI R JAIN	242600	4.49	0.00	242600	4.50	0.00	NIL
6	HARSH O JAIN	70900	1.31	0.00	70900	1.31	0.00	NIL
7	SANGITA D JAIN	300000	5.56	0.00	300000	5.55	0.00	NIL
8	TANSUKRAJ L JAIN	249700	4.62	0.00	-	-	0.00	(1.00)
9	LALCHAND P JAIN	9900	0.18	0.00	-	-	0.00	(1.00)
10	ASHOKKUMAR L JAIN	200	0.00	0.00	-	-	0.00	(1.00)
11	SANGITADEVI T JAIN	400	0.01	0.00	-	-	0.00	(0.01)
	Total	**3063200**	**56.75**	**0.00**	**3063200**	**56.75**	**0.00**	

(iii) ***Change in Promoters' Shareholding (please specify, if there : is no change)***

Sr. No.		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	5397300	100	5397300	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	5397300	100	5397300	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	**For Each of the Top 10 Shareholders**	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	241100	4.45%	N.A.	N.A.
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	29900	0.76%	N.A.	N.A.
	At the End of the year	271000	5.21%	N.A.	N.A.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3063200	56.75	3063200	56.75
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	3063200	56.75	3063200	56.75

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	4346471	Nil	Nil	4346471
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not Due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	43,46,471	Nil	Nil	43,46,471
Change in Indebtedness during the financial year -				
Addition -				
Reduction	00	00	00	00
Net Change	5,86,436	Nil	Nil	5,86,436
Indebtedness at theend of the financial year				
i) Principal Amount	4932907	Nil	Nil	4932907
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	49,32,907	Nil	Nil	49,32,907

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		OMPRAKASH L.JAIN	RAVINDRA O JAIN	KASTURI R JAIN		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	720000	480000	480000		1680000
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0		0
4.	Commission- as % of profit- others, specify...	0	0	0		0
5.	Others, please specify	0				0
	Total (A) Ceiling as per the Act	720000	480000	480000		1680000

B. Remuneration to other directors:

No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors- Fee for attending board committee meetings - Commission	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2.	Other Non-ExecutiveDirectors - Fee for attending board committee meetings - Commission - Others	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total ManagerialRemuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	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/s17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section17(3) Income-taxAct, 1961	NIL	133454	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission- as % of profit- others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	133454	NIL	NIL

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section ot the Companies Act	Brief Description	Detail of Penalty	Authority [RD / NCLT]	Appeal Made
Punishment/ Compounding fees imposed if any (Give Details)					
A. COMPAY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Statement of Formal Evaluation

As Required u/s 134 (3) (p) of Companies Act, 2013 (Rating Scale – Excellent, Very Good, Good, Satisfactory and Fair)

(a) Evaluation of Performance of Board and Its committee

Criteria	Board of Directors	Audit Committee	Shareholder's Grievance Committee	Nomination & Remuneration Committee
Structure				
Diversity (Experience, Knowledge, Expertise, Gender, Etc)	Very Good	Very Good	Very Good	Very Good
Appropriate Number of Total Directors & Independent members	Very Good	Very Good	Very Good	Very Good
Adequate Set of Committees	Good	Good	Good	Good
Frequencies of Board Meetings	Good	Good	Good	Good
Dynamics & Functioning				
Back notes prepared in advance and communicated	Good	Good	Good	Good
Sufficient Time Spent of Strategic Discussions	Very Good	Very Good	Very Good	Very Good
Open Communication and meaningful participation during meetings	Very Good	Very Good	Very Good	Very Good
Interactions with CFO and Other Executive Officers	Very Good	Good	Good	Good
Preparation of Annual Action Plan	Satisfactory	Satisfactory	Satisfactory	Satisfactory
Prompt recording and distribution of minutes	Good	Good	Good	Good
Monitoring Role				
Implementation of Key Decisions	Good	Good	Good	Good
Tracking of Executive Performance	Good	Good	Satisfactory	Satisfactory
Ensure Risk policy and its monitoring	Good	Good	Good	Good
Monitoring Internal Audit and Efficacy of Internal Control	Very Good	Very Good	Good	Good
Overall	**Good**	**Good**	**Good**	**Good**

(b) Evaluation of performance of individual board

Criteria	OM PRAKASH L JAIN	HARSH O JAIN	KASTURI R JAIN	RAVINDRA O JAIN	PUKHRAJ K JAIN	VIKASH JAIN	MITEHS A JAIN	SANDEEP M JAIN
Participation and attendance in Board and Committee Meetings actively and consistently	Very Good	Excellent	Satisfactory	Very Good	Good	Good	Good	Good
Prepares adequately for Board and Committee Meetings	Excellent	Very Good	Good	Very Good	Good	Good	Good	Good
Contributes to strategy and other areas impacting company's performance	Excellent	Excellent	Good	Very Good	Good	Good	Good	Good
Brings his/her experience and credibility to bear on the critical areas of performance of the organization	Very Good	Very Good	Very Good	Very Good	Good	Very Good	Good	Good
Keeps updated knowledge of his/her areas of expertise and other important areas	Excellent	Excellent	Good	Very Good	Good	Good	Good	Good
Communicates in open and constructive manner	Very Good	Good	Good	Very Good	Good	Good	Good	Good
Gives fair chance to other members to contribute, participates actively in the discussions and is consensus oriented	Excellent	Very Good	Very Good	Very Good	Good	Very Good	Good	Good
Helps to create brand image of the Company and helps the company wherever possible to resolve issues, if any	Excellent	Excellent	Good	Very Good	Good	Good	Good	Good
Actively contributes toward positive growth of the Company	Excellent	Excellent	Very Good	Very Good	Good	Very Good	Good	Good
Conduct himself /herself in a manner that is ethical and consistent with the laws of the land	Excellent	Excellent	Very Good	Very Good	Good	Very Good	Good	Good
Overall Ratings	**Excellent**	**Excellent**	**Good**	**Very Good**	**Good**	**Good**	**Good**	**Good**

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The print and publishing industry has been profoundly altered by the digital media revolution. Newsprint is moving from print to the web even while the publishing industry at large is becoming digitized. The emergence of the digital and online media has brought about a significant change in the core business model of the publishing industry. The change in technology and consumer behavior has given to new opportunities and challenges for traditional publishers.

The repaid expansion of digital media has driven publishers to reduce costs and streamline their operations. Also, the pressure on publisher has increased as a growing number of consumers prefer access to online content. Publishers are now finding innovative ways to deliver content to users. Some of the emerging trends in the publishing industry include electronic books (e Books), podcasts, blogs, mobile publishing, and self-publishing. Some publishers have also started focusing on new opportunities such as user-generated content and online communities.

FUTURE BUSINESS PROSPECTS:

The Company is highly optimistic about its future expansion of business and planning to start branches of Yellow Pages and online services in all Metro and other big cities of India. The upcoming target Branches in India are Delhi, Kolkata, Bengaluru, Hyderabad, Nagpur, Nasik, Chandigarh, Kanpur, Lucknow, Jaipur, Jodhpur, Indore, Bhopal, Cochin, Coimbatore etc.

We want to develop the India's largest Yellow pages network. In doing so, consumers will be able to find a business or service with ease. Our goal is to deliver a simple to use information resource which is both enjoyable and informative. Further, we are looking forward to match the needs of the advertisers who require smart solutions to their business essentials. Our strength lies in our power to apply knowledge ad expertise in Customer satisfaction.

OPPORTUNITIES & THREATS

Yellow pages media is aiming to get as many people as possible searching its online sites, such as www.citizen123.com, as it continues to move beyond print directories and become a digital company. But low prices for internet advertising may reduce revenues and condition advertiser expectations in the long term, reducing the overall value of the market.

Any inability to accommodate increased user traffic, due to various factors, including systems or technology failure or obsolescence, on our website may cause unanticipated system disruptions, slower response time and degradation in quality of our service, which could have a material adverse effect on our business, reputation, financial condition and result of operations.

PERFORMANCE

The performance of the company during the year is as under:-

Particulars	2014-15(amount in Rs.)	2013-14(amount in Rs.)
Profit before depreciation and interest	5851376.00	6825735.00
Profit before depreciation	5126567.00	6221885.00
Profit before tax	1818201.00	3347651.00
Profit after tax	2375647.00	2356127.00

CHALLENGES AND FUTURE OUTPUT

Our business strategy emphasizes the following:

1. Increase our market shares in India's expanding yellow pages & online industries by following a disciplined growth strategy focusing on quality and not on quantity and delivering high quality customer service.
2. Leverage our technology platform and open scalable systems to deliver more products to more customers and to control operating costs.
3. Develop innovative products and service that attract our targeted customers and address inefficiencies in advertising sector.
4. Focus on high earnings growth with low volatility.

ITERNAL CONTROL SYSTEMS

The Company has built adequate systems of internal controls towards achieving efficiency and effectiveness in operations, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws. The internal control mechanism comprises of well-defined organization structure, documented policy guidelines, predetermined authority levels and processes commensurate with the level of responsibility.

HUMAN RESOURCES MANAGEMENT

The Company's belief in trust, transparency and teamwork improved employee efficiency at all levels. The Company's commitment to harmonious industrial relations resulted in enhancing effectiveness of operations and enabled the achievement of benchmarks in industry. The company's ongoing objective is to create an inspirational work climate where talented employees engaged in creating sustained value for the stakeholders. Training and orientation programs are being arranged periodically, to update the employees in the work techniques. The overall human resources are positive and we would be able to effectively achieve the desired objectives. The Company has developed an environment of harmonious and cordial relations with its employees.

CAUTION STATEMENT

'Statement in this Management Discussion and Analysis Report describing the Company's objectives, estimates etc. may be "Forward Looking Statement" within the applicable laws & regulations. Actual results may vary from these expressed or implied; several factors that may affect Company's operations include dependency on telecommunication and Information technology system, Government policies and several other factors. The company takes no responsibility for any consequences of the decision made, based on such statement and holds no obligation to update these in future.

For and on behalf of the Board

Place: Ahmedabad
Date: 23/07/2015

(Omprakash L Jain)	(Ravindra Jain)
Managing Director	Director
DIN NO:00171365	DIN NO: 00412684

CORPORATE GOVERNANCE

Citizen Infoline Limited has established a tradition of the highest standards of corporate governance principals and best practices. The Company is committed to introducing corporate governance practices in tandem with domestics and international developments to position it to conform to the best governance practices.

Our Governance philosophy

The company's philosophy on corporate governance envisages the attainment of the highest levels of transference, accountability and equity in all facets of its operation and in all its interactions with its stakeholders including shareholders, employees, the government, lenders and the society. The company believes that all its operations and actions must the underlying goal of enhancing overall shareholder value, over a sustained period. In our commitment to practice sound governance principles, we are guided by the following core principles:

- **Transparency**

  To maintain the highest standards of transparency in all aspects of our interactions and dealings.

- **Disclosures**

  To ensure timely dissemination of all price sensitive information and matters of interest to our stakeholders.

- **Accountability**

  To demonstrate highest levels of personal responsibility and continually affirm that employees are responsible to themselves for the pursuit of excellence.

- **Compliances**

  To comply with all the laws and regulations as applicable to the company.

- **Ethical conduct**

  To conduct the affairs of the company in an ethical manner.

- **Stakeholders' interests**

  To promote the interests of all stakeholders including customers, shareholders, employees, lenders, vendors and the community.

Governance practices beyond regulatory requirements

Our governance practices go beyond the statutory and regulatory requirements. Our endeavor is to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities. With this objective, we have formulated, inter alias, the following policy documents and introduced best practices of governance:

1. **Values and commitments**

   We have set out and adopted policy documents on 'values and commitments' of the Company. We believe that any business conduct can be ethical only when it rests on the nine core values of honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

2. **Code of Ethics**

   Our policy document on 'code of ethics', in essence, directs that our employees should conduct the business with integrity by excluding consideration of personal advantage.

3. **Business policies**

   Our 'business policies' contains the policy on fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety & environment and quality.

4. **Separation of the Board's supervisory role from the executive management**

   In line with the best global practices, we have adopted the policy of separating the Board's supervisory role from the executive management and splitting the posts of chairman and MD.

5. **Prohibition of insider trading policy**

   This document contains the policy on prohibiting trading in the equity shares of the Company, based on inside or privileged information.

6. **Prevention of sexual harassment**

   Our policy on prevention of sexual harassment aims at promoting a productive work environment and protects individual rights against sexual harassment.

7. **Whistle blower policy**

   Our whistle blower policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action.

8. **Risk management**

   Our risk management procedures ensure that the management controls risks through means of a properly defined frame work.

I. Boardroom practices

i. Board charter

The board of directors has adopted a comprehensive board charter. The charter has set out matters relating to board composition, scope and functions of the board and its committees, etc.

ii. Tenure of independent directors

Tenure of independent directors on the board of the Company shall not extend beyond stipulated years, subject to their re-appointment on retirement by rotation as per statutory provisions.

iii. Director's interaction with shareholders

Mr. Omprakash Jain and Mr. Ravindra O. Jain interact with shareholders on their suggestions and queries which are forwarded to the compliance officer.

iv. Meeting of independent directors with operating team

The independent directors of the company meet in executive sessions with the operating teams in each of the respective areas, on a regular basis as they deem necessary. These executive session discussions may include topics such as, operating policies and procedures; risk management strategies;

Measures to improve efficiencies; performance and compensation; strategic issues for board consideration; flow of information to directors; management progression and succession and others as the independent directors may determine. During these executive sessions, the independent directors have access to members of management and other advisors, as the independent directors may determine and deem fit.

v. Commitment of directors

The board meeting dates for the entire financial year are scheduled in the beginning of the year and an annual calendar of meetings of the board and its committees is circulated to the directors. This enables the directors to plan their commitments and facilitates attendance of all directors at the meetings of the board and its committees. Such advance planning of meetings enable the directors to plan their commitments, particularly in the context that the meetings of the board normally extend over the entire working day.

vi. Governance practices being followed to promote the interests of our stakeholders

We have in the recent past introduced several trend setting governance practices to improve stakeholder satisfaction.

Compliance with clause 49 of the listing agreement

Citizen Infoline Limited is fully compliant with the mandatory requirements of clause 49 of the listing agreement formulated by Securities and Exchange Board of India (SEBI).

We present our report on compliance of governance conditions specified in clause 49.

I. Board of directors

1. Board composition - Board strength and representation

As on March 31, 2015, the board consisted of Eight members. The composition of and the category of directors on the board of the company were as under:

Category	Particulars of Director
Promoter & Executive Director	- Omprakash Jain (Managing Director) - Ravindra O Jain - Kasturi R. Jain
Promoter & Non Executive Director	- Harsh O Jain
Independent & Non Executive Directors	- Pukhraj Ved - Vikas H. Jirawala - Mitesh A Jain - Sandeep M. Jain
Nominee Director	- Nil

2. Conduct of board proceedings

The day to day business is conducted by the officers and the managers of the Company under the direction of the board led by the Chairman. The board holds six to seven meetings every year to review and discuss the performance of the company, its plans, strategies and other pertinent issues relating to the company.

The board performs the following specific functions in addition to the oversight of the business and the management:

- Review, monitor and approve major financial and business strategies and corporate actions.
- Assess critical risks facing the company their mitigation.
- Provide counsel on the selection, evaluation, development and compensation of senior management.
- Ensure that processes are in place for maintaining the integrity of
  - The company
  - The financial statements
  - Compliance with law
  - Relationships with all the stakeholders
  - Delegation of appropriate authority to the senior executives of the company or effective management of operations.

3. Board meetings

Ten Board Meetings were held during the year. They were held on 24/05/2014, 07/07/2014 12/07/2014, 17/10/2014, 25/12/2014, 31/01/2015 and 31/03/2015.

4. Attendance of directors at the Board Meetings held during 2014-15 and the last Annual General Meeting (AGM)

Directors	Meetings In Year	Meeting Attended	AGM
O. L. Jain	7	7	Yes
P. K. Ved	7	5	Yes
R. O. Jain	7	7	Yes
H. O. Jain	7	5	Yes
V. H. Jirawala	7	5	Yes
K R Jain	7	7	Yes
M A Jain	7	4	Yes
S M Jain	7	3	Yes

Notes :

- None of Directors have business relationship with the Company.
- None of the director receive any loans and advance from the Company

5. **Other directorships**

None of the directors holds directorships in more than 15 public limited companies.

The details of directorships (including private limited, foreign company and companies under section 8 of the Companies Act, 2013), Chairmanships and the Committee memberships held by the directors as on March 31, 2015.

Name of Directors	Number of other Membership / Directorship
O. L. Jain	NIL
H. O. Jain	1
P. K. Ved	Nil
R. O. Jain	1
Mr. V. H. Jirawala	Nil
Mrs. K R Jain	1
Mr. M A Jain	2
Mr. S M Jain	Nil

Notes:

1. The information provided above pertains to the following committees in accordance with the provisions of clause 49 of the listing agreement:

a. Audit committee

b. Shareholders/investors' grievances committee

2. Membership of committees includes chairmanship, if any.

6. **Membership of board committees**

No director holds membership of more than 10 committees of boards nor is any director a chairman of more than 5 committees of boards.

7. **Details of Directors**

The abbreviated resumes of all Directors are furnished hereunder:

- **Shree Omprakash Jain**

He has been chairman of Citizen Group of Companies for last 21 years. He is the pioneer of the company towards new goals and achievement. The company is having his valuable services since its incorporation.

- **Shree Pukhraj K Ved**

He has been director in the company for more than 12 years. He is providing a valuable support to the management of company. He is having experience of more than 38 years in the field of textile trading and having very good contacts in textile market.

- **Shree Ravindra O Jain**

He has been director in the company for more than 9 years. He is providing a valuable support to the management of company. He is young and dynamic face of the company.

- **Shree Vikas H Jirawala**

He is a Chartered Accountant and will be providing a value able support to the management of company. He is young and dynamic face of the company.

- **Shree Harsh O. Jain**

He is a MBA in finance and has been director in the company for 6 years. He is providing a valuable support to the management of company. He is young and dynamic face of the company.

- **Smt. Kasturi R. Jain**

She is a Graduate in Master of Commerce. She is providing a valuable support to the management of company. She is young and dynamic face of the company.

- **Shree Mitesh A. Jain**

He is a CFO & MBA and has been director in the company for 5 years. He is providing a valuable support to the management of company. He is young and dynamic face of the company.

- **Shree Sandeep M. Jain**

He is a MBA and has been director in the company for 5 years. He is providing a valuable support to the management of company. He is young and dynamic face of the company.

8. **Insurance coverage**

The company has not obtained director's liability insurance coverage in respect of any legal action that might be initiated against directors.

II. **Audit Committee:**

The Audit Committee has been constituted w.e.f. March 28, 2003.Audit Committee presently comprises of one executive and two non-executive Directors, namely

- Pukhraj K Ved
- Viaks H. Jirawala
- Omprakash Jain

All the members of Audit Committee have good knowledge of finance, accounts and company law. The chairman of committee has financial management expertise. The committee held **4(four)** meetings during the year. The audit committee also advises the management on the areas where internal audit can be improved. The minutes of the meetings of the audit committee are placed before the board. The terms of reference of the audit committee are in accordance with all the items listed in clause 49 (II) (D) and (E) of the listing agreement and section 177 of the Companies Act, 2013, as follows:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure

that the financial information is correct, sufficient and credible.

2 Recommending the appointment, reappointment and replacement/removal of statutory auditors and fixation of audit fee.

3. Approve payment for any other services by statutory auditors.

4. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;

a. Matters required being included in the directors' responsibility statement included in the report of the board of directors.

b. Any changes in accounting policies and practices.

c. Major accounting entries based on exercise of judgment by management.

d. Qualifications in draft statutory audit report.

e. Significant adjustments arising out of audit.

f. Compliance with listing and other legal requirements concerning financial statements.

g. Any related party transactions.

5. Reviewing with the management the quarterly financial statements before submission to the board for approval.

6. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.

7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and Seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

8. Discussion with internal auditors any significant findings and follow up thereon.

9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

10. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

13. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

14. Review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Internal audit reports relating to internal control weaknesses;
- Management letters / letters of internal control weaknesses issued by statutory / internal auditors;
- Statement of significant related party transactions; and
- The appointment, removal and terms of remuneration of the auditor shall be subject to review by the Audit Committee.

The Audit Committee has the following powers:

i. To investigate any activity within its terms of reference.

ii. To seek any information from any employee.

iii. To obtain outside legal and professional advice.

iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary.

Attendance at the meetings of the Audit committee held during year 2014-15

Directors	Meetings In year	Meetings Attended
Pukhraj K Ved	4	4
Vikas H. Jirawala	4	4
Omprakash L. Jain	4	4

The Audit Committee held meetings on 24/05/2014, 28/07/2014, 17/10/2014, 31/01/2015. The meetings are regularly held at the end of each quarter.

III. Nomination / Remuneration Committee

The nomination/remuneration committee of the board is constituted to formulate from time to time,

(a) Process for selection and appointment of new directors and succession plans; and

(b) A compensation structure for the members of the board. Shri Pukhraj K. Ved is the Chairman of the Committee and the other members are Shree Mitesh A. Jain and Shree Vikash Jirawala.

The remuneration policy is directed towards rewarding performance. It is aimed at attracting and retaining high caliber talent.

The Company does have an incentive plan, which is linked to performance and achievement of the Company's objectives. The Company has no stock option scheme.

Total remuneration paid to Directors of the Company during the year ended March 31, 2015 is Rs.16.80 Lacs.

Notes:

a. The company has not entered into any other pecuniary relationship or transactions with the non-executive directors.

b. The company has so far not issued any stock options to its directors.

Equity shares held by directors:

Particulars of Equity Shares held by the director as on 31 March 2015 is as follows

Name of Directors	Equity Shares Held
Omprakash L. Jain	776,200
Ravindra O. Jain	671,000
Pukharaj Vaid	Nil
Kasturi R. Jain	242,600
Harsh O. Jain	70,900
Mitesh A Jain	Nil
Sandeep M Jain	Ni
Vikas A Jirawala	Nil

Directors' remuneration policy:

The nomination / remuneration committee determines, the compensation of the directors including their commission and ESOPs. The key components of the company's remuneration policy are:

- Compensation will be a major driver of performance and contribution.
- Compensation will be competitive and benchmarked with a selected group of companies from the services sector.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant.

IV. Shareholders/investors' grievances committee:

The Shareholders Grievances re-committee has been constituted w.e.f. July 7th,2014 .The Shareholders Grievances Committee presently comprises of one executive and two non-executive Directors, namely

A) Pukhraj K. Ved

B) Omprakash Jain

C) Harsh O Jain

Particulars of investors' complaints received is as follows

Particulars	Quarries Received	Quarries Solved
Transfer of Shares	Nil	Nil
Non-receipts of Annual Report	Nil	Nil
Non-receipt of Dividend warrants	Nil	Nil
Pending Share Transfers	Nil	Nil

The Particulars of meetings held during the year are furnished hereunder.

Directors	Meetings In year	Meetings Attended
Harsh O Jain	4	3
Pukhraj K. Ved	4	4
Omprakash Jain	4	4

The meetings are held on 24/05/2014, 28/07/2014, 17/10/2014, 31/01/2015. The meetings are regularly held.

V. General Body Meetings:

The company held its last three Annual General Meetings as under:

- For 2011-12 at 411, Sakar II, Ellis bridge, Ashram Road, Ahmedabad-380006 on 28th September, 2012 at 12.00 noon.
- For 2012-13 at 411, Sakar II, Ellis Bridge, Ashram Road, Ahmedabad-380006 on 17th June, 2013 at 12.00 noon.
- For 2013-14 at 411, Sakar II, Ellis bridge, Ashram Road, Ahmedabad - 380006 on 15th July, 2014 at 12:00 noon.

VI. Means of communication

Information like quarterly financial results and media releases on significant developments in the company as also presentations that have been made from time to time to the media and has been submitted to the stock exchanges on which the company's equity shares are listed, to enable them to put them on their own web sites. The Quarterly financial results are published generally in "Western Times" (Gujarati & English).

VII General Share Holder Information:

i)	Annual General Meeting	:	Tuesday 29 September, 2015
	Date, Time and Venue	:	411, Sakar – II, Ellisbridge, Ashram Road, Ahmedabad -380 006.
ii)	Financial Year	:	2014-2015
-	Results for first quarter ending June 30,2015	:	On or Before 15th August,2015
-	Results for second quarter ending September 30,2015	:	On or Before 15th November,2015
-	Results for Third quarter ending December 31,2015	:	On or Before 15th February ,2016
-	Results for financial year ending March 31,2016	:	On or Before 30th May,2016
iii)	Date of Books Closure	:	Monday 22 September 2015 to Monday 29 September 2015
iv)	Dividend payment Date	:	N.A.
v)	Listing on Stock Exchanges	:	Bombay Stock Exchange Ltd.
	Demate ISIN in NSDL & CDSL	:	INE473L01018

vi) Distribution of Share holding as on 31st March, 2015:

Distribution of Shares (Slab wise)	No. of Shareholders	Percentage of total shareholders	Total shares	Percentage of Shares
Up to 500	5477	88.85	748024	13.86
501-1000	319	5.18	267872	4.96
1001-2000	175	2.84	277380	5.14
2001-3000	83	1.35	210906	3.91
3001-4000	26	0.42	91028	1.69
4001-5000	28	0.45	133490	2.47
5001 -10000	32	0.52	249500	4.62
10001 & Above	24	0.39	3419100	63.35
Total	6164	100.00	5397300	100.00

vii) Shareholding Pattern as on 31st March 2015:

Category	Total Shares	% to equity
Promoter and promoter Group	3063200	56.75
Bodies corporate	118151	2.19
NRI/Foreign national/foreign corporate bodies	31600	0.59
Mutual Fund/UTI/ Financial Institution/Bank	21500	0.4
Indian Public	2161083	40.04
Clearing Members	566	0.01
Hindu Undivided Families	1200	0.02
Total	5397300	100.00

viii) Dematerialization of Shares:

The Equity Shares of the Company are traded compulsorily in the dematerialized form. The Company has entered into an agreement with both National Depository Ltd. (NSDL) and Central Depository Securities Ltd.(CDSL), whereby the shareholders have option to dematerialize their shares with either of the depository.

Status of Dematerialization as on 31st March 2015

Particulars	No of Shares	% of Total capital	No. Of Shareholder
National securities Depository Ltd.	3414915	63.27	233
Central Depository Services (India) Ltd.	90285	1.67	110
Total Dematerialized	3505200	64.94	343
Physical	1892100	35.17	5821
Grand Total	**5397300**	**100.00**	**6164**

xi) Share Transfer System :

Share Transfer have been normally processed and returned within 21 days from the date of lodgment, provided the necessary documents were in order.

The company has appointed a common agency on a single point for physical and demats registry work. The address of the Register and share Transfer Agent is as under:

LINK INTIME INDIA PRIVATE LIMITED

303, Shoppers Plaza V, 3rd Floor, C G Road, Opp Municipal Market, Navrangpura, Ahmedabad – 380009

x) Investor Correspondence may be address to:

Mr. Omprakash Jain

411, Sakar – II, Ellishbridge, Ashram road, Ahmedabad – 380006

Phone No. – 91-79-26585555, Email : acc@citizen123.com

Or At the Register and share Transfer Agent Address as mentioned above.

VIII. Compliance with other mandatory requirements

1. Management discussion and analysis

A management discussion and analysis report forms part of the annual report and includes discussions on various matters specified under clause 49(IV) (F) of the listing agreement.

2. Subsidiaries

The company do not have any subsidiary company as per clause 49 (III) of the listing agreement.

3. Disclosures

a. Related party transactions

The company has entered into related party transactions as set out in the notes to accounts, which are not likely to have a conflict with the interest of the company.

b. No Penalty or strictures

No penalty or stricture has been imposed on the company by the stock exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years.

c. Disclosure of accounting treatment

In the preparation of financial statements, the company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

d. Disclosures on risk management

The company has laid down procedures to inform the members of the board about the risk assessment and minimization procedures. A risk management committee consisting of senior executives of the company periodically reviews these procedures to ensure that executive management controls risk through means of a properly defined framework. The company has framed the risk assessment and minimization procedure which is periodically reviewed by the Audit Committee and the Board.

e. Code of conduct

The Company adopted the code of conduct and ethics for directors and senior management. The code has been circulated to all the members of the board and senior management .The board members and senior management have affirmed their compliance with the code and a declaration signed by Shri Omprakash Jain Chairman of the Company appointed is given below:

"It is hereby declared that the company has obtained from all members of the board and senior management affirmation that they have complied with the code of conduct for directors and senior management of the company for the year 2014-15."

O L Jain

Chairman

f. Review of directors' responsibility statement

The board in its report has confirmed that the annual accounts for the year ended March 31, 2015 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

VIII. Compliance with non-mandatory requirements

1. Remuneration Committee

The board has set up a remuneration committee details whereof are furnished at Sr. No. III of this report.

2. Shareholder rights

The quarterly financial results including summary of significant events of relevant period of three months are published in newspapers

3 Audit qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the company.

4. Whistle blower policy

The company has formulated a policy to prohibit managerial personnel from taking adverse personnel action against employees disclosing in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, gross waste or misappropriation of public funds, substantial and specific danger to public health and safety or an abuse of authority. The Policy also lays down the mechanism for making enquiry in to whistle blower complaint received by the company. Employees are aware of any alleged wrongful conduct are encouraged to make a disclosure to the audit committee. Employees knowingly making false allegations of alleged wrongful conduct to the audit committee shall be subject to disciplinary action. No personnel of the company have been denied access to the grievance redressed mechanism of the company.

Auditor's certificate on corporate governance:

The Auditors certificate on compliance of clause 49 of the listing agreement relating to corporate governance is published elsewhere in this report.

DECLARATION ON CODE OF CONDUCT

It is hereby confirmed that the Board has laid down a Code of Conduct for all Board Members and Senior Management personnel of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year ended as on 31st March, 2015, as envisaged in Clause 49 of the Listing Agreement with stock exchanges.

Place: Ahmedabad **For, Citizen Infoline Limited**
Date: 23/07/2015

(Omprakash Jain)
Managing Director
DIN NO:00171365

CEO/CFO CERTIFICATION

We, Mr. Om Prakash Jain, Managing Director and Mrs. Alpa Mehta, Chief Financial Officer, certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2015 and that to the best of their knowledge and belief :

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) We further certify that we have indicated to the auditors and the Audit Committee:

- (i) Significant changes in internal control system during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Ahmedabad
Date: 23/07/2015

For, Citizen Infoline Limited

(Omprakash Jain)	**(Alpa Mehta)**
Managing Director	**Chief Financial Officer**
DIN NO:00171356	**PAN No: AOPPM7587R**

AUDTOR'S CERTIFICATE ON CORPORAT GOVERNANCE

To,

The Members of

Citizen Infoline Limited

We have examined the compliances of conditions of **Corporate Governance** by **Citizen Infoline Limited ('the Company')** for the year ended on **31 March 2015** as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to review of the procedures and implementations thereof adopted by the Company for ensuring compliance of conditions of Corporate Governance. It is neither an audit or nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

We state that no grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee/ Management of the Company.

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

For Baheti Bhadada & Associates
(Chartered Accountants)

Date: 22/05/2015
Place: Ahmedabad

B. K. Baheti
(Partner)
Firm Registration no. 100685W

BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS
201, SHAILY COMPLEX, B/H OLD GUJARAT HIGH COURT,
ASHRAM ROAD, AHMEDABAD-380009

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
CITIZEN INFOLINE LIMITED

- **Report on the Financial Statements**

We have audited the accompanying Standalone financial statements of **Citizen Infoline Limited** ("the Company"), and of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

- **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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

- **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 31st March, 2015, and its loss and its cash flows for the year ended on that date.

- **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR, BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 22/05/2015

(B. K. BAHETI)
PARTNER
Firm Reg. No.100865W

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 5 of our report of even date)

I. Fixed Assets: -

(a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.

(b) The management has physically verified all the fixed assets at the year-end. No material discrepancies have been noticed on such verification.

II. Inventory :

(a) The stocks of finished goods, stores and spares have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) No material discrepancies have been noticed on physical verification of stocks as compared to book records.

III. Loan:

According the information and explanation given to us, the company has granted loans secured or unsecured to companies, firms or their parties covered in the register maintained under section 189 of the companies Act 2013.

(i) *In our opinion, the Company has granted loan to related party in violation of provisions of Section 189 of Companies Act, 2013 during the current financial year.* The closing amount outstanding is Rs. 9.00 Lacs.

Nos of Parties	5 (Five)
Loan Given during the year	Rs. 127.03
Received back During the year	Rs. 140.38
Maximum Outstanding in Year	Rs. 22.35
Closing Balance	Rs. 9.00

(b) According to information and explanations given to us, the Company has not taken loans from any parties covered in the register maintained under section 189 of the Companies Act, 2015.

(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the parties, listed in the register maintained under section 189 of the Companies Act, 2015 are not, *prima facie*, prejudicial to the interest of the Company.

IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, raw materials including components, plant & machinery, equipment, other goods, assets and job work and with regard to the sales of goods, assets and job work. To the best of our knowledge, no major weaknesses in internal control were either reported or noticed by us during the course of our audit.

V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit during the current financial year.

VI. The Central Government has not prescribed for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

VII. (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with a appropriate authorities.

(b) According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Sales Tax, Customs Duty and Excise Duty which have remained outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

(c) The company is not required to transfer any amount to investor educational and protection fund in accordance with provisions of Companies Act, 1956 or rules made there under.

VIII. The Company has not incurred cash losses during the year. The Company has no accumulated losses more than 50% of its net worth.

IX. On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.

X. The Company has not given any guarantees for loans taken by others from banks and financial institutions during the year.

XI. Based on verification of records of the company, the terms loan were applied for the purpose for which loans were obtained.

XII. Based on the Audit procedure performed and the representation obtained from the management, we report that no case of fraud on or by the Company has been noticed or reported during the yearll under Audit.

FOR, BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 22/05/2015

(B. K. BAHETI)
PARTNER
Firm Reg. No.100865W

CITIZEN INFOLINE LIMITED

411, Sakar - II, Ellisbridge Corner, Ashram Road, Ahmedabad-380 006.

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	*Figures as at the end of current reporting period*	*Figures as at the end of previous reporting period*
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	53,973,000	53,973,000
(b) Reserves and Surplus	2	6,458,677	7,297,429
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		1,111,131	2,529,610
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	3	4,932,907	4,346,471
(b) Trade Payables	4	1,532,399	1,731,540
(c) Other Current Liabilities	5	673,539	903,536
(d) Short-Term Provisions	6	1,589,297	1,187,612
Total Equity & Liabilities		**70,270,950**	**71,969,198**
II.ASSETS		₹	₹
(1) Non-Current Assets			
(a) Fixed Assets	7		
(i) Gross Block		30,201,529	39,290,033
(ii) Depreciation		8,656,033	12,882,760
(iii) Net Block		21,545,496	26,407,273
(b) Non-current investments	8	4,874,200	2,724,200
(c) Deferred tax assets (net)			-
(d) Long term loans and advances	9	40,036,768	40,537,742
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	10	-	52,800
(c) Trade receivables	11	3,144,373	1,825,135
(d) Cash and cash equivalents	12	541,001	378,328
(e) Short-term loans and advances	13	129,112	43,720
(f) Other current assets		-	-
Total Assets		**70,270,950**	**71,969,198**
NOTES TO ACCOUNTS	20	0	0

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

(B. K. BAHETI)
Partner
Membership No. : 070818
Firm Reg. No.: 100865W

PLACE : AHMEDABAD
DATE : 22/05/2015

FOR, CITIZEN INFOLINE LIMITED

(OMPRAKASH JAIN)
MANAGING DIRECTOR
DIN NO : 00171365

(RAVINDRA JAIN)
DIRECTOR
DIN NO : 00412684

(ALPA MEHTA)
CFO
PLACE: AHMEDABAD
DATE: 22/05/2015

CITIZEN INFOLINE LIMITED

411, Sakar - II, Ellisbridge Corner, Ashram Road, Ahmedabad-380 006.

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2015

Sr. No	Particulars	Note No.	*Figures as at the end of current reporting period*	*Figures as at the end of previous reporting period*
	Incomes:		₹	₹
I	Revenue from operations	14	43,812,512	47,318,071
II	Other Income	15	5,940,137	5,126,040
III	***Total Revenue (I +II)***		**49,752,649**	**52,444,111**
IV	***Expenses:***			
	Employee Benefit Expense	16	23,430,773	22,872,446
	Financial Costs	17	724,809	603,850
	Depreciation and Amortization Expense	18	3,308,366	2,874,234
	Other Administrative Expenses	19	20,470,500	22,745,930
	Total Expenses (IV)		**47,934,448**	**49,096,460**
V	Profit before exceptional and extraordinary items and tax	(III - IV)	**1,818,201**	**3,347,651**
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		**1,818,201**	**3,347,651**
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		**1,818,201**	**3,347,651**
X	***Tax expense:***			
	(1) Current tax		857,000	1,001,729
	(2) Deferred tax		1,418,479	35,083
	(3) Income Tax Short/Excess Provision of Earlier Year		4,033	45,288
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	**2,375,647**	**2,356,127**
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		**2,375,647**	**2,356,127**
XVI	Earning per equity share:			
	(1) Basic		0.44	0.44
	(2) Diluted		0.44	0.44

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

FOR BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

(B.K. BAHETI)
PARTNER

Membership No. 70818
Firm Reg. No.: 100865W

PLACE: AHMEDABAD
DATE: 22/05/2015

FOR , CITIZEN INFOLINE LIMITED

(OMPRAKASH JAIN)
MANAGING DIRECTOR
DIN NO : 00171365

(RAVINDRA JAIN)
DIRECTOR
DIN NO. 00412684

(ALPA MEHTA)
CFO
PLACE: AHMEDABAD
DATE: 22/05/2015

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 1(a) Share Capital

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	**AUTHORIZED CAPITAL**		
	1,45,00,000 Equity Shares of Rs. 10/- each.	145,000,000	145,000,000
		145,000,000	145,000,000
2	**ISSUED , SUBSCRIBED & PAID UP CAPITAL**		
	To the Subscribers of the Memorandum		
	3224500 Equity Shares of Rs.10/- each fully paid up	53,973,000	53,973,000
	Equity shares issued otherthan cash consideration		
	2172800 Equity shares has been issued to transferor company		
	against 2:1 as per the order of High court of Gujarat		
	Total in ₹	53,973,000	53,973,000

(b) Reconcillation of the number of Shares Outstanding

	Particulars	Current Year	Previous Year
	Equity Shares Outstanding at the Beginning of Year (Nos)	53,973,000	53,973,000
	Equity Shares Outstanding at the Beginning of Year (₹)	-	-
Add:	Shares Issued in the Year	-	-
	Equity Shares Outstanding at the End of Year (Nos)	**53,973,000**	**53,973,000**
	Equity Shares Outstanding at the End of Year (₹)	**539,730,000**	**539,730,000**

2) Shareholder's Holding more than 5% shares of the Company

	Name of Share Holder	As on March 2015	
		Nos	%
-	Mr. Omprakash L. Jain	776,200	14.38%
-	Mrs. Ugmadevi O. Jain	702,500	13.02%
-	Mr. Ravindra O. Jain	671,000	12.43%
-	Mr. Dhanpatraj L. ain	300,000	5.56%
-	Mrs. Sangita Dhanpatraj Jain	300,000	5.56%
		2,149,700	**50.94%**
	Name of Share Holder	**As on March 2014**	
		Nos	**%**
-	Mr. Omprakash L. Jain	758,500	14.06%
-	Mr. Ravindra O. Jain	671,000	12.43%
-	Mrs. Ugmadevi O. Jain	460,000	8.52%
-	Mr. Dhanpatraj L. ain	300,000	5.56%
-	Mrs. Sangita Dhanpatraj Jain	300,000	5.56%
		1,429,500	**46.13%**

NOTE : 2 Reserve & Surplus

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	7,297,429	4,941,302
	Less: fixed asset tr to Genral Reserve as per new schedule II	3,214,399	-
	Less: Tax on Regular Assessment Paid	-	-
	Less: Miscelleneous Expenditure to the extent not written off	-	-
	Add: Profit for the period	2,375,647	2,356,127
	Total in ₹	6,458,677	7,297,429

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 3 Short Term Borrowings

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Loan Repayable on Demand		
	- From Bank (CC - HDFC)	4,932,907	4,346,471
	Total in ₹	4,932,907	4,346,471

NOTE : 4 Trades Payable

Sr. No	Particulars	₹ Current Year	₹ Previous Year
	Sundry Creditors for Services	1,532,399	1,731,540
	Total in ₹	1,532,399	1,731,540

NOTE : 5 Other Current Liabilities

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Current liabilities for expenses	319,665	501,703
2	Professional tax Payable	16,765	19,935
3	TDS on Commission, advertisement, consultancy, contract, rent	23,263	12,588
4	TDS on Salary	16,750	27,310
5	Office Deposit	297,096	342,000
	Total in ₹	673,539	903,536

NOTE : 6 Short Term Provisions

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Provision For Employees Benefit		
	EPF Payable	86,359	82,049
	Bonus Payable	386,165	354,816
	ESIC Payable	14,424	20,774
	Leave Encashment	495,392	438,168
2	Others		
	Auditor's Remunaration Payable	50,562	50,562
	Service tax Payble	390,667	-
	Expenses Payable	153,938	238,349
	Provision for Income Tax	-	2,894
	Other Advances	11,790	
		1,589,297	1,187,612

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 7 Fixed Asset

I. Fixed Assets at Ahmedabad

Sr. No	Particulars	Gross Block					Depreciaton					Net Block ₹	₹
		Value at the beginning	W.off as per co's act 2013	*Addition during the year more than 180 days*	*Deduction during the year*	*Value at the end*	*Value at the beginning*	W.off as per co's act 2013	*Addition during the year*	*Deduction during the year for reserve*	*Value at the end*	*WDV as on 31.03.2014*	*WDV as on 31.03.2013*
I	Tangible Assets												
1	Air Conditioner	1,116,127	1,039,877	205,900		282,150	496,945	483,336	95,889	-	109,498	172,652	619,182
2	Computer	8,385,409	6,333,554	1,399,648		3,451,503	4,989,461	4,395,981	1,739,534	-	2,333,014	1,118,489	3,395,948
3	EPABX	637,636	618,211	-		19,425	228,937	226,169	8,328	-	11,096	8,329	408,699
4	Furnitures & Fixtures	8,717,567	2,236,467	-		6,481,100	5,164,880	2,236,467	1,114,042	-	4,042,455	2,438,645	3,552,687
5	Office Equipment	613,708	521,383	-		92,325	208,079	193,140	63,612	-	78,551	13,774	405,629
6	Motor Cycle	104,110		55,440		159,550	59,055	-	20,531	-	79,586	79,964	45,055
7	Car Wagnor	410,490		-		410,490	245,241		55,083	-	300,324	110,166	165,249
9	Car Swift	671,347		-		671,347	304,024		73,465	-	377,489	293,858	367,323
11	Office Building	8,369,639		-		8,369,639	1,186,138	-	137,882	-	1,324,020	7,045,619	7,183,501
	SUB TOTAL (A)	29,026,033	10,749,492	1,660,988		19,937,529	12,882,760	7,535,093	3,308,366		8,656,033	11,281,496	16,143,273
II	Intangible Assets	-				-					-		-
	Goodwill	10,264,000		-		10,264,000	-		-		-	10,264,000	10,264,000
	SUB TOTAL (B)	10,264,000	-	-	-	10,264,000	-	-	-	-	-	10,264,000	10,264,000
III	Capital Work-in-progress												-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-	-	-
IV	Intangible Assets Under Development					-					-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-	-	-
	Total [A + B + C + D] (Current Year)	39,290,033	10,749,492	1,660,988	-	30,201,529	12,882,760	7,535,093	3,308,366	-	8,656,033	21,545,496	26,407,273
	(Previous Year)	38,830,523	-	459,510	-	39,290,033	10,644,745	-	2,238,015	-	12,882,760	26,407,273	28,185,778

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 8 Non Current Investment

Sr. No	Particulars	Current Year ₹	Previous Year ₹
	Trade investments(Unquoted)(Long-term)	11,000	11,000
	2200 of Rs. 10/- each fully paid up in Mercantile Venture Limited		
	300 of Rs. 10/- each fully paid up in Mideast integrated steels Limited	600	600
	171 of Rs. 10/- each fully paid up in Mardia Samyoung Capillary Tubes Co Limited	140	140
	14 of Rs. 10/- each fully paid up in Tolani Shipping Company Limited	140	140
	200 of Rs. 10/- each fully paid up in Phoenix Lamps Limited	2,000	2,000
	2010 of Rs. 10/- each fully paid up in GSAL (India) Limited	2,010	2,010
	310 of Rs. 10/- each fully paid up in NEPC Agro Foods Limited	310	310
	300 of Rs. 10/- each fully paid up in PIX Transmissions Limited	3,000	3,000
	400 of Rs. 10/- each fully paid up in Tulsyan NEC Limited	4,000	4,000
	In Others		
	350000 (150000 31.3.14)Equity shares of Rs. 10/- each fully paid up in Opera Exports Pvt. Ltd	4,400,000	1,500,000
	100 Equity shares of Rs. 10/- each fully paid up in Balaji Trendz Pvt. Ltd.	1,000	1,000
	25000 (100000 31.3.14) Equity shares of Rs. 10/- each fully paid up in Citizen Exports Pvt. Ltd.	250,000	1,000,000
	20000 Equity shares of Rs. 10/- each fully paid up in K Lite Fashions Pvt. Ltd	200,000	200,000
	Total in ₹	**4,874,200**	**2,724,200**

NOTE : 9 Long Term Loans and Advances

Sr. No	Particulars	Current Year ₹	Previous Year ₹
I)	**Security Deposit**		
	a) Secured, Considered Good :		
	Earnest Money Deposit	-	-
	Other Deposit	764,519	514,519
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
III)	**Loans & Advances to related parties**	900,000	12,703,728
IV)	**Other Loans & Advances**	38,372,249	27,319,495
	Total in ₹	**40,036,768**	**40,537,742**

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 10 Inventories

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Yellow Pages Directory	-	52,800
	Total in ₹	**-**	**52,800**

NOTE : 11 Trade Recievables

Sr. No	Particulars	₹ Current Year	₹ Previous Year
	Sundry Debtors for services	2,394,373	1,825,135
	Other Debtors	750,000	-
	Total in ₹	**3,144,373**	**1,825,135**

NOTE : 12 Cash & Cash Equivalent

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	**Cash-in-Hand**		
	Cash Balance	130,940	65,995
	Sub Total (A)	**130,940**	**65,995**
2	**Bank Balance**		
	With Schedule Bank	410061	312,333
	Sub Total (B)	**410,061**	**312,333**
3	**Cheques on Hand** (C)	-	-
	Total [A + B + C]	**541,001**	**378,328**

NOTE :13 Short Terms Loans and Advances

Sr. No	Particulars	₹ Current Year	₹ Previous Year
	Advance Recoverable in cash or in kind or for value to be considered good		
	Advance Income Tax/Refund Due (11-12)	129,112	43,720
	Total in ₹	**129,112**	**43,720**

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 14 - Revenue from Operations

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Receipt from Information Services & Yellow Page Directory	43,812,512	47,318,071
	Total in ₹	43,812,512	47,318,071

NOTE : 15 Other Income

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Interest on Loan and Advances	5,210,138	4,341,446
2	Dividend Income	150	1,675
3	Interest on T. Tax Refund	-	8,203
4	Other income	47,563	65,066
5	Rent Income	682,286	709,650
	Total in ₹	**5,940,137**	**5,126,040**

NOTE : 16 Employement Benefit Expenses

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Salaries and allowance expenses	12,137,473	11,417,144
2	Gratuity Expenses	56,576	-
3	Bonus & Ex gratia Expenses	386,165	354,816
4	Directors Remuneration	1,680,000	1,480,000
5	Overtime Expenses	23,739	15,385
6	Leave encashment Expenses	552,686	492,186
7	Transportation	1,148,333	1,188,510
8	Medical Allowance	1,878,787	1,539,490
9	Mobile Allowance	89,369	87,408
10	HRA	3,601,094	4,150,918
11	Incentive Expenses	1,097,726	1,354,505
13	ESI employer contribution	190,030	211,487
14	PF Administration Expenses	69,666	68,769
15	PF Employer contribution	519,129	511,828
	Total in ₹	**23,430,773**	**22,872,446**

NOTE :17 Financial Cost

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Interest Expenses	667,255	541,766
2	Bank Charges & commission Expenses	57,554	62,084
	Total in ₹	**724,809**	**603,850**

NOTE : 18 Depreciation & Amortised Cost

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Depreciation	3,308,366	2,238,015
2	Preliminary Expenses W/O	-	636,219
	Total in ₹	**3,308,366**	**2,874,234**

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2015

NOTE : 19 Other Administrative Expenses

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Advertisement & Publicity	750,958	1,588,400
2	Auditors Remuneration	45,000	50,562
3	Bad Debts	216	151
4	Commision & Brokerage Expenses	49,200	-
5	Computer Maintenace	89,529	81,540
6	Consultant fees Expenses	616,537	135,501
7	Data Collection charges	4,011,197	5,715,089
8	Electricity Expenses	475,529	446,877
9	General Expenses	479,508	428,664
10	Insurance Expenses	69,848	102,490
11	Internet Expenses	342,404	356,092
12	Kasar vatav expenses	3,550	4,060
12	Legal Fees	99,190	44,424
13	Municipal Tax	98,150	118,147
14	Newspaper & periodical expenses	20,796	22,122
15	Office Equipment and Maintenance Expenses	590,977	267,424
16	Office Rent Expenses	1,615,156	1,463,118
17	Postage & Courier	117,525	233,283
18	Petrol & Maintenance Expenses	97,976	213,495
19	Professional Tax	8,000	8,000
20	Share R & T. fees	72,480	73,986
21	Stock exchange listing fees	753,711	71,911
22	Software & software service charges Expenses	207,340	161,919
23	Staff Welfare and pentry Expenses	433,300	386,488
24	Stationery & Printing Expenses	373,333	425,457
25	Telephone Expenses	720,776	844,567
26	Telephone Inst & Accs. Expenses	25,900	34,774
27	Travelling Expenses	211,292	202,302
28	Yellow Pages Directory and Other Expenses	7,809,855	9,145,201
29	Web site development Expenses	281,267	119,886
	Total in ₹	**20,470,500**	**22,745,930**

NOTES - 20

SIGNIFICANT ACCOUNTING POLICIES

1. **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:-**

a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and comply with the Companies (accounting Standard) Rules 2006, the relevant provision of the Companies Act 2013.

b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Considering the matching concept, the company recognizes its revenue from information service business on receipt basis.

- **AS – 1 – Disclosure of Accounting Policies**

  The Accounting Principles and policies recognized as appropriate for measurement and reporting of the financial performance and the financial position on mercantile system and recognize items of income and expenditure on accrual basis. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during year.

- **AS – 3 – Cash Flow Statement**

  Cash flow statement, as per AS – 3 is annexed with financial statements.

- **AS –4 – Contingencies and Events occurring after Balance sheet date.**

Sr. No.	Particulars	Amount Rs.
1	Contingent Liabilities	Nil
2	Liabilities Disputed under Income Tax	Nil
3	Estimated Amount of Contracts remaining to be executed on Capital accounts and not provided for	Nil
4	Material Events occurring after Balance sheet date are taken into cognizance. There have been no material changes or events since the date of balance sheet affecting financial statements as on the Balance sheet date. Further, the dates of Balance sheet, no events or circumstances have occurred, though properly excluded from the accounts, are of such importance that they should be disclosed through any medium.	

- **AS – 5 – Net Profit and Loss for the period, extra ordinary items and change in accounting policy.**

1	Net Profit for the period All items of income and expense in the period are included for determination of net profit of the year unless specifically mentioned elsewhere in the financial statements or required by an Accounting Standard. Prior period items, extra ordinary items and changes in accounting policy are disclosed only if those have material impact on the affairs of the company.
2	Prior Period items: All material items of Income/ Expenditure pertaining to prior period and expenses to subsequent period are accounted separately. During the year, the company has debited deferred tax Rs.1,111,131 for earlier years, against opening balance of profit & loss account. The company has made error in calculations in the preceding periods. The same has been corrected by debit to Opening balance of surplus account.
3	Extra ordinary Items : Nil
4	Accounting Policies The company has consistently followed accounting polices and there are no material changes in accounting policy of the company from that followed in previous year.

- **AS – 6 – Depreciation Accounting**

a) The Gross Block of fixed assets is stated at cost of acquisition or construction including any cost attributable to bringing the assets to their working condition for their intended use.

b) Depreciation on fixed assets is provided on '**Straight Line Basis**' at the rate prescribed in Schedule II to the Companies Act, 2013.

c) **Write Offs of Fixed Assets**

The Company had depreciated fixed assets at rates specified under Schedule XIV of Companies Act, 1956 till 31 March 2014. However, Schedule II of Companies Act, 2013 requires company to depreciate its assets over its useful-life with effect from 1 April 2014. Accordingly, the company has calculated useful lives of all assets as on 1 April 2014 and depreciated their written down value on their remaining useful lives. However, the written down values of assets, whose useful life has become Nil as on 1 April 2014, are required to be adjusted towards reserves and surplus. The

Company has adjusted Rs. 32,14,399/-towards reserves and surplus of the company. The change in rate of depreciation or useful life of an asset is change in accounting estimate and is therefore applied prospectively with effect from 1 April 2014.

- **AS – 10 – Accounting of Fixed Assets**

Fixed Assets reflected in the financial statements are stated at their cost of acquisition including taxes, duties (Net of Refunds) and other identifiable direct charges incurred upto date the asset is put to use less accumulated depreciation where charged.

- **AS – 13 – Accounting for Investments:-**

The investments of the company are classified in to investments held for maturity and investment held other than for maturity. The company values its investments held for maturity at cost price ignoring any changes in the market price of the same. However, if change in value is on permanent basis, the same is recognized as profit or loss in profit and loss account. While investment held for other than maturity is valued at Market price by recognizing the same in profit and loss account.

AS – 14 – Accounting of Amalgamation :-

In 2009 the company has amalgamated Citizen Communication Limited by issuing the fully paid of shares of the company as purchase consideration. The amalgamation was in nature of merger. All the assets and liability acquired is shown at book value. However, the difference arise on amalgamation is not adjusted from profit and loss account or reserves of the company. The company has shown them as Goodwill on Asset side amounting to Rs. 1 crore. This has resulted to overstatement of reserves of the company by Rs. 1 crore.

AS – 15 – Accounting for retirement benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognizes such contributions as expense of the year in which the liability is incurred.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, the company does not create provisions for leave encashment but recognizes the same on actual payment basis.

AS – 17 – Segment Reporting

The Company operates six segments viz Ahmedabad, Rajkot, Surat, Baroda, Mumbai and Pune division on the basis of Geographical Criteria. The company has preferred to give segment reporting based on statewide classifications of its divisions.

Particulars	Gujarat Segment		Maharastra			Consolidated	
	As on 31st March 15	As on 31st March 14	As on 31st March 15	As on 31st March 14		As on 31st March 15	As on 31st March 14
REVENUE							
Domestic Services	412.17	385.86	60.96	87.32	0.00	438.13	473.18
Export Sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inter-segment Sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESULTS							
Segment Results							
Unallocated Corporate Expense	0.00	0.00	0.00	0.00	0.00	472.10	484.93
Operating Profit	30.09	44.22	(20.91)	(20.76)	0.00	25.43	(11.47)
Interest Expense						7.25	6.04
Interest Income						52.10	51.26
Income Tax						8.61	9.56
Net Profit						23.76	23.56
OTHER INFORMATION							
Segment assets	743.54	772.31	24.16	32.17	0.00	767.70	804.48
Unallocated Corporate Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Assets	743.54	772.31	24.16	32.17	0.00	767.70	804.48
Segment Liabilities	120.93	43.46	6.13	18.26	0.00	127.06	63.69
Unallocated Corporate Liabilities					•		0.00
Capital Expenditure	0.00	0.00	0.00	0.00	0.00	302.01	392.90
Depreciation	0.00	0.00	0.00	0.00	0.00	86.56	128.83
Other on Capital Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(B) Segment accounting policies:

In addition to the significant accounting policies applicable to the business segment as set out in notes to the accounts, the accounting Policies in relation to segment accounting are as under:

(a) Segment assets and liabilities

Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors and loans & advances less current liabilities. Segment assets and liabilities do not include investment, inter corporate deposits, equity, reserves and surplus borrowings, provision for contingencies and income-tax (Both current and deferred).

(b) Segment revenue and expenses

Segment revenue and expenses are taken directly as attributable to the segment. It does not include interest income on inter- corporate deposits, Profit on sale of investments, Interest expense, Provision for Contingencies and income-tax.

- **AS – 18 – Related Party Disclosure**

A. List Related Parties and Relations

1. Subsidiaries, Fellow Subsidiaries and Associates

- Infoline.in Private Limited
- Citizen Exports Private Limited

- **Key Management Personnel**
  - Omprakash L. Jain
  - Harsh O. Jain
  - Ravindra O. Jain
  - Kasturi R. Jain
  - Pukhraj K. Ved
  - Vikas H. Jirawala
  - Mitesh A Jain
  - Sandip M Jain

2. List of Relatives of Key Managerial Personnel and Enterprise over which Key Management Personnel and their relative excessive significant influence with whom transaction have taken place during the year

- Opera Exports Pvt. Ltd.
- Infoline.In Pvt Ltd
- K.. Lite Fashions Pvt. Ltd.
- Citizen Exports Pvt. Ltd.
- S.T. Enterprise

B. Transactions with Related Parties :-

(Rupees in Lakhs)

Particulars	Subsidiaries, Fellow Subsidiaries and Associates		Key Management Personnel		List of Relatives of Key Managerial Personnel and Enterprise	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Purchase of Goods	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Goods	0.00	0.00	0.00	0.00	3.00	0.00
Receiving of services	0.00	0.00	16.80	14.80	0.00	0.00
Finance Charges (including loans and equity contribution in cash or kind given)	0.00	0.00	0.00	0.00	0.00	0.00
Interest Received	0.00	0.00	0.00	0.00	52.10	12.62
Finance (including loans given)	0.00	0.00	0.00	0.00	22.56	152.29
Any Other	0.00	0.00	0.00	0.00	0.00	0.00

- **AS – 20 – Earning Per Share**

Basic Earnings per Share are disclosed in the profit and loss account. There is no Diluted Earnings per Share as there are no dilative potential equity shares.

Particulars	This Year	Last Year
Earning Available for share holders (Rs)	23,75,647	23,56,126
Weighted average of Equity Shares	53,97,300	53,97,300
Basic & diluted EPS	Rs. 0.44	Rs. 0.44
Face value of share	Rs.10/-	Rs.10/-

- **AS – 22 – Accounting for Taxes on Income**

Provision for current income taxes is made on taxable income at the rate applicable to the relevant assessment year. Deferred taxes are recognized for future tax consequences attributable to timings difference between the financial statements determination of income and their recognition for tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognized for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in Profit and Loss Account using the tax rates and tax laws that have been enacted or substantively enacted by balance sheet date.

Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. The Company has recognized its deferred tax assets because the management has reasonable reasons to believe that the company will be able to realize this deferred tax assets in the near future. During the year the company has debited deferred tax of Rs. 11.11 lakhs pertaining to earlier accounting periods, against opening balance of reserve & surplus.

Details of Deferred Tax Liabilities **(Rs in Lacs)**

Particulars	As on 31/03/2015	As on 31/03/2014
Deferred Tax Liability Related to Fixed Assets	25.29	24.95
Provision for Deferred Tax Liability/ Assets	(14.18)	0.35
Total Deferred Tax Liability	**11.11**	**25.30**

- **AS – 28– Impairment of Assets**

The carrying value of fixed assets is evaluated whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. There is no impairment loss recognized or identified during the reporting period.

- **AS – 29– Provisions, Contingent Liabilities and Contingent Assets**

Contingent liabilities are not provided for but are disclosed after a careful evaluation of facts and legal aspects of the matter involved. In general, liabilities and contingencies are provided for it. If, in the opinion and at the discretion of the management, there are reasonable prospects of such liabilities crystallizing or future outcome of such contingencies is likely to be materially detrimental to business.

Disclosure required under companies Act, 2013

1. Figures of previous year have been regrouped / rearranged wherever necessary.
2. Directors Remuneration

Particulars	This Year	Last Year
Remuneration	1680000	1480000
Contribution to superannuation fund	Nil	Nil
Total	1680000	1480000

3. Remuneration to Auditors

Particulars	Current Year Rs.	Previous Year Rs.
Payment To Auditors		
For Audit Fees	45,000/-	45,000/-
For Other Charges	Nil	Nil
For Service Tax	5,562/-	5,562/-

4. **Foreign Exchange Earning and Outgo**

Particulars	Current Year Rs.	Previous Year Rs.
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

Significant Accounting Policy
As per our separate report of even date attached.

Signatures to Notes to 20

For, BAHETI BHADADA & ASSOCIATES
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

(B. K. BAHETI)	**(Omprakash Jain)**	**(Ravindra Jain)**
Partner	**Mamaging Director**	**Director**
Firm Reg.no. 100865W	**DIN NO. 00171365**	**DIN NO. 00412684**

Place : Ahmedabad
Date : 22 / 05 / 2015

Place : Ahmedabad
Date : 22 / 05 / 2015

CITIZEN INFOLINE LIMITED

Cash flow Statement for Year Ended on 31 March 2015

(Ampunt in Rs.)

	Particulars	For 31-Mar-15	For 31-Mar-15	For 31-Mar-14	For 31-Mar-14
A	**Cash flow From Operating Activities**				
	Net Profit/(Loss) After Tax and Adjustments		1,818,201		3,347,651
	Add:				
	Depreciation Provision	3,308,366		2,238,015	
	Miscellaneous Expense Written off	-		636,219	
	Financial Expenses	724,809		603,850	
	Profit/Loss On sale of Assets	-		-	
	Profit on sale of Investment	-		-	
	Dividend Income	-		-	
	Bad Debts W/off	-		-	
	Short/excess provision of Income Tax	-	4,033,175	-	3,478,084
	Operating Profit Before Working Capital changes				
	(Increase) / Decrease in Inventories	52,800		678,600	
	(Increase) / Decrease in Debtors	(1,319,238)		527,773	
	(Increase) / Decrease in Loans & Advances	415,582		(4,984,305)	
	Increase / (Decrease) in Current Liabilities	(27,453)	(878,309)	162,376	(3,615,556)
	Cash Flow from Operations Before Tax		**4,973,067**		**3,210,179**
	Less:				
	Tax Paid		(861,033)		(956,441)
	Cash Flow from Operations (A)		**4,112,034**		**2,253,738**
B	**Cash Flow From Investing Activities**				
	Sale/Purchase of Investments	2,150,000		-	
	Dividend income	-		-	
	Purchase of Fixed Assets	1,660,988		459,510	
		3,810,988		459,510	
	Sale of Fixed Assets	-		-	
			(3,810,988)	-	(459,510)
	Cash flow From investment Activities (B)		**(3,810,988)**		**(459,510)**
C	**Cash Flow From Financing Activities**				
	Increase/ (Decrease) In Secured loans	586,436		(1,444,288)	
	Good Will	-		-	
	Increase/ (Decrease) In Paid up capital	-	586,436	-	(1,444,288)
	Financial Expenses		(724,809)		(603,850)
	Cash flow From Financing Activities(C)		**(138,373)**		**(2,048,138)**
	Total Cash Flow of year		**162,673**		**(253,910)**
	Add: Opening Balance of Cash & Cash Equivelent		378,328		632,238
	Closing Balance of Cash & Equivelent		**541,001**		**378,328**
	As per our report of even date		**0**		0

FOR BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

CITIZEN INFOLINE LIMITED

(OMPRAKASH JAIN)
MANAGING DIRECTOR
DIN NO : 00171365

(RAVINDRA JAIN)
DIRECTOR
DIN NO : 00412684

(B. K. BAHETI)
Partner
Membership No. : 070818
Firm Reg. No.: 100865W

(ALPA MEHTA)
CFO

PLACE : AHMEDABAD
DATE : 22/05/2015

PLACE: AHMEDABAD
DATE: 22/05/2015

FORM OF PROXY

(Form MGT-11)

(Pursuant to section 105(6) of The Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form MGT-11)

CITIZEN INFOLINE LIMITED
(CIN: L67120GJ1994PLC023561)
Registered Office: '411, Sakar-II,
Ellisbridge, Ashram Road
Ahmedabad-380006,
Email: acc@citizen123.com
Website: www.citizeninfoline.com
Phone: 079-26585555

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

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

1. Name:________________________ Address: ___________________________
   Email ID:______________________ Signature: ______________________or failing him;
2. Name:________________________ Address: ___________________________
   Email ID:______________________ Signature: ______________________or failing him;
3. Name:________________________ Address: ___________________________
   Email ID:______________________ Signature:___________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on **Tuesday**, **September 29, 2015** at**12:00 noon** at411, Sakar II, Ellis Bridge, Ashram Road,Ahmedabad-380006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional*) (please mention no. of shares)	
		For	Against
Ordinary Business:			
1	Ordinary Resolution for consideration and adoption of Audited Financial Statement for the year ended **March 31, 2015**		
2	Ordinary Resolution for re-appointment of **Kasturi R Jain** a Director of the Company, who retires by rotation		
3	Ordinary Resolution for re-appointment of **Pukhraj K Ved** as a Director of the Company, who retires by rotation		
4	Ordinary Resolution for of re-appointment of M/s. Baheti Bhadada & Associates, (Firm Registration No.100865W), Chartered Accountants as Auditors of the Company and fixing their remuneration		
Special Business:			
5	Ordinary Resolution for appointment of **Harsh O Jain(DIN 00269655)** as a Director liable to retire by rotation		
6	Ordinary Resolution for appointment of **Mitesh A Jain(DIN 03495847)** as a Director liable to retire by rotation		
7	Ordinary Resolution for appointment of **Sandip M Jain(DIN 06932060)** as a Director liable to retire by rotation		

Signed this ________ day of ____________, 2015

Signature of shareholder______________________

Signature of Proxy holder(s) __________________

Affix Revenue Stamp not less than Re. 0.15

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than **48hours** before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. A person can act as a proxy on behalf of members not exceeding **fifty (50)**and holding in the aggregate not more than **ten per cent (10%)**of the total share capital of the Company carrying voting rights. A member holding more than **ten per cent (10%)** 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.
4. It is optional to put a '☑' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blankagainst any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Proxy need not be a Member of the Company.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Please complete all details including details of member(s) in above box before submission.
8. Appointing a proxy does not prevent a member from attending the Annual General Meeting in person if he so wishes.
9. The Company reserves the right to ask for identification of the Proxy.

ATTENDANCE SLIP

CITIZEN INFOLINE LIMITED
(CIN: L67120GJ1994PLC023561)
Registered Office: '411, Sakar-II,
Ellisbridge, Ashram Road
Ahmedabd-380006,
Email: acc@citizen123.com
Website: www.citizeninfoline.com
Phone: 079-26585555

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of Meeting

DP ID*		**Folio No.**	
Client ID		**No. of Shares**	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **21st ANNUAL GENERAL MEETING** of the Company held on **Tuesday 29, 2015** at **12:00 noon.** at 411, Sakar-II, Ellisbridge, Ashram Road, Ahmedabad – 380 006(Gujarat-India).

* Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy

Dispatch of documents through Electronic mode

To the Members,
CITIZEN INFOLINE LIMITED

The Ministry of Corporate Affairs (MCA), Government of India, vide its Circular No. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed the companies to send official documents including annual reports to their shareholders electronically as part of its Green Initiative in Corporate Governance. The Company has informed all its Members, who have registered their e-mail address with the Depositary/Company, about the Company adopting the practice of sending documents including Annual Report through email. The Members who have not registered their email addresses are also appealed to register their e-mail addresses and opt for receiving all the communication through e-mail. Annual Report for the Financial Year **2014-15** including the Notice convening **21st** Annual General Meeting are also sent in electronic mode to such Members of the Company.

The Members of the Company are appealed to have their email addresses registered and opt for electronic delivery and contribute to the cause of Green Initiative. Kindly fill up the form given here below and send it to us.

Please note that physical copies of the Annual Report for the Financial Year **2014-15** including the Notice convening **21st** Annual General Meeting are sent to those Members who have specifically intimated the Company in this regard and also to those Members who have not yet registered their e-mail addresses for such electronic delivery. Annual Report for the Financial Year **2014-15** including the Notice convening **21st** Annual General Meeting are also available on the website of the Company i.e. www.citizeninfoline.com

Registration Form for E-communication

(In terms of Circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. / DPID & Client ID :	
Name of First Registered Holder:	
Name of Joint Holder(s):	
Registered Address:	
E-mail ID (to be registered):	

I / We, member(s) of Citizen Infoline Limited agree to receive all communication from the Company in electronic mode.

Please register the above mentioned e-mail address in the records of the Company for sending communication through e-mail.

Signature:
(First Holder)
Date:

Notes:

1. On registration, all the documents / communication will be sent to the e-mail address registered for the folio.
2. The Members are requested to keep the Company / Depository Participants informed as and when there is any change in the above e-mail address.

From :

CITIZEN

INFOLINE LIMITED

411.SAKAR-II, ELLISBRIDGE, ASHRAM
ROAD, AHMEDABAD - 380 006

BOOK-POST

TO,

Citizen's Yellow Pages®
Are you with it....?

29 September 2015

To,
The Dept. of Corporate Services,
Bombay Stock Exchange Ltd.
Floor – 25, PJ Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 532913

Re : CITIZEN INFOLINE LMITED

SUB: Submission of Audit Report and Form A & B for the year ended on 31st March 2015

Dear Sir,

With reference to the captioned we are herewith attaching Form A & Form B.

This is for your kind perusal and record.

Thanking you.

Yours Faithfully,
For Citizen Infoline Limited

CITIZEN INFOLINE LTD. AHMEDABAD

MD & Compliance Officer

Citizen Infoline Ltd.
Regd. Office : 411, Sakar-2, Ellis Bridge Corner, Ashram Road, Ahmedabad-380006. Ph. : 2658 5555
Email : support@citizensindia.com Website : www.citizensindia.com, www.citizenyellowpages.com
• AHMEDABAD • MUMBAI • PUNE • SURAT • VADODARA • RAJKOT
CIN : L67120GJ1994PLC023561

29 September 2015

The Dept. of Corporate Services,
Bombay Stock Exchange Ltd.
Floor – 25, PJ Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code:

Sub : Submission of Form A and Form B

As per Listing Agreement we are herewith attaching form A and Form B for your record.

FORM A

Covering letter of the Annual Audit Report to be filed with the Stock exchange

1.	Name of Company	Citizen Infoline Limited
2.	Annual Financial statements for the year ended	31st March 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	N.A
5.	To be signed by • CEO/Managing Director • CFO • Auditor of the Company • Audit committee Chairman	 A. R. Mehta पुखराज कुन्दनमल

CITIZEN INFOLINE LTD. AHMEDABAD

Citizen Infoline Ltd.
Regd. Office : 411, Sakar-2, Ellis Bridge Corner, Ashram Road, Ahmedabad-380006. Ph. : 2658 5555
Email : support@citizensindia.com Website : www.citizensindia.com, www.citizenyellowpages.com
• AHMEDABAD • MUMBAI • PUNE • SURAT • VADODARA • RAJKOT

FORM B

Covering letter of the Annual Audit Report to be filed with the Stock exchange

1.	Name of Company	N.A.
2.	Annual Financial statements for the year ended	N.A
3.	Type of Audit Observation	N.A
4.	Frequency of observation	N.A.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the director report:	N.A.
6.	Additional comments from the board/audit committee chair:	N.A.
7.	To be signed by • CEO/Managing Director • CFO • Auditor of the Company • Audit committee Chairman	N.A.

Kindly acknowledge the receipt.

Yours Faithfully,
For Citizen Infoline Limited

MD & Compliance Officer

CITIZEN INFOLINE LTD. AHMEDABAD

Citizen Infoline Ltd.
Regd. Office : 411, Sakar-2, Ellis Bridge Corner, Ashram Road, Ahmedabad-380006. Ph. : 2658 5555
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