Citizen's Yellow Pages®

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24th August, 2017

To,

The Dept. of Corporate Services,
Bombay Stock Exchange Ltd.
Floor – 25, PJ Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 538786

Re : CITIZEN INFOLINE LMITED

SUB: Submission of Audit Report [Regulation 34(1)]for the year ended on 31st March 2017

Dear Sir,

With reference to the captioned we are herewith attaching Annual Report for the year ended 31st March, 2017 for CITIZEN INFOLINE LIMITED.

This is for your kind perusal and record.

Thanking you.

Yours Faithfully,
For Citizen Infoline Limited

CITIZEN INFOLINE LTD. AHMEDABAD

Omprakash Jain
Managing Director & Compliance Officer

COMPANY NO : L67120GJ1994PLC023561
AUTHORIZED CAPITAL: 14,50,00,000/-

CITIZEN INFOLINE LIMITED

23rd ANNUAL REPORT
2016-2017

Company Information

- **BOARD OF DIRECTORS :-**

o Omprakash L Jain	-	Managing Director
o Harsh O Jain	-	Director
o Ravindra O Jain	-	Director
o Kasturi R Jain	-	Director
o Pukhraj K Vaid	-	Independent Director
o Vikas H Jirawala	-	Independent Director
o Mitesh A Jain	-	Independent Director
o Sandeep M Jain	-	Independent Director

Chief Financial Officer

- Alpa Rajeshkumar Mehta

- **AUDITORS :-**

M/S. BAHETI BHADADA & ASSOCIATES
Chartered Accountants
201, Shaily Complex,
Nr. Old Gujarat 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
05th Floor, 506 to 508,
Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner,
Off C G Road, Ellisbridge,
Ahmedabad-380006
Ph. – 079-26465179

Notice

Notice is hereby given that the **23rd ANNUAL GENERAL MEETING** of the members of **CITIZEN INFOLINE LIMITED** will be held on 29 September 2017, Friday 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, 2017**, 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 M/s Manthan N Shah & Associates, Chartered Accountants, as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting and to fix their remuneration.

3. To appoint a director, Mr. Harsh Jain who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a director, Mr. Ravindra Jain who retires by rotation and being eligible, offers himself for re-appointment.

- **SPECIAL RESOLUTION:**

5. **To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:**

   "**RESOLVED THAT** pursuant to the provisions of the Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To adopt new set of Memorandum of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modifications(s), the following resolution as a special resolution.**

   "**RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the amended set of Memorandum of Association submitted to this meeting be and are hereby approved.

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions."

7. To pass following resolution as Special Resolution either with or without modifications.

"RESOLVED THAT In accordance with Provisions of Section 180 of the Companies Act, 2013, including rules made thereunder and notifications or clarifications issued upto the date, the board of directors of the company are authorized to borrow or provide guarantee, including amount previously borrowed or guarantee previously provided upto the sum of Rs. 10 crore. This resolution shall remain valid till expressly rescinded by the members in their general meeting by way of special resolution."

"FURTHER RESOLVED THAT in accordance with Provisions of Section 180 of the Companies Act, 2013 or any other provisions of the company law, including rules made thereunder and notifications or clarifications issued upto the date, the board of directors of the company are authorized to invest in securities, provide loans and advances to any person, extend deposit upto the sum of Rs. 10 crore. This resolution shall remain valid till expressly rescinded by the members in their general meeting by way of special resolution."

BY ORDER OF THE BOARD

Place: Ahmedabad
Date: 25/05/2017

CITIZEN INFOLINE LTD. A'BAD

(Omprakash Jain)
Managing Director
DIN : 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 Friday 21 September 2017 to Friday 28 September 2017. (Both Days inclusive)

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, 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad-380006,** 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 with 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 office during 12 noon to 4 pm 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 Monday 25 September 2017 (9.00 AM) and ends on Wednesday 27 September 2017 (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 21 September 2017** may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting after 27 September 2017 (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 Monday 25 September 2017 (9.00 AM) and ends on Wednesday 27 September 2017 (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 21 September 2017** may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting after 27 September 2017 (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 first two letters of their name and 8 digits of the sequence number 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) 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 to 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 "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

xviii. If Demat account holder has forgotten the 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. Harshal Arun Lahamge, Company Secretaries (Membership No. ACS 36695 CP No. 13707) 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 In case 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.

By the Order of Board of Directors

Place: Ahmedabad
Date: 25/05/2017

(Omprakash L Jain)	**(Ravindra Jain)**
Managing Director	**Director**
DIN: 00171365	**DIN: 00412684**

ANNEXURE TO THE NOTICE

NOTES ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 23RD 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. 3 and 4 of the above Notice:

APPOINTMENT				RE-APPOINTMENT	
Name of Director	**NIL**	**NIL**	**NIL**	**Mr. Harsh Jain**	**Mr. Ravindra Jain**
Date of Birth				08/09/1982	18/12/1984
Date of Appointment				01st April, 2008	01st May, 2006
Qualification				Graduate	Graduate
Expertise in Specific Functional Area				He is Graduate, MBA in finance and having experience of more than 13 years in this field. He is looking after many branches of our Company. The Company will be benefited from his knowledge and experience.	He is Graduate and having experience of more than 9 years in this field. He is looking after the marketing. The Company will be benefited from his knowledge and experience.
Directorship in Other Companies (Excluding Private & Foreign Companies)				NIL	Nil
Membership/Chairmanship of Committee (includes only Audit Committee & Investor Grievances Committee)				Nil	NIL
Shareholding as on March 17				7,64,495	6,71,000

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 **23RD ANNUAL REPORT** and the **Audited Statement of Accounts** of the Company for the year ended on **31st March, 2017**

- **FINANCIAL RESULTS: -**

(Figures in lacs)

Particulars	**Amount for 2016-17 (Rs.)**	**Amount for 2015-16 (Rs.)**
Total Income	386.82	377.64
Total Expenditure	(352.75)	(368.18)
Profit Before Depreciation, Non Cash Expenses &Tax	34.07	9.46
Less: Depreciation & Other Non Cash Expenses	(36.87)	(31.52)
Profit Before Tax	**(2.80)**	**(22.06)**
Less: Provision for Taxes	0.00	0.00
Add: Deferred Tax Asset/Liabilities	(6.26)	(0.39)
Less: Income tax Short / Excess Provision of earlier year	0.00	0.01
Profit After Tax	3.46	(21.68)
Add: Balance Brought Forward from Previous Year	(59.73)	64.59
Balance Carried to Reserve & Surpluses	**(-60.33)**	**(59.73)**

- **PERFORMANCE REVIEW :-**
During the year, the company's turnover is increased from Rs. 324.52 Lacs to Rs. 338.96 Lacs from the previous year. This year there is net Profit Rs. 3.46 Lacs while loss in last year was Rs. 21.68 Lacs. 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.

  As the Company has not made enough profit during the year, Directors of the Company do not recommend any dividend in the 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 Mr. Harsh Jain and Mr. Ravindra Jain 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.

- **AUDITORS:-**
  Mr. Manthan Shah, Chartered Accountants, Ahmedabad, Statutory Auditors of the Company have been appointed for the period of five year as per the provision of the Companies Act, 2013 in place of retiring auditor M/s. Baheti Bhadada & Associates Chartered Accountant, Ahmedabad appointment has been effected from the commencement of this Annual General Meeting until the Conclusion of 28th Annual General Meeting. Hence, Members are requested to reconsider the appointment of Mr. Manthan Shah, Chartered Accountants as statutory auditor of the company for the period of Five years till the conclusion of the 28th 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.

- **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 financial 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 reduction 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 2015-16	Comparison of Remuneration of KMP against performance of the company
1	Omprakash L Jain	7,20,000	Nil	Company has not made enough profit during the year.
2	Ravindra O Jain	4,80,000	Nil	
3	Kasturi R Jain	4,80,000	Nil	
4	Harsh O Jain	6,00,000	100	

Market Capitalization of Company	As on 31 March 2017 – Rs. 238.02 Lakhs As on 31 March 2016 – Rs. 272.56 Lakhs
Price Earnings Ratio	As on 31 March 2017 – 68.71 As on 31 March 2016 – (12.57)
Percentage Increase (Decrease) in Market Price of shares with at rate at which company came up with last public offer.	Market price has been decreased by 55.90% after last public offer.
Number of Permanent employees on Roll of Company	60
Relationship between Increase in Remuneration and Companies Performance	Remuneration of employees has not been increased during the year and there is net profit of Rs. 3.46 Lacs.
Comparison of Remuneration of Key Managerial Personnel with Performance	There is no variable component in remuneration of any director.

of Company	
Average Percentage Increase in salaries of managerial personnel	NIL
Average Percentage Increase in salaries of employees other than managerial personnel & Managerial Personnel	Average Percentage decrease in Salaries of the employees is 3.65% during the current year
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 dates of meetings are 01/04/2016, 28/05/2016, 18/07/2016, 29/07/2016, 25/10/2016, 31/01/2017 and 10/02/2017.

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.

Directors' Report

- **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
Date: 25/05/2017

CITIZEN INFOLINE LTD.

(Omprakash L Jain)
Managing Director
DIN: 00171365

(Ravindra O Jain)
Director
DIN: 00412684

HARSHAL LAHAMGE & CO.
COMPANY SECRETARIES

Email: cs@corpadvisory.co.in / lahamgeharshal@gmail.com
Contact: 8087 540812 / 9922 714727

Form No MR 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members,
Citizen Infoline Limited
[CIN: L67120GJ1994PLC023561]
411, Sakar - II, Ellisbridge, Ashram Road,
Ahmedabad - 380006

I have conducted a 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") during the financial year from 1st April, 2016 to 31st March, 2017 ("the year" / "audit report" / "period under review")

I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts/statutory compliances and expressing my opinion thereon.

I am issuing this report based on

A. My verification of the books, papers, minute books, registers and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the company during the year as well as after 31st March 2017 but before the issue of this report;

B. Compliance certificates confirming compliance with all laws applicable to the Company given by the key managerial personnel of the Company and taken on record by the Board of Directors; and

C. The representations made and information provided by the Company, its officers, agents and authorised representatives during my conduct of the Secretarial Audit.

1. I report as regards to compliance with specific statutory provisions that:

HARSHAL LAHAMGE & CO. COMPANY SECRETARIES

a. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions/ clauses of:

   i. The Companies Act, 2013 (the Act) and the rules made there under;

   ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

   iii. The Depositories Act, 1996 and the regulations and bye-laws framed there under;

   iv. 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:
      i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
      ii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   v. Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India.

   vi. Listing agreements entered into by the Company with BSE Limited (BSE).

b. During the period under review, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except the followings:

   i. ***The Financial statement for FY 2015-16 has not been signed by the Company Secretary of the Company.***
   ii. ***The company has not filed resolution for appointment of secretarial auditor and Internal Auditor pursuant to section 117 of the Companies Act, 2017 in form MGT-14***

HARSHAL LAHAMGE & CO. COMPANY SECRETARIES

2225, Ramchandra Khunt, Dhoot Hospital Road, Ahmednagar - 414 001

Email: cs@corpadvisory.co.in / lahamgeharshal@gmail.com
Contact : 8087 540812 / 9922 714727

c. I am informed that, during / in respect of the year:

i. The Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:

1. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings (FEMA);
2. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment (FEMA)
3. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
4. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
5. Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
6. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
7. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
8. 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;

ii. There was no other law that was specifically applicable to the Company, considering the nature of its business. Hence the requirement to report on compliance with specific laws did not arise.

2. I further report as regards Board processes that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. There was no change in composition of the Board of Directors during the period under review.

b. Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

HARSHAL LAHAMGE & CO. COMPANY SECRETARIES

2225, Ramchandra Khunt, Dhoot Hospital Road, Ahmednagar - 414 001

Email: cs@corpadvisory.co.in / lahamgeharshal@gmail.com
Contact : 8087 540812 / 9922 714727

i. Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and

ii. Additional subjects/ information and supplementary notes.

Consent of the Board for circulating the above items separately or at the meeting is obtained as required under the Secretarial Standards.

c. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

d. I am informed that, at the Board Meetings held during the year:
   i. No majority decisions were carried through; and
   ii. The decisions of the Board on other matters were unanimous and no dissenting views have been recorded as part of the minutes.

3. I further report as regards the compliance mechanism in place that:
   a. There are reasonably adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

4. 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

Date: 25th May, 2017
Place: Ahmednagar

for Harshal Lahamge & Co.
Company Secretaries

HARSHAL LAHAMGE & CO. COMPANY SECRETARIES M.No.36695 C.P.No.13707

Harshal Lahamge
Proprietor
C.P No. 13707
Membership No. 36695

Email: cs@corpadvisory.co.in / lahamgeharshal@gmail.com
Contact: 8087 540812 / 9922 714727

'Annexure A'

To,
The Members,
Citizen Infoline Limited
[CIN: L67120GJ1994PLC023561]
411, Sakar - II, Ellisbridge, Ashram Road,
Ahmedabad - 380006

Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2017 is to be read along with this annexure.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit. My examination was limited to the verification of procedure on test basis.

2. I have followed the audit practices and process as I considered appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.

4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

5. I have obtained the Management's representation about the compliance of law, rules and regulations and happening of events etc, wherever required.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 25th May, 2017
Place: Ahmednagar

for Harshal Lahamge & Co.
Company Secretaries

HARSHAL LAHAMGE & CO.
M.No.36695
C.P.No.13707
COMPANY SECRETARIES

Harshal Lahamge
Proprietor
C.P No. 13707
Membership No. 36695

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 running 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.

"**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 minutes 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.

(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.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2017

[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: Public Company/Limited by shares
v) Address of the registered office and contact details:

Address	411, SAKAR - II, ELLISBRIDGE, ASHRAM ROAD, AHMEDABAD - 380006
	AHMEDABAD LOCAL
	GUJARAT
	380006
	INDIA
Telephone With STD	079-26585555
Fax Number	

vi) Whether listed company : Yes

vii) Name, Address and Contact details of Registrar and Transfer Agents, if any :

Name of Registrar & Transfer Agents	LINK INTIME INDIA PRIVATE LIMITED
Address	5TH FLOOR, 506 TO 508,
	AMARNATH BUSINESS CENTRE-1 (ABC-1),
	BESIDE GALA BUSINESS CENTRE,
	NR. ST. XAVIER'S COLLEGE CORNER,
	OFF C.G.ROAD, ELLISBRIDGE
	AHMEDABAD-380006
Telephone With STD	079-26465179
Fax Number	

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	SERVICES SECTOR- YELLOW PAGES DIRECTORY	222	50
2.	SALE OF SPACE OR TIME FOR ADVERTISEMENT PRINT & ELECTRONIC MEDIA	221	50

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No.	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NA					

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/ HUF	3063200	0	3063200	56.75	3156795	0	3156795	58.49	1.74
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)	**3063200**	**0**	**3063200**	**0**	**3156795**	**0**	**3156795**	**58.49**	**1.74**
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**3063200**	**0**	**3063200**	**0**	**3156795**	**0**	**3156795**	**58.49**	**1.74**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	21500	21500	0.40	0	21500	21500	0.40	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0

f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**0**	**21500**	**21500**	**0.40**	**0**	**21500**	**21500**	**0.40**	**0**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	10701	105100	115801	2.15	21681	105100	126781	2.35	0.20
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	415451	1566500	1981951	36.72	437526	1558700	1996226	36.87	0.15
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	166147	0	166147	3.05	47400	0	47400	0.88	2.17
c) Others (specify)	16501	32200	48701	0.91	16398	32200	48598	0.89	0.02
Sub-total (B)(2):-	**608800**	**1703800**	**2312600**	**42.85**	**523005**	**1696000**	**2219005**	**41.11**	**1.74**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**608800**	**1703800**	**2312600**	**42.85**	**523005**	**1696000**	**2219005**	**41.11**	**1.74**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**3672000**	**1725300**	**5397300**	**100**	**3679800**	**1717500**	**5397300**	**100**	**0**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	OMPRAKASH LALCHAND JAIN	776200	14.38	0	776200	14.38	0	0
2	RAVINDRA O JAIN	671000	12.43	0	671000	12.43	0	0
3	UGMADEVI O JAIN	702500	13.02	0	702500	13.02	0	0
4	DHANPATRAJ	300000	5.56	0	NIL	NIL	0	(5.56)

	L JAIN							
5	KASTURI R JAIN	242600	4.5	0	242600	4.5	0	0
6	HARSH O JAIN	70900	1.31	0	764495	14.16	0	12.85
7	SANGITA D JAIN	300000	5.56	0	NIL	NIL	0	(5.56)
	Total Amount:-	3063200	56.76	0	3156795	58.49	0	1.73

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

Sl. No.		Shareholding at the beginning of the year		Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	HARSH O JAIN	70900	1.31	764495	14.16

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

Sl. No.		Shareholding	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company
1	AMRUT SECURITIES LTD	71300	1.321
2	ANUPAM BOTHRA	26400	0.4891
3	APPLE MUTAL FUND	21500	0.3983
4	DHAVAL SHAILESH PANCHAL	21000	0.3891
5	N G HARINATHAN	20000	0.3706
6	JIVANBHAI NATHALAL PATEL	18500	0.3428
7	RAKESH N SHAH	15600	0.289
8	AMTHABHAI TRIKAMBHAI PATEL	15300	0.2835
9	SHAILESH MOHANLAL PANCHAL	13800	0.2557
10	SUNIL N SHAH	13100	0.2427

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. 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
1	KASTURI RAVINDRA JAIN				
	At Beginning of Year	242600	4.5	242600	4.5
	At the End of the year	242600	4.5	242600	4.5
2	RAVINDRA OMPRAKASH JAIN				
	At Beginning of Year	671000	12.43	671000	12.43

	At the End of the year	671000	12.43	671000	12.43
3	MITESH A JAIN				
	At Beginning of Year	0	0	0	0
	At the End of the year	0	0	0	0
4	VIKAS HEMENDRAKUMAR JIRAWALA				
	At Beginning of Year	0	0	0	0
	At the End of the year	0	0	0	0
5	HARSH OMPRAKASH JAIN				
	At Beginning of Year	70900	1.31	70900	1.31
	At the End of the year	764495	14.16	764495	14.16
6	SANDEEP MOTILAL JAIN				
	At Beginning of Year	0	0	0	0
	At the End of the year	0	0	0	0
7	OMPRAKASH LALCHAND JAIN				
	At Beginning of Year	776200	14.38	776200	14.38
	At the End of the year	776200	14.38	776200	14.38
8	PUKHRAJ KUNDANLAL VAID				
	At Beginning of Year	0	0	0	0
	At the End of the year	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4237738	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**0**	**0**	**0**	**0**
Change in Indebtedness during the financial year				
Addition	351959	0	0	351959
Reduction	0	0	0	0
Net Change	**351959**	**0**	**0**	**351959**
Indebtedness at the end of the financial year				
i) Principal Amount	4589697	0	0	4589697
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**4589697**	**0**	**0**	**4589697**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		OMPRAKASH LALCHAND JAIN	RAVINDRA JAIN	KASTURI JAIN	HARSH JAIN	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	720000	480000	480000	600000	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	
2.	Stock Option	0	0	0	0	
3.	Sweat Equity	0	0	0	0	
4.	Commission - as % of profit	0	0	0	0	
	- others, specify...					
	-Other Commission	0	0	0	0	
5.	Others, please specify	0	0	0	0	
	Total (A)	**720000**	**480000**	**480000**	600000	
	Ceiling as per the Act					

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		MITESH A JAIN	VIKAS HEMENDRAKUMAR JIRAWALA	SANDEEP MOTILAL JAIN	
1.	Independent Directors • Fee for attending board committee meetings	0	0	0	
	• Commission	0	0	0	
	• Others, please specify	0	0	0	
	Total (1)	0	0	0	
2.	Other Non-Executive Directors • Fee for attending board committee meetings				
	• Commission				
	• Others, please specify				
	Total (2)				
	Total (B) = (1+2)	0	0	0	
	Total Managerial Remuneration	0	0	0	
	Overall Ceiling as per the Act	0	0	0	

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		PUKHRAJ KUNDANLAL VAID				
1.	Independent Directors • Fee for attending board committee meetings	0				
	• Commission	0				
	• Others, please specify	0				
	Total (1)	0				
2.	Other Non-Executive Directors • Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B) = (1+2)	0				
	Total Managerial Remuneration	0				
	Overall Ceiling as per the Act	0				

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

S. 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		155000	201191	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0	
2.	Stock Option		0	0	
3.	Sweat Equity		0	0	
4.	Commission - as % of profit		0	0	
	- others, specify				
	-Other Commission		0	0	
5.	Others, please specify		0	0	
	Total		**155000**	**201191**	

XII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

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 members.

Criteria	OM PRAKASH L JAIN	HARSH O JAIN	KASTURI R JAIN	RAVINDRA O JAIN	PUKHRAJ K VED	VIKASH JAIN	MITESH A JAIN	SANDEEP M JAIN
Participation and attendance in Board and Committee Meetings actively	Very Good	Excellent	Satisfactory	Very Good	Good	Good	Good	Good

and consistently								
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	Good	Excellent	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	Excellent	Very Good	Very Good	Very Good	Good	Very Good	Good	Good

contribute, participates actively in the discussions and is consensus oriented								
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.

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.infoline.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	2016-17(amount in Rs.)	2015-16(amount in Rs.)
Profit before depreciation and interest	38,99,485.00	16,25,661.00
Profit before depreciation	34,07,028.00	9,46,470.00
Profit before tax	-2,80,075.00	-22,05,909.00
Profit after tax	3,46,391.00	-21,67,711.00

CHALLENGES AND FUTURE OUTPUT

Our business strategy emphasizes the following:

1. Increase our market shares in India's expanding yellow pages & online advertising 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.

INTERNAL 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 of Directors

CITIZEN INFOLINE LTD. AHMEDABAD

Place: Ahmedabad
Date: 25/05/2017

(Omprakash L Jain)	**(Ravindra Jain)**
Managing Director	**Director**
DIN: 00171365	**DIN: 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 enables 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 trends 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, 2017, 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 - Harsh O Jain
Promoter & Non Executive Director	
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

Board Meetings were held during the year. They were held on 01/04/2016, 28/05/2016, 18/07/2016, 29/07/2016, 25/10/2016, 31/01/2017 and 10/02/2017

4. Attendance of directors at the Board Meetings held during 2016-17 and the last Annual General Meeting (AGM)

Directors	Meetings In year	Meeting Attended	AGM
O. P. Jain	7	7	Yes
P. K. Ved	7	7	Yes
R. O. Jain	6	6	Yes
H. O. Jain	6	6	Yes
V. H. Jirawala	7	7	Yes
K R Jain	5	5	Yes
M A Jain	7	7	Yes
S M Jain	6	6	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 10 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, 2017

Name of Directors	Number of other Membership / Directorship
O. P. Jain	NIL
H. O. Jain	2
P. K. Ved	Nil
R. O. Jain	2
Mr. V. H. Jirawala	Nil
Mrs. K R Jain	2
Mr. M A Jain	1
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 24 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 15 years. He is providing a valuable support to the management of company. He is having experience of more than 41 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 11 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 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 MBA in finance and has been director in the company for 9 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 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 CFO & MBA and has been director in the company for 3 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 MBA and has been director in the company for 3 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.

- Corporate Governance

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
- Vikas 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 2016-17

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 28/05/2016, 29/07/2016, 25/10/2016, 10/02/2017. 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, 2017 is Rs.22.80 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 2017 is as follows

Name of Directors	Equity Shares Held
Omprakash L. Jain	7,76,200
Ravindra O. Jain	6,71,000
Pukharaj Vaid	Nil
Kasturi R. Jain	2,42,600
Harsh O. Jain	7,64,495
Mitesh A Jain	Nil
Sandeep M Jain	Nil
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 L. Jain
C) Harsh O. Jain

- **Corporate Governance**

Particulars of investors' complaints received is as follows

Particulars	Queries Received	Queries 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 28/05/2016, 29/07/2016, 25/10/2016, 10/02/2017. The meetings are regularly held.

V. General Body Meetings:

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

- For 2013-14 at 411, Sakar II, Ellis Bridge, Ashram Road, Ahmedabad-380006 on 15th July, 2014 at 12.00 noon.
- For 2014-15 at 411, Sakar II, Ellis bridge, Ashram Road, Ahmedabad - 380006 on 29th September, 2015 at 12:00 noon.
- For 2015-16 at 411, Sakar II, Ellis bridge, Ashram Road, Ahmedabad - 380006 on 29th September, 2016 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 Date, Time and Venue	:	Friday 29 September, 2017 : 411, Sakar – II, Ellisbridge, Ashram Road, Ahmedabad -380 006.
ii)	Financial Year - Results for first quarter ending June 30, 2017	:	2017-18 : On or before 15th August, 2017

- Results for second quarter ending September 30, 2017 : On or Before 15th November, 2017
- Results for Third quarter ending December 31, 2017 : On or Before 15th February, 2018
- Results for financial year ending March 31, 2018 : On or Before 30th May, 2018

iii) Date of Books Closure : Thursday 21 September 2017 to Thursday 28 September 2017

iv) Dividend payment Date : N.A.

v) Listing on Stock Exchanges : Bombay Stock Exchange Ltd.

Demat ISIN in NSDL & CDSL : INE473L01018

vi) Distribution of Share holding as on 31st March, 2017:

Distriution of Shares (Slab wise)	No. of Shareholders	Percentage of total shareholders	Total shares	Percentage of Shares
Up to 500	5468	89.23	748575	13.87
501-1000	314	5.124	263823	4.88
1001-2000	170	2.77	269205	4.99
2001-3000	67	1.09	168550	3.12
3001-4000	24	0.39	85674	1.59
4001-5000	31	0.51	147937	2.74
5001 -10000	31	0.51	235441	4.36
10001 & Above	23	0.38	3478095	64.44
Total	6128	100.00	5397300	100.00

vii) Shareholding Pattern as on 31st March 2017:

Category	Total Shares	% to equity
Promoter and promoter Group	3156795	58.49
Bodies corporate	126781	2.349
NRI/Foreign national/foreign corporate bodies	31597	0.59
Mutual Fund/UTI/ Financial Institution/Bank	21500	0.40
Indian Public	2043626	37.86
Hindu Undivided Families	16301	0.302
Clearing Members	700	0.013
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 2017

Particulars	No of Shares	% of Total capital	No. Of Shareholder
National securities Depository Ltd.	3522799	65.27	266
Central Depository Services (India) Ltd.	157001	2.91	160
Total Dematerialized	3679800	68.18	426
Physical	1717500	31.82	5702
Grand Total	5397300	100.00	6128

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 demat registry work. The address of the Register and share Transfer Agent is as under:

LINK INTIME INDIA PRIVATE LIMITED
05th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner,
Off C G Road, Ellisbridge,
Ahmedabad-380006

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@infoline.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 the Shree 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 2016-17."

O P 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, 2017 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 some 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, 2017, as envisaged in Clause 49 of the Listing Agreement with stock exchanges.

Place: Ahmedabad
Date: 25/05/2017

For, Citizen Infoline Limited

(Omprakash Jain)
Managing Director
DIN: 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 31.03.2017 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain 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:

   (a) Significant changes in internal control system during the year;

   (b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (c) 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: 25/05/2017

For, Citizen Infoline Limited

CITIZEN INFOLINE LTD. A'BAD

A-R-Mehta

(Omprakash Jain)	**(Alpa Mehta)**
Managing Director	**Chief Financial Officer**
DIN: 00171356	**PAN: AOPPM7587R**

AUDITOR'S CERTIFICATE ON CORPORATE 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 2017** 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)

BAHETI BHADADA & ASSO. Ahmedabad M.: 140047 CHARTERED ACCOUNTANTS

Date: 25/05/2017
Place: Ahmedabad

Krutesh Patel
(Partner)
Membership No : 140047
Firm Reg 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"), which comprises of Balance Sheet as at 31, March 2017, Profit and Loss Statement and Cash Flow Statement for the year 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.

BAHETI BHADADA & ASSO. Ahmedabad M.: 140047 CHARTERED ACCOUNTANTS

- **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, 2017, 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, 2016 ("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", 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 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company 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.

iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and the same are in accordance with the books of accounts maintained by the company

FOR, BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 25/05/2017

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

Krutesh Patel
(Partner)
Membership No : 140047
Firm Reg. No.100865W

ANNEXURE A 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.

(a) In our opinion, the Company has not 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 NIL.

(Rs. in lacs)

No of Parties	One
Loan Given during the year	0
Received back During the year	0
Maximum Outstanding in Year	20,00,000
Closing Balance	20,00,000

(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, 2013.

(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, 2013 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.

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

(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 an appropriate authority.

(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, 2017 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, 2013 or rules made there under.

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

VIII. 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.

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

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

XI. 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 year under Audit.

FOR, BAHETI BHADADA & ASSOCIATES

CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD

DATE: 25/05/2017

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

Krutesh Patel
(Partner)
Membership No : 140047
Firm Reg. No.100865W

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

Annexure B
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Citizen Infoline Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3)provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR, BAHETI BHADADA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD

DATE: 25/05/2017

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

Krutesh Patel
(Partner)
Membership No : 140047
Firm Reg. No.100865W

CITIZEN INFOLINE LIMITED

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

BALANCE SHEET AS AT 31ST MARCH, 2017

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	(6,033,406)	(5,973,034)
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	1,192,591	781,756
(b) Deferred Tax Liabilities (Net)		445,598	1,072,064
(c) Other Long Term Liabilities			
(d) Long Term Provisions	4	959,032	-
(4) Current Liabilities			
(a) Short-Term Borrowings	5	3,397,106	3,455,982
(b) Trade Payables	6	1,596,491	1,258,422
(c) Other Current Liabilities	7	470,418	381,098
(d) Short-Term Provisions	8	991,076	1,028,872
Total Equity & Liabilities		**56,991,906**	**55,978,160**
II.ASSETS		₹	₹
(1) Non-Current Assets			
(a) Fixed Assets	9		
(i) Gross Block		26,961,371	20,936,289
(ii) Depreciation		14,312,007	11,149,820
(iii) Net Block		12,649,364	9,786,469
(b) Non-current investments	10	4,423,200	4,873,200
(c) Deferred tax assets (net)			-
(d) Long term loans and advances	11	37,330,531	39,099,587
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	12	1,619,832	1,223,953
(d) Cash and cash equivalents	13	478,127	463,345
(e) Short-term loans and advances	14	490,852	531,606
(f) Other current assets			-
Total Assets		**56,991,906**	**55,978,160**

NOTES TO ACCOUNTS 21

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 and Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W

Place : Ahmedabad
Date : 25 May 2017

For, Citizen Infoline Limited

Omprakash Jain
Managing Direcor
DIN : 00171365

Ravindra Jain
Director
DIN : 00412684

A · R · Mehta

Alpa Mehta
Chief Finance Officer
Place : Ahmedabad
Date : 25 May 2017

CITIZEN INFOLINE LIMITED

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

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

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	15	3,38,95,680	3,24,51,730
II	Other Income	16	47,85,976	53,12,569
III	***Total Revenue (I +II)***		**3,86,81,656**	**3,77,64,299**
IV	***Expenses:***			
	Employee Benefit Expense	17	1,80,49,742	1,82,74,293
	Financial Costs	18	4,92,457	6,79,191
	Depreciation and Amortization Expense	19	36,87,103	31,52,379
	Other Administrative Expenses	20	1,67,32,429	1,78,64,345
	Total Expenses (IV)		**3,89,61,731**	**3,99,70,208**
V	Profit before exceptional and extraordinary items and tax	(III - IV)	**-2,80,075**	**-22,05,909**
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		**-2,80,075**	**-22,05,909**
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		**-2,80,075**	**-22,05,909**
X	***Tax expense:***			
	(1) Current tax		-	-
	(2) Deferred tax		(6,26,466)	(39,067)
	(3) Income Tax Short/Excess Provision of Earlier Year		-	869
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	**3,46,391**	**-21,67,711**
			-	
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)		**3,46,391**	**-21,67,711**
XVI	Earning per equity share:			
	(1) Basic		0.06	-0.40
	(2) Diluted		0.06	-0.40

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 and Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W

Place : Ahmedabad
Date : 25 May 2017

For, Citizen Infoline Limited

Omprakash Jain
Managing Direcor
DIN : 00171365

Ravindra Jain
Director
DIN: 00412684

A. R. Mehta

Alpa Mehta
Chief Finance Officer
Place : Ahmedabad
Date : 25 May 2017

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

CITIZEN INFOLINE LTD. A'BAD

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

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.	14,50,00,000	14,50,00,000
		14,50,00,000	14,50,00,000
2	**ISSUED , SUBSCRIBED & PAID UP CAPITAL**		
	To the Subscribers of the Memorandum		
	3224500 Equity Shares of Rs.10/- each fully paid up	5,39,73,000	5,39,73,000
	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 `	**5,39,73,000**	**5,39,73,000**

(b) Reconcillation of the number of Shares Outstanding

	Particulars	Current Year	Previous Year
	Equity Shares Outstanding at the Beginning of Year (Nos)	5,39,73,000	5,39,73,000
	Equity Shares Outstanding at the Beginning of Year (Rs.)	-	-
Add:	Shares Issued in the Year	-	-
	Equity Shares Outstanding at the End of Year (Nos)	**5,39,73,000**	**5,39,73,000**
	Equity Shares Outstanding at the End of Year (Rs.)	**53,97,30,000**	**53,97,30,000**

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

	Name of Share Holder	As on March 2017	
		Nos	%
-	Mr. Omprakash L. Jain	7,76,200	14.38%
-	Mr. Harsh O. Jain	7,64,495	14.16%
-	Mrs. Ugmadevi O. Jain	7,02,500	13.02%
-	Mr. Ravindra O. Jain	6,71,000	12.43%
		29,14,195	**53.99%**
	Name of Share Holder	**As on March 2016**	
		Nos	**%**
-	Mr. Omprakash L. Jain	7,76,200	14.38%
-	Mrs. Ugmadevi O. Jain	7,02,500	13.02%
-	Mr. Ravindra O. Jain	6,71,000	12.43%
-	Mr. Dhanpatraj L. Jain	3,00,000	5.56%
-	Mrs. Sangita Dhanpatraj Jain	3,00,000	5.56%
		27,49,700	**50.95%**

NOTE : 2 Reserve & Surplus

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	-59,73,034	64,58,677
	Less: fixed asset tr to Genral Reserve as per new schedule II	-	-
	Less: Goodwill W/off	0	-1,02,64,000
	Less: Adjustment of Employees Benefit	-4,06,763	-
	Add: Profit for the period	3,46,391	-21,67,711
	Total in ₹	**-60,33,406**	**-59,73,034**

BAHETI BHADADA & ASSO.
Ahmedabad
M.: 140047
CHARTERED ACCOUNTANTS

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

NOTE : 3 Long Term Borrowings

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	**HDFC Bank**		
	-Secured Against CIAZ Car	6,09,758	7,81,756
	-Secured Against BALENO Car	5,82,833	-
	Total in ₹	11,92,591	7,81,756

NOTE : 4 Long Term Provision

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Gratuity Payable	7,83,195	-
	Leave Encashment	1,75,837	
	Total in ₹	9,59,032	-

NOTE : 5 Short Term Borrowings

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	**Loan Repayable on Demand**		
	- From Bank (CC - HDFC)	33,97,106	34,55,982
	Total in ₹	33,97,106	34,55,982

NOTE : 6 Trades Payable

Sr. No	Particulars	Current Year ₹	Previous Year ₹
	Sundry Creditors for Services	15,96,491	12,58,422
	Total in ₹	**15,96,491**	**12,58,422**

NOTE : 7 Other Current Liabilities

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Bank Loan Payable with in year	2,99,302	1,55,927
	(Secured against Car of Company)		
2	Current liabilities for expenses	1,00,287	1,74,683
3	Professional tax Payable	11,560	11,210
4	TDS on Commission, advertisement, consultancy, contract, r	15,759	12,438
5	TDS on Salary	14,000	26,840
6	Other Advances	29,510	-
	Total in ₹	**4,70,418**	**3,81,098**

NOTE : 8 Short Term Provisions

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	**Provision For Employees Benefit**		
	EPF Payable	63,940	69,492
	Bonus Payable	3,07,765	2,97,129
	ESIC Payable	24,614	16,516
	Leave Encashment	21,729	4,00,734
	Gratuity Payable	1,55,776	0
2	**Others**		
	Auditor's Remuneration Payable	50,000	50,000
	Service tax & Cess Payble	1,47,755	54,600
	Expenses Payable	2,19,497	1,40,401
	Total in ₹	**9,91,076**	**10,28,872**

MAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

NOTE : 9 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 31.03.2017*	*WDV as on 31.03.2016*
I	Tangible Assets												
1	Air Conditioner	2,82,150	-	1,01,500		3,83,650	1,58,610	-	61,480	-	2,20,090	1,63,560	1,23,540
2	Computer	65,12,928	-	11,65,459		76,78,387	40,05,428	-	18,75,510	-	58,80,938	17,97,449	25,07,500
3	EPABX	-	-	3,50,000	-	3,50,000	-	-	70,000	-	70,000	2,80,000	-
4	Furnitures & Fixtures	64,81,100	-	6,25,000		71,06,100	51,56,497	-	8,43,441	-	59,99,938	11,06,162	13,24,603
5	Office Equipment	92,325	-	-	-	92,325	84,228	-	4,048	-	88,276	4,049	8,097
6	Motor Cycle	1,59,550		-	59,000	1,00,550	1,00,117	-	12,038	54,537	57,618	42,932	59,433
7	Car Swift	6,71,347		-	6,71,347	-	4,50,954		-	4,50,954	-	-	2,20,393
8	Office Building	56,67,139		-	-	56,67,139	10,59,230	-	93,478	-	11,52,708	45,14,431	46,07,909
9	Car CIAZ	9,47,337		-	-	9,47,337	94,734	-	94,734	-	1,89,468	7,57,869	8,52,603
10	Telephone Instruments	1,02,988		-		1,02,988	20,597	-	20,598	-	41,195	61,793	82,391
11	Car Baleno	-	-	8,34,854		8,34,854	-	-	83,485	-	83,485	7,51,369	-
	SUB TOTAL (A)	**2,09,16,864**	**-**	**30,76,813**	**7,30,347**	**2,32,63,330**	**1,11,30,395**	**-**	**31,58,812**	**5,05,491**	**1,37,83,716**	**94,79,614**	**97,86,469**
II	Intangible Assets	-				-					-		-
	IPR in Data	-		36,98,041	-	36,98,041	-		5,28,291		5,28,291	31,69,750	-
	SUB TOTAL (B)	-	-	36,98,041	-	36,98,041	-	-	5,28,291	-	5,28,291	31,69,750	-
III	Capital Work-in-progress												-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-	-	-
IV	Intangible Assets Under Development					-					-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-	-	-
	Total [A + B + C + D]	**2,09,16,864**	**-**	**67,74,854**	**7,30,347**	**2,69,61,371**	**1,11,30,395**	**-**	**36,87,103**	**5,05,491**	**1,43,12,007**	**1,26,49,364**	**97,86,469**

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

NOTE : 10 Non Current Investment

Sr. No	Particulars	Current Year ₹	Previous Year ₹
	Trade investments(Unquoted)(Long-term)		
	2200 of Rs. 10/- each fully paid up in Mercantile Venture Limited	11,000	11,000
	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 Equity shares of Rs. 10/- each fully paid up in Opera Exports Pvt. Ltd	44,00,000	44,00,000
	25000 Equity shares of Rs. 10/- each fully paid up in Citizen Exports Pvt. Ltd.	-	2,50,000
	20000 Equity shares of Rs. 10/- each fully paid up in K Lite Fashions Pvt. Ltd	-	2,00,000
	Total in ₹	**44,23,200**	**48,73,200**

NOTE : 11 Long Term Loans and Advances

Sr. No	Particulars	Current Year ₹	Previous Year ₹
I)	**Security Deposit**		
	a) Secured, Considered Good :		
	Earnest Money Deposit	-	-
	Other Deposit	3,20,219	3,82,719
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
III)	**Loans & Advances to related parties**	-	-
IV)	**Other Loans & Advances**	3,70,10,312	3,87,16,868
	Total in ₹	**3,73,30,531**	**3,90,99,587**

NOTE : 12 Trade Recievables

Sr. No	Particulars	Current Year ₹	Previous Year ₹
	Sundry Debtors for services	16,19,832	12,23,953
	Other Debtors	-	-
	Total in ₹	**16,19,832**	**12,23,953**

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.. 149047

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

NOTE : 13 Cash & Cash Equivalent

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Cash-in-Hand		
	Cash Balance	1,21,399	70,756
	Sub Total (A)	**1,21,399**	**70,756**
2	Bank Balance		
	With Schedule Bank	356728	392589
	Sub Total (B)	**3,56,728**	**3,92,589**
3	Cheques on Hand (C)	-	-
	Total [A + B + C]	**4,78,127**	**4,63,345**

Details of Specified Bank Notes (SBN) held and transacted during the period 8-11-2016 to 30-12-2016 as provided in the Table below:

	SBNs ₹	Other Denomination Notes ₹
Closing cash in hand as on 08.11.2016	4,28,500	53,977
(+) Permitted receipts	-	3,28,489
(-) Permitted payments		-2,14,918
(-) Amount deposited in Banks	-4,28,500	-
Closing cash in hand as on 30.12.2016	-	**1,67,548**

NOTE :14 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	4,90,852	5,31,606
	Total in ₹	**4,90,852**	**5,31,606**

Bakeri Bhadaba & Asso. Chartered Accountants Ahmedabad M.. 140047

CITIZEN INFOLINE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31St March, 2017

NOTE : 15 - Revenue from Operations

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Receipt from Information Services & Yellow Page Direc	33,895,680	32,451,730
	Total in ₹	33,895,680	32,451,730

NOTE : 16 Other Income

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Interest on Loan and Advances	4,496,759	4,508,209
2	Dividend Income	600	150
3	Interest on I.Tax Refund	23,924	6,680
4	Other income	74,693	106,762
5	Rent Income	90,000	75,000
6	Profit on Sale of Assets	-	615,768
7	Profit on sale of Shares	100,000	-
	Total in ₹	**4,785,976**	**5,312,569**

NOTE : 17 Employement Benefit Expenses

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Salaries and allowance expenses	8,608,398	8,913,730
2	Gratuity Expenses	642,054	152,508
3	Bonus & Ex gratia Expenses	307,765	297,129
4	Directors Remuneration	2,280,000	1,680,000
5	Overtime Expenses	21,184	13,775
6	Leave encashment Expenses	296,335	496,679
7	Transportation	695,177	918,267
8	Medical Allowance	1,077,698	1,480,502
9	Mobile Allowance	62,025	61,485
10	HRA	2,426,785	2,871,694
11	Incentive Expenses	1,052,023	733,433
13	ESI employer contribution	165,070	158,060
14	PF Administration Expenses	44,146	53,653
15	PF Employer contribution	371,082	443,378
	Total in ₹	**18,049,742**	**18,274,293**

NOTE :17.1 Director Remuneration

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Remuneration	2,280,000	1,680,000
2	Any Other	-	-
	Total in ₹	**2,280,000**	**1,680,000**

NOTE :18 Financial Cost

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Interest Expenses	433,580	602,656
2	Bank Charges & commission Expenses	58,877	76,535
	Total in ₹	**492,457**	**679,191**

NOTE : 19 Depreciation & Amortised Cost

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Depreciation	3,158,812	3,152,379
2	Amortization	528,291	-
	Total in ₹	**3,687,103**	**3,152,379**

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

NOTE : 20 Other Administrative Expenses

Sr. No	Particulars	Current Year ₹	Previous Year ₹
1	Advertisement & Publicity	1,455,002	1,290,192
2	Auditors Remuneration	50,000	50,000
3	Commision & Brokerage Expenses	24,000	4,030
4	Computer Maintenace	117,086	72,371
5	Consultant fees Expenses	170,348	183,050
6	Data Collection charges	4,126,173	3,953,565
7	Electricity Expenses	353,303	487,088
8	General Expenses	282,867	395,676
9	Insurance Expenses	77,175	76,366
10	Internet Expenses	336,443	268,938
11	Kasar vatav expenses	2,599	7,321
12	Krishi Kalyan Cess	15,209	-
13	Legal Fees	11,930	78,737
14	Loss on Sale of Assets	20,856	2,666
15	Municipal Tax	96,738	143,581
16	Newspaper & periodical expenses	14,323	17,569
17	Office Equipment and Maintenance Expenses	294,069	394,300
18	Office Rent Expenses	804,480	1,558,730
19	Postage & Courier	96,278	69,028
20	Petrol & Maintenance Expenses	61,892	116,451
21	Professional Tax	7,950	7,950
22	Share R & T. fees	84,730	85,910
23	Stock exchange listing fees	265,000	250,000
24	Software & software service charges Expenses	589,350	336,301
25	Staff Welfare and pantry Expenses	290,224	337,598
26	Stationery & Printing Expenses	284,887	300,388
27	Swachh Bharat Cess	18,943	7,596
28	Telephone Expenses	411,583	461,427
29	Telephone Inst & Accs. Expenses	2,990	2,345
30	Travelling Expenses	107,397	136,044
31	Yellow Pages Directory and Other Expenses	5,529,617	6,520,819
32	Web site development Expenses	728,987	248,308
	Total in ₹	**16,732,429**	**17,864,345**

NOTE : 20.1 Auditor Remunerations

Sr. No	Particulars	Current Year ₹	Previous Year ₹
	For Audit Fees	50,000	50,000
	For Any Other	-	-
	Total in ₹	**50,000**	**50,000**

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

NOTES - 21
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. 10,72,064 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 policies and there are no material changes in accounting policy of the company from that followed in previous year.

- **AS – 6 – Accounting for Depreciation**
  Depreciation on fixed assets is provided on 'Written down Value' method at the rate prescribed in Schedule XIV of the Companies Act, 1956. Assets purchased before 30 September is charged at full rate and assets purchased after that day is charged at half rate.

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

  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.

BAHETI BHADADA & ASSO CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

- **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 – 18 – Related Party Disclosure**

A. **<u>List Related Parties and Relations</u>**
B. **<u>List Related Parties and Relations</u>**
1. **Subsidiaries, Fellow Subsidiaries and Associates**
   - Technotrends Marketing Pvt. Ltd.
   - 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

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

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.
   - K. Lite Fashions Pvt. Ltd.
   - S.T. Enterprise
   - Technotrends Marketing Pvt. Ltd.
   - Citizen Exports Private Limited

C. **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**	
	2016-17	**2015-16**	**2016-17**	**2015-16**	**2016-17**	**2015-16**
Purchase of Goods	0.00	0.00	0.00	0.00	0.00	0.00
Sale of service	0.00	0.00	0.00	0.00	0.00	0.00
Receiving of services	0.00	0.00	22.80	16.80	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	0.31	0.00	0.00	0.00	0.00
Finance (including loans given)	0.00	0.00	0.00	0.00	20.00	20.00
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)	3,46,391	-21,67,711
Weighted average of Equity Shares	53,97,300	53,97,300
Basic & diluted EPS	0.06	-0.40
Face value of share	Rs.10/-	Rs.10/-

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

- **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. 4.46 lakhs pertaining to earlier accounting periods, against opening balance of reserve & surplus.

Details of Deferred Tax Liabilities (Rs in Lacs)

Particulars	As on 31/03/2017	As on 31/03/2016
Deferred Tax Liability Related to Fixed Assets	10.72	11.11
Provision for Deferred Tax Liability/ Assets	(6.26)	(0.39)
Total Deferred Tax Liability	**4.46**	**10.72**

- **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. Balances in respect of trade receivables, loans and advances and trade payables are subject to confirmation from the respective parties and reconciliation, if any.

3. In the opinion of the management, the Current Assets, Loans and advances are realizable at the values stated in the financial statements in the ordinary course of business and adequate provision for all known liabilities has been made in the accounts.

Signatures to Notes to 21
As per our separate report of even date attached.

For, BAHETI BHADADA & ASSOCIATES **Chartered Accountants**	**FOR AND ON BEHALF OF THE BOARD**	
(Krutesh Patel) **Partner** **Firm Reg.no. 100865W** **Membership No : 140047**	**(Omprakash Jain)** **Managing Director** **DIN: 00171365**	**(Ravindra Jain)** **Director** **DIN: 00412684**
Place : Ahmedabad **Date : 25/05/2017**	**Place : Ahmedabad** **Date : 25/05/2017**	

ATTENDANCE SLIP

CITIZEN INFOLINE LIMITED
(CIN: L67120GJ1994PLC023561)
Registered Office: '411, Sakar-II,
Ellisbridge, Ashram Road
Ahmedabd-380006,
Email: acc@infoline.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 **23rd ANNUAL GENERAL MEETING** of the Company held on **Friday 29th September, 2017** 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

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
Ahmedabd-380006,
Email: acc@infoline.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 **23rd** Annual General Meeting of the Company, to be held on **Friday September 29, 2017** at **12:00 noon** at 411, 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, 2017**		
2	Ordinary Resolution for appointment of Mr. Manthan Shah, chartered Accountant Ahmedabad as Auditor of the Company in place of retiring auditor M/s. Baheti Bhadada & Associates.		
3	Ordinary Resolution for re-appointment of Mr. Harsh Jain as a Director of the Company, who retires by rotation		
4	Ordinary Resolution for re-appointment of Mr. Ravindra Jain as a Director of the Company, who retires by rotation		
5	Special Resolution for Adoption of Memorandum of Association and Articles of Association as per Companies Act, 2013		
6	Special Resolution for the board of directors of the company are authorized to borrow or provide guarantee, including amount previously borrowed or guarantee previously provided upto the sum of Rs. 10 crore		

Signed this ______ day of __________, 2017

Affix Revenue Stamp not less than Re. 0.15

Signature of shareholder__________________

Signature of Proxy holder(s) _______________

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 **48 hours** 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 blank against 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.

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 **2016-17** including the Notice convening 23rd 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 **2016-17** including the Notice convening 23rd 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 **2016-17** including the Notice convening **23rd** 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.

CITIZEN INFOLINE LIMITED

Cash flow Statement for Year Ended on 31 March 2017

(Ampunt in Rs.)

	Particulars	For 31-Mar-17	For 31-Mar-17	For 31-Mar-16	For 31-Mar-16
A	**Cash flow From Operating Activities**	₹	₹	₹	₹
	Net Profit/(Loss) Before Tax and Adjustments		(2,80,075)		(22,05,909)
	Add:				
	Depreciation Provision	36,87,103		31,52,379	
	Financial Expenses	4,92,457		6,79,191	
	Profit/Loss On sale of Assets	20,856		(6,13,102)	
	Profit on sale of Investment	(1,00,000)		-	
	Adjustment for Employee Benefit	(4,06,763)	36,93,653	-	32,18,468
	Operating Profit Before Working Capital changes				
	(Increase) / Decrease in Inventories	-		-	
	(Increase) / Decrease in Debtors	(3,95,879)		19,20,420	
	(Increase) / Decrease in Loans & Advances	17,69,056		5,34,687	
	Increase / (Decrease) in Current Liabilities	13,48,625	27,21,802	(11,26,843)	13,28,264
	Cash Flow from Operations Before Tax		**61,35,380**		**23,40,823**
	Less:				
	Tax Paid		40,754		(869)
	Cash Flow from Operations (A)		**61,76,134**		**23,39,954**
B	**Cash Flow From Investing Activities**				
	Sale/Purchase of Investments	5,50,000		(1,000)	
	Dividend income	-		-	
	Purchase of Fixed Assets	(67,74,854)		41,11,750	
		(62,24,854)		41,10,750	
	Sale of Fixed Assets	2,04,000		30,67,500	
			(60,20,854)	-	(10,43,250)
	Cash flow From investment Activities (B)		**(60,20,854)**		**(10,43,250)**
C	**Cash Flow From Financing Activities**				
	Increase/ (Decrease) In Secured loans	3,51,959		(6,95,169)	
		-		-	
	Increase/ (Decrease) In Paid up capital	-	3,51,959	-	(6,95,169)
	Financial Expenses		(4,92,457)		(6,79,191)
	Cash flow From Financing Activities(C)		**(1,40,498)**		**(13,74,360)**
	Total Cash Flow of year		**14,782**		**(77,656)**
	Add: Opening Balance of Cash & Cash Equivelent		4,63,345		5,41,001
	Closing Balance of Cash & Equivelent		**4,78,127**		**4,63,345**

As per our report of even date

For, Baheti Bhadada and Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W

Place : Ahmedabad
Date : 25 May 2017

For, Citizen Infoline Limited

Omprakash Jain
Managing Direcor
DIN : 00171365

Ravindra Jain
Director
DIN: 00412684

A. R. Mehta

Alpa Mehta
Chief Finance Officer
Place : Ahmedabad
Date : 25 May 2017

BAHETI BHADADA & ASSO. CHARTERED ACCOUNTANTS Ahmedabad M.: 140047

CITIZEN INFOLINE LTD. A'BAD