



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

## AUDITOR'S REPORT

To,  
The Members of  
CITIZEN INFOLINE LIMITED

We have audited the attached Balance-Sheet of **CITIZEN INFOLINE LIMITED** as on 31 March 2014, related Profit & Loss Account of the company for the year ended on that date annexed thereto and Cash Flow Statement for the period ended on that date and summary of significant accounting policies and other explanatory information.

1. Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.
2. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the 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:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
  - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

FOR, BAHETI BHADADA & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD

DATE: 24/05/2014



A handwritten signature in blue ink, appearing to be "B. K. Baheti".

(B. K. BAHETI)  
PARTNER

Firm Reg. No.100865W

# ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

## I. Fixed Assets: -

- (a) The Company has maintained proper records to showing 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.
- (c) During the year the Company has not disposed of substantial part of its fixed assets.

## II. Inventories :-

- (a) The Company is dealing in service industry. Hence, this clause is not applicable to the company.

## III.(a) The Company has granted loan unsecured to the party covered in the register maintained under section 301 of the Companies Act, 1956.

(i) *In our opinion, the Company has granted loan to related party in violation of provisions of Section 185 of Companies Act, 2013 during the current financial year. The closing amount outstanding is Rs. 1270.03 Lacs.*

Nos of Parties	5 (Five)
Loan Given during the year	Rs. 1,52,29,258
Received back During the year	Rs. 1,17,29,877
Maximum Outstanding in Year	Rs. 1,27,03,728
Closing Balance	Rs. 1,27,03,728

(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 301 of the Companies Act, 1956.

(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 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.

- (d) As per the information and explanation given to us, the Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest where applicable.

## IV. The management of Company is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibly, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure. The objective of internal control structure are to provide management with reasonable, but not absolute assurance that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principals.

Because of inheriting limitations of internal control structure, errors/irregularities may occur and not be detected. Also, projections of any evaluation of the structure to future period is subject to the risk that procedures may become inadequate because of changes in conditions or that effectiveness of the design and operation policies and procedure may deteriorate.

In our opinion and according to the information and explanations given to us and on the basis of audit procedures performed in accordance with generally accepted audit practices in India for the purpose of reporting on true and fair view of financial statements, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with for the purchase of fixed assets and for the sale of Services. There is no continuing failure to correct major weaknesses in the internal control.



## Annexure to Auditors' Report

- V. (a) According to the information given to us, the transactions during the year that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956 are already registered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements (including transactions of finance) exceeding the value of rupees five lakhs during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- VI. The Company has not accepted deposits from the public within the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- VIII. The Central Government has not prescribed for the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- IX. According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Customs Duty and Excise Duty which have remained outstanding as on 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
- X. The Company has no accumulated losses during the year and it has not incurred cash losses during the year or financial year immediately proceeding.
- XI. 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.
- XII. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The Company is not a chit fund and nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments.
- XV. The Company has not given any guarantees for loans taken by others from banks and financial institutions during the year.
- XVI. The Company has not obtained any term loan during the year.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
- XVIII. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Registered maintained under section 301 of the Act.
- XIX. According to the information and explanations given to us, during the period covered by our audit report, the company has not issued debentures.



**Annexure to Auditors' Report**

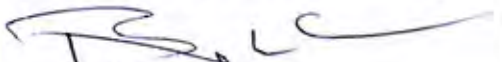
XX. The Company has not raised any money by public issue during the year.

XXI. 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.

PLACE: AHMEDABAD  
DATE : 24/05/2014



FOR, BAHETI BHADADA & ASSOCIATES  
CHARTERED ACCOUNTANTS

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

**CITIZEN INFOLINE LIMITED**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31/03/2014**

(All Amount in Rs. Lacs)

Sr. P	PARTICULARS	Qtr ended	Qtr ended	Qtr ended	Year ended	Year ended
		3/31/2014 (AUDITED)	12/31/2013 (UNAUDITED)	3/31/2013 (AUDITED)	3/31/2014 (AUDITED)	3/31/2013 (AUDITED)
1	<b>Income From Operations</b>					
	Net Sales/Income from Operations	113.23	112.77	118.18	473.18	445.52
	Other Operating Income	0.00	0.00	0.00	0.00	0.00
	<b>Total Income from Operations (net)</b>	<b>113.23</b>	<b>112.77</b>	<b>118.18</b>	<b>473.18</b>	<b>445.52</b>
2	<b>Expenses</b>					
a)	Cost of material consumed	0.00	0.00	0.00	0.00	0.00
b)	Purchase of stock in trade	0.00	0.00	0.00	0.00	0.00
c)	Changes in inventories of finished goods, wip and Stock	0.00	0.00	0.00	0.00	0.00
d)	Employee benefit Expenses	62.60	52.20	61.93	228.72	222.55
e)	Depreciation & amortisation expenses	5.60	5.71	9.95	28.74	32.69
f)	Other expenses	48.70	58.51	48.58	227.46	204.92
	<b>Total Expenses (2)</b>	<b>116.90</b>	<b>116.42</b>	<b>120.46</b>	<b>484.92</b>	<b>460.16</b>
3	<b>Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)</b>	<b>-3.67</b>	<b>-3.65</b>	<b>-2.28</b>	<b>-11.74</b>	<b>-14.64</b>
4	Other Income	8.94	14.46	13.83	51.26	49.75
5	<b>Profit from ordinary activities before Finance cost and Exceptional Items (3+4)</b>	<b>5.27</b>	<b>10.81</b>	<b>11.55</b>	<b>39.52</b>	<b>35.11</b>
6	Finance Cost	1.73	1.54	2.32	6.04	6.77
7	<b>Profit from ordinary activities after Finance Cost but before Exceptional Items (5+6)</b>	<b>3.54</b>	<b>9.27</b>	<b>9.23</b>	<b>33.48</b>	<b>28.34</b>
8	Exceptional Items	0.00	0.00	0.00	0.00	0.00
9	<b>Profit (+)/Loss(-) from Ordinary Activities before tax</b>	<b>3.54</b>	<b>9.27</b>	<b>9.23</b>	<b>33.48</b>	<b>28.34</b>
10	<b>Tax Expense</b>					
	Provision - Income Tax	3.01	2.00	6.23	10.02	8.48
	Deferred Tax	0.35	0.00	0.69	0.35	0.69
	Excess Provision of Earlier Year	-0.45	0.00	0.00	-0.45	0.00
	<b>Total Tax Expense</b>	<b>2.91</b>	<b>2.00</b>	<b>6.92</b>	<b>9.92</b>	<b>9.17</b>
11	Net Profit (+)/Loss (-) from Ordinary Activities after	0.63	7.27	2.31	23.56	19.17
12	Extraordinary Items (net of tax expenses)	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit (+)/Loss (-) for the period(11+12)</b>	<b>0.63</b>	<b>7.27</b>	<b>2.31</b>	<b>23.56</b>	<b>19.17</b>
14	Share of profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00
15	Minority interest	0.00	0.00	0.00	0.00	0.00
16	<b>Net profit / (loss) after taxes, minority interest and share of profit (13+14+15)</b>	<b>0.63</b>	<b>7.27</b>	<b>2.31</b>	<b>23.56</b>	<b>19.17</b>
17	Paid Up Equity Share Capital (Face Value of Rs. 10/-)	539.73	539.73	539.73	539.73	539.73
18	Reserves excluding Revaluation Reserves					
19	<b>Earning Per Share (EPS)</b>					
	(a)Basic and Diluted EPS (before and after Extraordinary	0.01	0.13	0.04	0.44	0.36
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	<b>Public Shareholding</b>					
	No. of shares	2334100	2334100	2334100	2334100	2334100
	Percentage of Share Holding	43.25%	43.25%	43.25%	43.25%	43.25%
2	<b>Promoters and Promoter Group Shareholding</b>					
(a)	<b>Pledged/Encumbered</b>					
	Number of Shares	0	0	0	0	0
	Percentage of Shares (as a % of total shareholding of promoter and promoter group)	0	0	0	0	0
	Percentage of shares (as a % of the total share capital)	0	0	0	0	0
(b)	<b>Non-encumbered</b>					
	Number of Shares	3063200	3063200	3063200	3063200	3063200
	Percentage of Shares (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the total share capital)	56.75%	56.75%	56.75%	56.75%	56.75%

B	INVESTOR COMPLAINTS	
	Particulars	3 months ended on 31/03/2014
	pending at the beginning of the quarter	
	Received during the quarter	
	Disposed of during the quarter	
	Remaining unresolved at the end of the quarter	

- Notes**
- The above results were reviewed by the audit committee at its meeting held and were approved by the Board of Directors at its meeting held on 24/05/2014.
  - Figures for the previous periods have been regrouped and rearranged wherever it is necessary.
  - The Company has only one segment. Hence, reporting has been done on one segment basis.
  - The Annual General Meeting of the Company will be held on 15th July 2014 at the register office of the Company.
  - The book closure of the Company will be from 10th July 2014 to 15th July 2014 (both days included)

Place: Ahmedabad  
Date: 5/24/2014



**FOR, BAHETI BHADANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS** For, CITIZEN INFOLINE LTD.  
**B. K. BAHETTI**  
**PARTNER**  
**FRN : 100865W**

**Director**

**STATEMENT OF ASSETS & LIABILITIES**

(Rs. In Lacs)

Sr. No.	Standalone/Consolidation Statement of Assets and Liabilities Particulars	As at	As at
		31/03/2014 Audited	31/03/2013 Audited
<b>A</b>	<b>EQUITY &amp; LIABILITIES</b>		
1	<b>Shareholders' Fund</b>		
	a) Share Capital	539.73	539.73
	b) Reserve and Surplus	72.97	49.41
	c) Money Received against Share Warrants		
	<b>Sub-total Shareholders' Funds</b>	<b>612.70</b>	<b>589.14</b>
2	<b>Share Application Money Pending Allotment</b>	0.00	0.00
3	<b>Minority Interest</b>	0.00	0.00
4	<b>Non-current Liabilities</b>		
	a) Long-Term Borrowings	0.00	0.00
	b) Deferred Tax Liabilities (Net)	25.30	24.95
	c) Other Long-Term Liabilities	0.00	0.00
	d) Long-Term Provisions	0.00	0.00
	<b>Sub-total Non-current Liabilities</b>	<b>25.30</b>	<b>24.95</b>
5	<b>Current Liabilities</b>		
	a) Short-Term Liabilities	43.46	57.91
	b) Trade Payables	17.31	16.40
	c) Other Current Liabilities	9.04	7.12
	d) Short-Term Provisions	11.88	13.08
	<b>Sub-total Current Liabilities</b>	<b>81.69</b>	<b>94.51</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>719.69</b>	<b>708.60</b>
<b>B</b>	<b>Assets</b>		
1	<b>Non-current Assets</b>		
	a) Fixed Assets	264.07	281.86
	b) Goodwill on Consolidation		
	c) Non-current Investments	27.24	27.24
	d) Deferred Tax Assets (Net)	0.00	0.00
	e) Long-term Loans and Advances	405.38	354.82
	f) Other Non-current Assets	0.00	0.00
	<b>Sub-total Non-current Assets</b>	<b>696.69</b>	<b>663.92</b>
2	<b>Current Assets</b>		
	a) Current Investments	0.00	0.00
	b) Inventories	0.53	7.32
	c) Trade Receivables	18.25	23.53
	d) Cash and Cash Equivalents	3.78	6.32
	e) Short-term Loans and Advances	0.44	1.15
	f) Other Current Assets		6.36
	<b>Sub-total Current Assets</b>	<b>23.00</b>	<b>44.68</b>
	<b>TOTAL ASSETS</b>	<b>719.69</b>	<b>708.60</b>



**FOR, BAHETI BHADADA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**B. K. BAHETI  
PARTNER  
FRN : 100865W**

**FOR, CITIZEN INFOLINE LTD.**

**DIRECTOR**