

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT FOR THE QUARTER ENDED
31ST DECEMBER, 2013

1. For the Quarter ended : 31st December, 2013
2. ISIN : INE158C01014
3. Face Value : Rs.10/- each
4. Name of the Company : CITY ONLINE SERVICES LIMITED
5. Registered Office Address : 701, 7th Floor, Aditya Trade Centre
Ameerpet, Hyderabad – 500 038
6. Correspondence Address : As above
7. Telephone & Fax Nos : Tel: 040-66416882 / 66416894
Fax: 040-66416890
8. Email Address : col@cityonlines.com
9. Name of the Stock Exchanges where the Company's Securities are listed : Bangalore Stock Exchange
10. Issued Capital :
- | Number of Shares | % of total issued Capital |
|------------------|---------------------------|
| 70,00,000 | 100% |
11. Listed Capital (Exchange wise) :
- | |
|--------------------------|
| Bangalore Stock Exchange |
| 69,25,000 Shares |
12. Held in Dematerialised form in CDSL : 488213
13. Held in Dematerialised form in NSDL : 2052587
14. Physical : 2622600
15. Total No. of shares (12+13+14) : 51,63,400

16. Reasons for difference if any, between
 (10 & 11), : under subscription to that extent
- (10 & 15) and : partly paid shares were forfeited at Board Meeting held on 17.12.2003
- (11 & 15) : - do -

17. Certifying the details of changes in share capital during the quarter under consideration as per table below

Particulars	No.of Shares	Applied/ not applied for listing	Listed on Exchanges	Whether Intimated to CDSL	Whether Intimated to NSDL	In principal approval pending for SE
Nil	Nil	Nil	Nil	Nil	Nil	Nil

18. Register of Members is updated (yes / no) if not updated up to which date : Yes, updated
19. Reference of previous quarter with Regards to excess dematerialized shares, if any : Nil
20. Has the Company resolved the matter mentioned in point no.19 above in the current quarter? If not, reason why? : Not Applicable
21. Mentioned the total no.of requests if any confirmed after 21 days and the total no.of requests pending beyond 21 days with the reasons for delay

Total No.of Demat requests	No.of Requests	No.of Shares	Reasons for Delay
Confirmed After 21 days	Nil	Nil	--
Pending for more than 21 days	Nil	Nil	--

22. Name, Telephone & Fax No.of the Compliance Officer of the Company : Ms. Sampada Keshav Joshi, Company Secretary
 : Tel: 040- 66416882/66416894
23. Name, address, Tel & Fax .No., Registration No. of the Certifying Company Secretary : Ch. Veeranjanyulu
 305D, 3rd Floor,
 Pancom Business Centre, Ameerpet
 Hyderabad – 500 073
 Tel: 040-23743021
 C.P.No.6392, F.C.S. No.6121

24. Appointment of Common agency
for share registry work : M/s XL Softech Systems Limited
Road No. 2, Sagar Society
Banjara Hills, Hyderabad – 500 034

25. Any other details that the Company
Secretary may like to provide : Nil

For Ch. Veeranjanyulu & Associates
Company Secretaries

Place : Hyderabad
Date: 31.01.2014

Ch. Veeranjanyulu
C.P.No: 6392, FCS No.6121

Certificate under Business Rules of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

I have examined all the relevant Registers, Records, correspondence, forms and other documents of M/s **City Online Services Limited** (the Company) having its Registered Office at “701, 7th Floor, Aditya Trade Centre, Ameerpet, Hyderabad - 500038” maintained by M/s **XL Softech Systems Limited** having its Registered Office at “ Road No. 2, Sagar Society, Banjara Hills, Hyderabad – 500 034, the Depository Registrar and Share Transfer Agent of the Company for the purpose of issuing Certificate under Business Rules of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the quarter ended on **31st December, 2013** and here by certify that:

1. The Company / Registrars have followed the necessary procedures for affecting the transfer of shares covered by the transfer deeds lodged during the aforesaid period.
2. The Company / Registrars have accordingly amended the Register of Members of the company maintained by it and the shares comprised in the aforementioned transfer deeds have been registered in the names of the respective transferees.
3. The Company / Registrars have adequate procedures to deal with dematerialization requests and have satisfied themselves that the transferee and the person requesting for dematerialization are one and the same by verifying the signature of the person requesting dematerialization with that of the transferee maintained by it and before confirming the dematerialization has amended the Register of Members to show the name of the NSDL/ CDSL with beneficial owner as the transferee.
4. The Company / Registrars have defaced and canceled all the certificates covering the shares dematerialized.
5. The Company/ Registrars have adequate systems to ensure that the respective investors do not lose their corporate benefits on account of the transfer entries made in favor of NSDL/ CDSL.
6. During the period under review i.e. 01.10.2013 to 31.12.2013, requests involving **Nil** Equity Shares received through National Securities Depository Limited and **Nil** Equity Shares received through Central Depository Securities (India) Limited for dematerialization.

For Ch. Veeranjanyulu & Associates

Company Secretaries

Place : Hyderabad

Date: 31.01.2014

Ch. Veeranjanyulu

C.P.No: 6392, FCS No.6121