

25

2017-2018

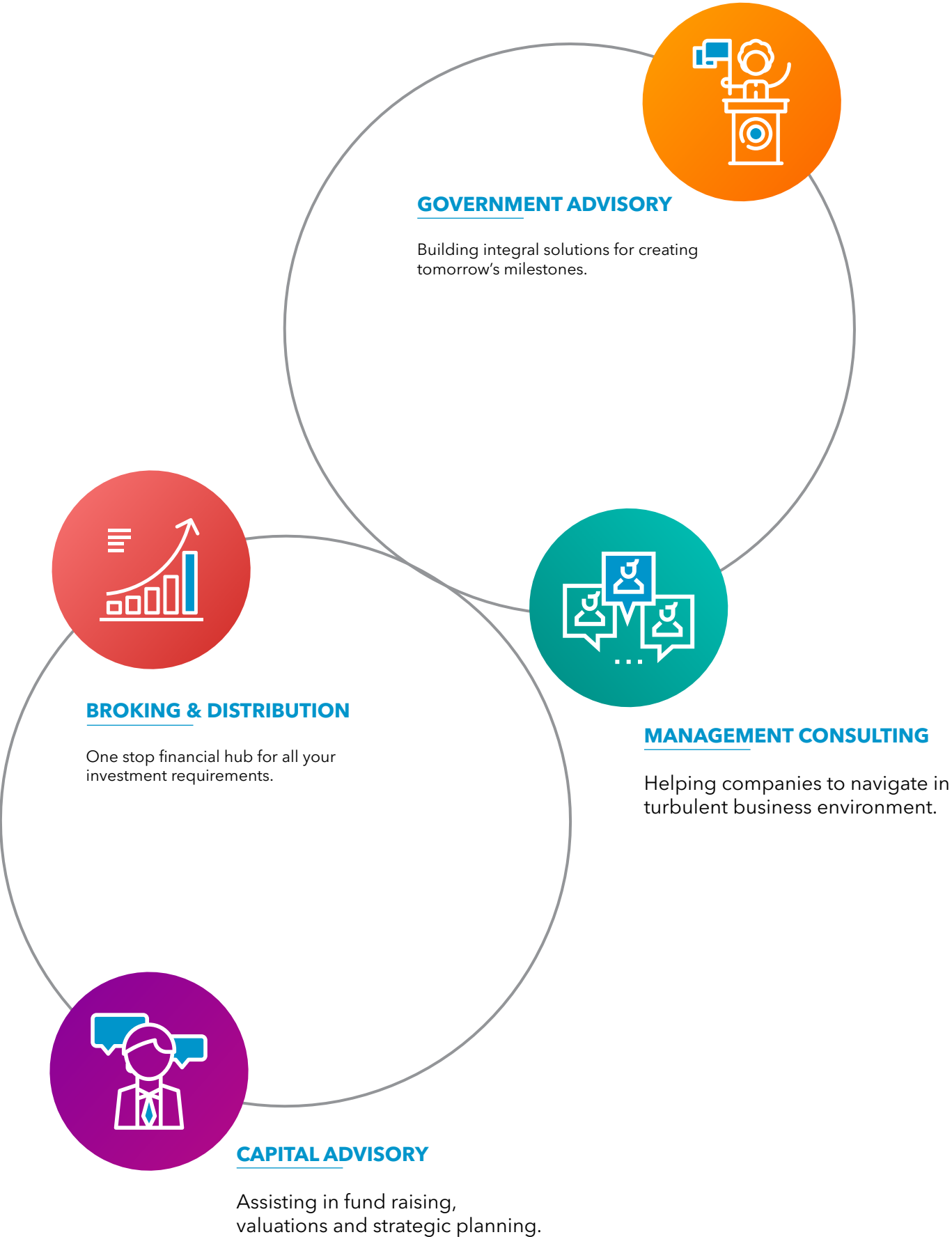
CHOICE HOUSE

Shree Shakambhari Corporate Park,
Plot No: 156-158, J.B. Nagar,
Andheri (East), Mumbai - 400 099
Tel : +91-022-6707 9999 / info@choiceindia.com



Choice

Nurturing Financial Excellence





WELCOME TO ANNUAL REPORT 2018



BUILDING A TEAM TO LEAD US TO THE FUTURE

Choice International Limited has modelled into striving for excellence and build teams and nurture individuals that shall be creating 'the way forward' for us. The leadership and the management has been building new leaders and new managers who will be playing a role of importance for us to excel across domains. This is the growth towards our future!

As a group, Choice has been one who believes truly in its name and stands by the ideology of having its values reflect in its name itself. Thus today, Choice translates to Commitment, Honesty, Optimism, Innovation, Consistency and Empowerment. For Choice, it is all about the commitment to provide supreme customer service, honesty in dealing with clients, optimism for the future and the economy, innovative solutions to make financial services easier and faster, and consistency in all of our services, modules and team quality, and finally, empowering customers to pursue their financial goals. And, to further carry forward this thought, Choice Group has also coined a belief system for everyone around which are basically words to live by for the entire team! It being **‘आप कीजिए कामयाबी की तैयारी, बाकी हमारी जिम्मेदारी’**, which inspires individuals and businesses to partner and collaborate with us while we do the hard work of handling their compliance & financial management, supporting their business & expansion plans and guiding them with sound advisory & consultancy to grow.

THE VISION OF BECOMING " सर्वश्रेष्ठ "

Challenging the standard practices and endeavouring a path of ultimate excellence, Choice Group has nurtured a dream. A dream of being 'India's Most Respected & Trusted Financial Services Company' and that is the eventual vision and mission for us. It's what the team is working towards with zest, skill and dedication.

But, having said all of the above, what truly inspired us is to be 'The Best' at what we do. Every member, every division, every partner and the entire management team have to put their best foot forward to give clients a service which truly exceeds their expectations! This has been the way forward for Choice Group.

Thus, to conclude, here's the Annual Report 2018.

STENZCO



CREATING NEW BENCHMARKS
IN SERVICE DELIVERY

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LETTER FROM MANAGING DIRECTOR

Dear Stake Holders,

It gives me enormous bliss to present the 25th Annual Report of your Company, with the year narrating our fruition story of our ambition on mounting towards becoming the India's One Stop Financial Hub for one's every kind of financial need or advice ranging from a tiny solution to their Fiscal needs to understanding ones grave financial crises, from securing ones asset by managing the same or advising on managing your Financials, each member here at the group "Choice" welcomes you to address your any kind of Financial solutions!!!

By each passing day, we are getting larger in the terms of range of services offered and the time horizon within which the services are delivered with Client Satisfaction at the apex, each employee here at "Choice" have added to the our growth story by their strong perseverance and belief in the organisation.

We at "Choice" acutely believe that earning Income is just one part of the game, but managing the Income in a way that ultimately creates Wealth is the other part of the game which is even more imperative and Vital than the first part. Here at "Choice" vigorous efforts are made to create wealth for our clients by providing them our array of financial services.

On the path of creating wealth for our clients, equal attention is given to the methodologies adopted without compromising on our ethical values!!!

The effort is to offer a host of financial services under one gable, the objective is to be the most preferred institution providing eminent services. For the Financial Year 2017-18 your company has booked a Profit of Rs. 1224.39 Lakhs as compared to profits amounting to Rs. 629.01 Lakhs in the year 2016-17.

Your Company totally backs the Vision of our respected Prime Minister on "Digital India", embracing his vision your company has Launched Online Investment Platform on Mutual Fund named "Investica" and is on the verge of launching its online Mobile & Web based Trading Platform named "JIFFY".

During the Financial year 2017-18 your company has propelled an innovative way of catering its services by establishing "Choice Kendras" at various places, by on boarding the Clients through our retail outlets. All the Financial services provided by the company

can be made available through our Retail Outlets i.e through our "Choice Kendras", to facilitate our clients at their ease!!

The Services provided by your Company is detailed in the Management Discussion & Analysis Report in depth. The core business activities of the group includes Broking & Distribution, Mutual Fund Distribution, Portfolio Management, Merchant Banking, Debt Syndication, Management Consultancy, Cross Border Consultancy, NBFC Lending, Retail Loans, IT Solutions.

All the above stated activities can be reached through our "Choice Kendras".

We look forward to FY 2018-19 bringing in new growth prospects giving us an opportunity of narrating one more year to narrate our growth journey.

I express my gratitude for the sound guidance and contribution of my fellow Directors. I commend my team as everyone at Choice has contributed to the Company's growth and their commitment and dedication and sheer hard work is an indeed an inspiration.

As we move ahead, the impulses of uncertain environment would continue to confront all the business. The Company is capable of steering these uncertainties and would continue to invest in its capabilities to deliver sustainable long term performance.

I take this opportunity to thank all our stakeholders for the faith rested in the Company and look forward to your continued support in our Journey with the vision of being सर्वश्रेष्ठ.

I further take this chance of apprising our client with a statement:

**AAP KIJIYE KAMYABI KI TAYAARI,
BAAKI HAMARI ZIMMEDARI**

**With best wishes,
Thanking You,**

KAMAL PODDAR
Managing Director
DIN No: 01518700



BOARD OF DIRECTORS

“

While innovation influxes a **CHANGE**
in the system, It's the leadership that
distinguishes you from being a
ME TOO & become

सर्वश्रेष्ठ!

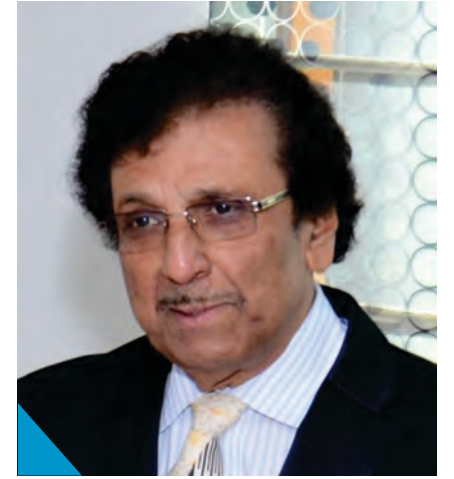
-CA KAMAL PODDAR
Managing Director



CA Ajay Kejriwal
Executive Director



Mrs. Hemlata Poddar
Non - Executive Director



Mr. Debkumar Goswami
Independent Director



Mr. L.N.Nathuramka
Independent Director



Mr. Kanhaiyalal Berwal
Independent Director



Mr. Ashok Kumar Thakur
Independent Director



Mr. Bharatkumar Shah
Independent Director

CORPORATE INFORMATION



Cs karishma Shah
Company Secretary



CA Manoj Singhania
Chief Financial Officer



BANKERS

ICICI	Axis	HDFC	BOI	SBI
Canara	Kotak	Central Bank of India	IDFC	YES



SUBSIDIARY COMPANY

- ▶ Choice Equity Broking Private Limited
- ▶ Choice Capital Advisors Private Limited
- ▶ Choice Consultancy Services Private Limited
- ▶ Choice Merchandise Broking Private Limited
- ▶ Choice Wealth Management Private Limited
- ▶ Choice Portfolio Management Services Private Limited
- ▶ Choice Corporate Services Private Limited
- ▶ Choice Finserv Private Limited
- ▶ Choice Peers International Private Limited
- ▶ Choice Retail Solutions Private Limited
- ▶ Choice Tech Lab Solutions Private Limited



REGISTER AND SHARE TRANSFER AGENT

SHAREX DYNAMICS (INDIA) PRIVATE LIMITED
UNIT NO -1, LUTHARA INDUSTRIAL PREMISES,
ANDHERI KURLA ROAD SAFED POOL,
ANDHERI (E), MUMBAI - 400072
PHONE : 022-28515606/5644
www.sharexindia.com



STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP,
Chartered Accountants

Mumbai

SECRETARIAL AUDITORS

M/s. R.M.Mimani & Associates LLP



REGISTERED OFFICE

CHOICE HOUSE
SHREE SHAKAMBHARI CORPORATE PARK, J.B. NAGAR
ANDHERI (EAST), MUMBAI - 400099
PHONE NO : +91-022-6707-9999
FAX NO: +91-022-6707-9898
EMAIL : info@choiceindia.com
Website : www.choiceindia.com



BOARD REPORT

DEAR MEMBERS,

The Board of Directors hereby submit the report of the business and operations of the Company ("the Company" or "Choice International Limited") along with Audited Financial statements, for the Financial year ended March 31, 2018. The Consolidated Performance of the Company and its subsidiaries has been referred to wherever required.

CORPORATE OVERVIEW:

The Company "Choice International Limited" as on the year ended March 31, 2018 and as on the date of the report is holding the status of a Non - Banking Financial Company, Registered with the Reserve Bank of India holding a valid certificate of Registration. However on availing the NBFC Registration in the name of M/s. Choice Finserv Private Limited the wholly owned subsidiary company, the Company "Choice International Limited" pursuant to the Postal Ballot has sought the consent of the Member for resuming its NBFC activities in the name of its wholly owned subsidiary "M/s. Choice Finserv Private Limited" & surrender the NBFC License held in the name of the Company "M/s. Choice International Limited" vide postal ballot notice dated February 12, 2018. On securing the requisite consent from the members, the Company is in the process of surrendering its NBFC Registration held in the name of the Company. On surrender of its NBFC License the Company shall stand as sheer Listed Holding Company.

On Surrender of the NBFC License, the Company stands as a Holding Company to its 11 Wholly Owned Subsidiaries, the details of which are incorporated in the Report. On Consolidated basis the group Choice is a Conglomerate providing a range of Financial services under one ridge. "Choice" group in itself is a complete raft for one's Financial need, a one stop solution catering to all your Financial need.

FINANCIAL RESULTS:

A summary of the Company's Financial Results for the Financial Year 2017 - 18 is as under:

(₹ in Lakhs)

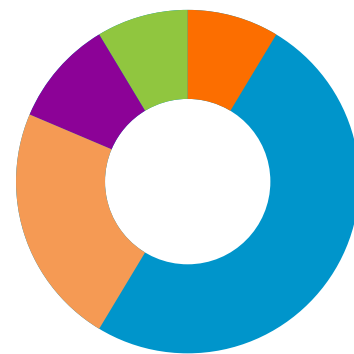
Particulars	Standalone		Consolidated	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Revenue from Operations	2,264.03	1,962.60	14,292.82	13,039.46
Other Income	18.44	134.13	895.17	465.92
Total Income	2282.47	2096.73	15,187.99	13,505.38
Less Expenses:				
a) Purchases	-	486.81	3,083.06	1,796.32
b) Change in Inventories	16.66	(3.34)	(833.85)	(148.69)
c) Operating Expenses	-	-	2,977.28	4,529.90
d) Employee benefit Expenses	300.19	310.91	4,015.99	2,763.91
e) Finance Cost	988.59	422.25	2056.07	1,907.12
f) Depreciation & Amortisation expense	78.28	92.51	277.03	222.85
g) Other Expenses	597.87	441.32	2,036.65	1,406.27
Total Expenses	1,981.59	1,750.46	13,612.23	12,477.68
Profit before Tax & Exceptional Items	300.88	346.27	1,575.76	1,027.70
Net Profit before Tax	300.88	346.27	1,575.76	1,027.70
Net Profit After Tax	230.13	258.78	1203.38	601.97
Share of Profit from Associates	-	-	21.01	27.04
Net Profit after taxes and share of profit from associates	-	-	1,224.39	629.01
Paid Up Equity Share Capital	2000.48	1000.48	2000.48	1000.48
Reserves excluding Revaluation Reserves	7539.36	4309.23	10,447.70	5,977.18
Earning Per Share				
Basic	1.25	2.59	6.54	6.02
Diluted	1.15	1.30	6.02	3.03



COMPANY'S PERFORMANCE REVIEW:

Your Company reported growth in revenue from operations on a consolidated level by 12.46% during the financial year 2017- 18. The Profit after Tax for the Current Year is Rs. 1224.39 Lakh against Rs. 629.01 Lakh in the Previous Year.

REVENUE DISTRIBUTION BUSINESS SEGMENT



- Broking & Distribution
- Outsourcing
- NBFC & Other
- Investment Banking
- E-Commerce & Technical Service

DIVIDEND

Your Director's do not recommend any Dividend for the Year ended March 31, 2018 in order to conserve the Resources of your Company.

EQUITY SHARE CAPITAL

The Company had issued one Crore Warrants to be converted in to Equity Shares on Preferential basis to the Promoters of the Company pursuant to the approval of the Members of the Company by means of conducting an Extra Ordinary General Meeting held on March 15, 2016.

On obtaining the approval of the Members of the Company vide passing a Resolution dated March 15, 2016 & on obtaining the In Principal approval from "BSE Limited" the Exchange, the Company had issued One Crore warrants on Preferential basis to the Promoters of the Company on April 08, 2016.

On receipt of the entire consideration amount along with a request to convert the warrant in to Equity Shares, from the warrant holder the Company had approved the Conversion of Warrants in to equivalent number of Equity Shares of the Company on May 30, 2017. On Conversion of One Crore warrants in to Equity Shares of the Company the Paid up Share Capital of the increased from Rs. 10,00,48,000/- (Rupees Ten Crores Forty Eight Thousand Only) to Rs. 20,00,48,000/- (Rupees Twenty Crore Forty Eight Thousand Only) with effect from May 30, 2017. On conversion of the One Crore warrants in to Equity shares, there are no warrants to be converted in to Equity Shares subsisting in the Company.

The one Crore warrants converted in to Equity Shares were Listed on "BSE Limited" the exchange on July 03, 2017 & were traded on the exchange with effect from July 18, 2017.

On allotment of One Crore Equity shares on conversion of warrants, the promoters' stake in the Company was increased from 46.84 % to 73.42 % with effect from May 30, 2017. On increase in the Promoter's stake by more than 5 % in a financial year the Promoters of the Company had given an open offer during the year in Compliance with Regulation 3(2) and other applicable provisions of SEBI (SAST) Regulations.

The said open offer given by the Promoter of the Company was without change in control & Management of the Company.

DEBENTURES

During the year the Company had redeemed 25 Secured, Redeemable, Unrated, Unlisted, Market Linked, Non - Convertible Debentures. As on March 31, 2018 there are 310 Secured, Redeemable, Unrated, Unlisted, Market Linked, Non - Convertible Debentures.

PUBLIC DEPOSIT

Your Company being an RBI Registered Non - Deposit taking Non - Banking Financial Company as on March 31, 2018, the Company has not accepted any deposit from the public during the year under review.

PROVISIONS OF FINANCIAL ACCOUNTS

As mandated by Ministry of Corporate Affairs , the Financial statements for the year ended on March 31, 2018 has been prepared in accordance with Provisions of the Sec 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flow for the year ended March 31, 2018.

CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (herein after referred to as " Listing Regulation") and applicable provisions of the Companies Act, 2013 read with rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2017 - 18 have been prepared in Compliance with applicable Accounting Standards and on the basis of Audited Financial statements of the Company, its subsidiaries and associate companies, as approved by the respective Board of Directors.

The Consolidated Financial statements together with the Auditor's Report form part of this Annual Report.

SUBSIDIARIES & ASSOCIATE COMPANIES

A separate statement containing the salient features of the Financial statements of all subsidiaries of the Company in the prescribed Form AOC -1 forms a part of consolidated financial statements in compliance with section 129(3) and other applicable provisions , if any of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014. The said Form also highlights the Financial performance of each of the subsidiaries and joint ventures Companies included in the consolidated financial statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with section 136 of the Companies Act, 2013, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays , Sundays and Public Holidays up to the date of the Annual General Meeting " AGM". Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The Financial Statements including the consolidated financial statements and all other documents required to be attached to this report have been uploaded on the website of the Company www.choiceindia.com . The Company has formulated a policy determining material subsidiaries. The Policy is available on the Website of the Company www.choiceindia.com. During the Year under review:

The Company has acquired 100 % stake in M/s. Choice Retail Solutions Private Limited, thus entering the league of Choice group by becoming the wholly owned subsidiary of M/s. Choice International Limited. Through Choice Retail solutions the group provides its different kinds of Financial Services including ones Investment needs from Taxation to Mutual Funds to Loans to Stock Markets through our retail outlet. Through our Retail Outlets named as Choice Kendra or Choice Centre, the advantage of contiguity for any corporates or individuals is to walk-in and avail the services of Choice Group.

The Company has disposed of its holding in M/s. Choice E-Commerce Private Limited the Wholly owned Subsidiary Company & thus has bolted down on its E-Commerce Vertical.

LIST OF SUBSIDIARIES & ASSOCIATES AS ON MARCH 31, 2018

Sr. No	Company Name	Subsidiary/ Associate/ Joint Venture	Business Activity
1	Choice Equity Broking Private Limited	Wholly Owned Subsidiary	Equity Broking , Currency Broking & Depository Services
2	Choice Merchandise Broking Private Limited	Wholly Owned Subsidiary	Commodity Broking
3	Choice Consultancy Services Private Limited	Wholly Owned Subsidiary	Business Advisory & Consultancy
4	Choice Capital Advisors Private Limited	Wholly Owned Subsidiary	Merchant Banking & Advisory Services
5	Choice Corporate Services Private Limited	Wholly Owned Subsidiary	Providing Retail Loan
6	Choice Wealth Management Private Limited	Wholly Owned Subsidiary	Mutual Fund Distribution
7	Choice Portfolio Management Services Private Limited	Wholly Owned Subsidiary	Portfolio Management Services
8	Choice Finserv Private Limited	Wholly Owned Subsidiary	Non-Banking Financial Company involved in Lending activity
9	Choice Peers International Private Limited	Wholly Owned Subsidiary	Cross Border Consultancy
10	Choice Tech Lab Solutions Private Limited	Wholly Owned Subsidiary	IT Solutions
11	Choice Retail Solutions Private Limited	Wholly Owned Subsidiary	Providing Financial Services through Retail Outlets
12	Aqua Pumps Infra Ventures Limited	Associate Company	Infrastructure Consultancy
13	Thoughts Consultants Jaipur PL in JV with Choice Consultancy Services PL	JV of Wholly Owned Subsidiary	-

The Company “M/s. Choice Portfolio Management Services Private Limited” had applied for Registration as a SEBI Registered “Portfolio Managers” to conduct the Portfolio Management activities, on September 28, 2017 the Company had secured the certification as an “SEBI” registered Portfolio Manager. The group is keen on providing the best Portfolio Management services for generating wealth for its Clients.

The group to expand its Business as a Non -Banking Financial Company or “NBFC”, had applied for Registration as an NBFC in the name of “M/s. Choice Finserv Private Limited”. On January 12, 2018 the company had secured the License as a Non - Deposit taking NBFC Company engaged in lending activities in the name of “M/s. Choice Finserv Private Limited. However the license granted by the “Reserve Bank of India” was on a condition that , the Holding Company M/s. Choice International Limited” also being an NBFC Company shall surrender its License as an NBFC Company within six Months from the grant of Registration as an NBFC to its wholly owned subsidiary M/s. Choice Finserv Private Limited. To execute the same M/s. Choice International Limited the holding Company had sought approval from the Shareholders of the Company Vide Postal Ballot Notice dated February 12, 2018. The resolution for Closure of NBFC Business of M/s. Choice International Limited & Surrender of NBFC License & resuming the NBFC Business through its wholly owned subsidiary M/s. Choice Finserv Private Limited was passed with requisite majority with effect from March 30, 2018.

The Company is in the process of resuming its NBFC Business through its wholly owned Subsidiary M/s. Choice Finserv Private Limited.

On surrender of NBFC License, the Company “Choice International Limited” shall stand only as an Holding Company to all its Subsidiaries.

DIRECTORS & KEY MANAGERIAL PERSONS**Appointment of Independent Director:**

During the year under review Mr. Bharat Kumar Shah (DIN No : 07393863) was appointed as the Additional Director of the Company with effect from April 29, 2017 in the capacity of Independent Director. However his appointment as an Independent Director of the Company was approved by the Members at the 24th Annual General Meeting of the Company held on September 18, 2017.

Retirement by Rotation & Subsequent Re- appointment

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and the Articles of Association of the Company , Mrs. Hemlata Poddar , the Non- Executive Director (DIN No : 02931322), liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered herself for re- appointment.

Appropriate resolution for her re- appointment is being placed for the approval of the Members of the Company at the ensuing Annual General Meeting. The brief resume of Mrs. Hemlata Poddar and other related information has been detailed in the Notice convening the 25th Annual General Meeting of the Company. Your Directors recommend the appointment of Mrs. Hemlata Poddar as the Non -Executive Director of the Company.

In accordance with the provisions of the Companies Act, 2013 read with rules issued thereunder, the Listing Regulations and the Articles of Association of the Company, the Independent Director and the Managing Director of the Company are not liable to retire by rotation.

Resignation of Directors between the end of the Financial Year and date of the Report

Mr. Lalit Menghnani (DIN: 06614582) & Mr. Raghuvir Shrivastava (DIN No: 01199531) the Independent Directors of the Company has resigned from the Directorship of the Company with effect from May 25, 2018 & May 30, 2018 respectively.

List of Directors of the Company as on the Date of the Report

CATEGORY	NAME OF DIRECTOR
Executive Director (Managing Director)	Mr. Kamal Poddar
Executive Director	Mr. Ajay Kejriwal
Non - Executive Director	Mrs. Hemlata Poddar
Non- Executive Independent Director	Mr. Debkumar Goswami
Non- Executive Independent Director	Mr. Ashok Kumar Thakur
Non- Executive Independent Director	Mr. Kanhaiyalal Berwal
Non- Executive Independent Director	Mr.L.N. Nathuramka
Non- Executive Independent Director	Mr. Bharat Kumar Shah

**Number of Meetings of the Board & its Committees**

The details of the number of meetings of the Board of Directors & its Committees held during the Financial Year 2017 - 18 forms part of the Corporate Governance Report. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Committees of the Board

The Board of Directors has the following Committees:

- i) Audit Committee
- ii) Nomination & Remuneration Committee
- iii) Stakeholder's Relationship Committee
- iv) Corporate Social Responsibility Committee

The details of the above mentioned committees along with their composition, number of meeting held and attendance at the meetings are provided in the Corporate Governance Report.

For the lucid & competent working, the Company had constituted various Internal Committee consisting of the Executive, Independent Director of the Companies along with the involvement of the Senior Level Management in the committees for the smooth operations of the Company, the details of committees constituted by the Company are as follows:

- i) Finance Committee
- ii) Investment Committee
- iii) Securities Allotment Committee

The meetings of the above mentioned Committees are held at Regular Intervals for the smooth operations of the Company and decisions undertaken are by the set of collective people on the Consent of the majority of the members of the committee. The pronouncements of the committees are verified by the Board in their subsequent Meetings.

Declaration of Independence

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder as well as Regulations 16 of the Listing Regulations (including any statutory modification(s) or re- enactment(s) thereof for time being in force.

Key Managerial Personnel

The following are the Key Managerial Personnel of the Company:

- 1) Mr. Kamal Poddar: Managing Director
- 2) Mr. Ajay Kejriwal : Executive Director
- 3) Mr. Manoj Singhania: Chief Financial Officer
- 4) Ms. Karishma Shah: Company Secretary





AUDITOR'S

Statutory Auditor

Auditor's Report for the year under review does not contain any qualification or adverse remark.

The Board had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Registration No.117366W/W-100018) as the Statutory Auditors of the Company in place of M/s. Gupta Shyam & Co. Chartered Accountant the Retiring Auditor with effect from August 14, 2018. At the 24th Annual General Meeting of the Company held on September 18, 2018 the Members of the Company had approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai Registration No.117366W/W-100018) for a tenure of 5 years from the date of the said Annual General Meeting, subject to ratification by the Members at the subsequent Annual General Meeting.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Registration No.117366W/W-100018) are the Statutory Auditor of the Company for the Year end March 31, 2018. Their appointment as the Statutory Auditors will be ratified at the ensuing Annual General Meeting pursuant to the Provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder.

Secretarial Auditor

The Board of Directors of the Company has appointed M/s. R.M.Mimani & Associates LLP, Practicing Company Secretaries (CP No .11601) as the Secretarial Auditor to conduct an Audit of the Secretarial Records for the Financial Year 2018-19.

The Secretarial Audit Report for the Financial Year ended March 31, 2018 is annexed to this Report as "Annexure MR-3". With respect to Report the Company hereby like to state that the company is in the process of transferring the shares to IEPF for the year 2009-10.

Internal Auditor

The Board of Directors of the Company has appointed M/s. Gupta Shyam & Co. Chartered Accountant (Registration No: 103450W) as the Internal Auditor of the Company with effect from September 30, 2017 in place of M/s. A.P. Sanzgiri & Co. Chartered Accountants.

The reports submitted by the Internal Auditor have been reviewed by the Statutory Auditors and the Audit Committee on regular intervals.

MATERIAL CANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND TO THE DATE OF THIS REPORT

1) Your Company had incorporated a Wholly owned Subsidiary in the name of M/s. Choice Finserv Private Limited to expand its NBFC Activities. On 12th of January, 2018 the Company M/s. " Choice Finserv Private Limited" had secured an NBFC License as granted by the Reserve Bank of India as a Non - Deposit taking NBFC, engaged primarily in lending activities. Your Company had sought approval from the Shareholders of the Company Vide Postal Ballot Notice dated February 12, 2018 seeking approval of the Members for Closure of NBFC Business of M/s. Choice International Limited the holding Company & surrender of NBFC License & resuming the NBFC activity through its wholly owned subsidiary M/s. Choice Finserv Private Limited.

On the approval of requisite majority of the Members of the Company, your Company is in the process of surrendering the NBFC License held in the name of M/s. Choice International Limited.

Post the surrender of NBFC License your Company stands as an Listed holding Company to all its Subsidiaries.

2) M/s. Choice Equity Broking Private Limited our wholly owned Subsidiary engaged primarily in the business of Equity Broking has entered in to the Agreement with M/s Inditrade Capital Limited for acquisition of their Broking business, subject to necessary statutory clearances.

M/s. Inditrade Capital Limited an Indian Public Listed Company, incorporated in the year 1994 is a leading player in agri - Commodity financing business and a well-known financial service provider

focusing on Micro Finance, having its registered office in Kerala. The acquisition of Broking Business of M/s. Inditrade Capital Limited brings over its 1.2 lakh client base into M/s. Choice Equity Broking Private Limited & additionally brings in its robust network of 27 branches and 440 Franchises & Business Associates along with 313 employees.

The transaction of acquisition of Broking Business not being a related party transaction has been executed by entering in to a Business Transfer agreement with M/s. Inditrade Capital Limited on May 18, 2018 for a consideration of INR 320 Million.

3) In reference to the SEBI Circular No. SEBI / HO / MIRSD / MIRSD1 / CIR/P / 2017 / 104 and to contract the benefit of operational synergies your Company is in the process of Merging to of its wholly owned Subsidiaries namely M/s. Choice Merchandise Broking Private Limited to be referred to as the "Transferor" Company with M/s. " Choice Equity Broking Private Limited" to be referred to as the Transferee Company engaged primarily in Commodity & Equity Broking respectively. Both the applicant companies has filed the Petition of Merger / Amalgamation with the National Company Law Tribunal on June 04, 2018 and is in awaiting the order for the same.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The Remuneration Paid to Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any Statutory Modification(s) or re- enactments thereof for time being in force).

The information required under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re- enactments thereof for time being in force forms a part of this Annual Report. However, this information is not set along with this report as per the provisions of section 136 of the Act. Members interested in obtaining these particulars may request to the Company Secretary at the Registered Office of the Company.

Policy on Performance Evaluation and Remuneration of the Directors

Scope:

All the Members of the Board of Directors.

Objective:

- To provide Directors an opportunity to reflect on and assess their areas of Strength & Development.
- To monitor and evaluate the accomplishment of the Board of Directors.

Key Evaluation Criteria

- Attendance and contribution at Board and Committee meetings
- His/her stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities,
- Sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.

- His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- Quality of decision making & understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
- His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- His/her contribution to enhance overall brand image of the Company.

Evaluation Process of Independent Directors

Choice International Limited believes in value for its stakeholders through ethical processes and integrity. The Board plays a very important role in ensuring the Company's performance to monitor and provide timely inputs to enhance the Company's performance and set the right direction for growth. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

At "Choice" we follow annual evaluation for our Key Managerial Persons and other eligible employees including the senior management team. A process sculpted on this method has been designed for evaluation of Directors under this process, the Company management team will:

- Formulate the process for evaluating and rating Directors
- Design the evaluation templates / questionnaire and implementation process
- Peer Review of each Director
- Analyse feedback received from each Director
- Weighing the evaluation summary of each Director

Criteria for determining Remuneration of Directors

In pursuance of the Company's Policy to consider Human Resources as its invaluable assets, to pay equitable remuneration to all Directors, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Regulations with the Stock Exchange(as amended from time to time), the policy on nomination and remuneration of Directors, Key Managerial (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

The Non - Executive Independent Director(s) will receive remuneration by way of sitting fees for attending meetings of the Board and / or committee thereof, as decided by the Board from time to time, subject to the limits specified under the Companies Act, 2013 (herein referred to as "The Act") including any amendments thereto.

The remuneration of Non - executive Director will be governed by the role assumed , number of meetings of the Board and the Committee thereof attended by the Directors, the position held by them as the Chairman and the contribution to the Business. The determination of remuneration shall also be depended on the external competitive environment, track record, individual performance of the directors and performance of the Company as well as the industry standards.

The Compensation structure for Executive Director(s) consists of two parts - Fixed and Variable.

The fixed component comprises of salary, allowances, perquisites and variable component comprises of performance bonus and may include commission subject to the approval of the members. The remuneration to the executive Director's are reviewed annually.

The Compensation structure of the Executive Director(s) is also reviewed by the Nomination and Remuneration Committee and also approved by the Shareholders of the Company.

The fixed and variable compensation of Executive Director(s) is determined on the basis of Individual Performance and Performance of the Company.

RELATED PARTY TRANSACTION

All contracts / arrangements / transactions entered by the Company with related parties were in ordinary course of business and at arm's length basis.

During the year under review, the Company has not entered in to any contracts/ arrangements/ transactions with related parties which qualify as material in accordance with the policy of the Company on materiality of related party transactions.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the policy on Related Party Transactions formulated by the Company.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

The details of the related party transactions are set out in notes to Financial Statements. Form AOC - 2 pursuant to section 134(3)(h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Account) Rules , 2014 is set out in the Annexure to this report & also forms the part of the financial

PARTICULARS OF LOANS, GAURANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments under the provisions of

Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules 2014 as on March 31, 2018 are set out in the Financial Statements of the Company.

NUMBER OF MEETINGS OF THE BOARD

Five Meetings of the Board of Directors were held during the Financial Year. The details of the meetings of the Board of Directors of the Company convened during the Financial Year 2017 - 18 are given in the Corporate Governance Report which forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report on the operations of the Company , as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an Integral part of this report.

CORPORATE GOVERNANCE

As per Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations , 2015 a separate report on Corporate Governance practises followed by the Company, together with a certificate from the Company's Auditor confirming compliance forms an integral part of this report.

EXTRACTS OF ANNUAL RETURN

The details forming Part of the extracts of the Annual Return in form MGT - 9 , as required under Section 92 of the Companies Act, 2013 is annexed as Annexure - A and forms an integral part of this Report.

POLICIES OF THE COMPANY

In light of Good Corporate Governance practises and to adhere to persistent efforts to create a value for our stake holders & to set a benchmark of thorough professionalism your company has adopted key policies for the lucid operations of the Company, the details of policies adopted by the Company are as follows:

Name of the Policy
1) Whistle Blower Policy
2) Nomination & Remuneration Policy
3) Policy on Related Party Transaction
4) Policy on determination of Materiality of Events
5) Code of Conduct for the Board Members and Senior Management Personnel
6) Code of Employees
7) Code of Fair Disclosure of Unpublished Price Sensitive Information
8) Policy on Archival of Information



INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthen with standard operating procedures. Internal Financial control systems of the Company have been designed to provide reasonable assurances with regards recording and providing reliable financial and operating information, complying with applicable Accounting Standards.

The Company's Internal Control system is appropriate with its size, scale & complexities of its operations. The main plunge of internal audit is to test and review controls, appraisal of risks and business processes besides benchmarking controls with best practises in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. There are adequate polices, authorization matrices governing financial transactions and approvals.

The Company periodically conducts physical verifications of inventory, fixed assets and Cash on hand and matches them with the books of account. Explanations are sought for any variances noticed from the respective functional heads. For each major element in the financial statements, the inherent reporting risks have been identified by the Company. Controls have been put to mitigate these risks. These risks and the mitigation controls are revisited periodically.

The Audit Committee of the Board of Directors, statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective action taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

RISK MANAGEMENT

The Company has well - defined process in place to ensure appropriate identification and treatment of risks. The identification of risks is done at strategic, business , operational and process levels. While the mitigation plan and actions for risks belonging to strategic, business and key critical operational risks are driven by senior leadership , for the rest of the risk, operating managers drive the conception and subsequent auctioning of mitigation plans.

The Key strategic, business and operational risks which are significant in terms of their impacts to the overall objectives of the Company along with status of the mitigation plans are periodically presented and discussed. All significant risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior Leadership.

The Company through its risk Management process aims to contain risks within its risk appetite. There are no risk which in the opinion of the Board threaten the existence of the Company. However, some of the risks which are set out in the Management Discussion and Analysis which forms part of this Annual Report.

VIGIL MECHANISM/WHISTEL BLOWER POLICY

The Company has established a Vigil Mechanism to provide suitable boulevards to the Employees to bring to the Management, their sincere concerns about the unethical behaviour observed in the organisation. The Whistle Blower Policy approved and adopted by the Company is in Compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The whistle blower policy adopted by the Company has been posted on the Website of the Company viz www.choiceindia.com .

During the year under review there are no complaints/ reporting's received to your company in the said mechanism for the Company and for its Subsidiaries.

POLICY ON PREVENTION OF SEXUAL HARASSMENTATWORKPLCAE

The Company's policy on Prevention of Sexual Harassment at work place is in line with the requirement of Sexual Harassment of women at work place (Prevention , Prohibition and Redressal) Act, 2013 (Prevention of Sexual Harassment of Women at Work Place Act) and Rules framed thereunder. Internal Complaints Committees have also been set up to redress complaints received regarding sexual harassment.

During the financial year 2017- 18, no cases in the nature of sexual harassment were reported at any workplace of the company or any of its subsidiaries.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the Financial Year 2017- 18, there were no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

CORPORATE SOCIAL RESPNSIBILITY

The practice of CSR or Corporate Social Responsibility as a paradigm for firms and businesses to follow has evolved from its early days as a slogan that was considered trendy by some firms following it to the present day realities of the 21st century where it is no longer just fashionable but a business requirement to be socially responsible.

Corporate social responsibility (CSR) also known as corporate citizenship, corporate philanthropy has become increasingly important because today's heightened interest in the proper role of business in society has been promoted by increased sensitivity to and awareness of environmental and ethical issues. CSR is a culture and unwritten contract with the community. This invisible culture can shape brighter future for nations.

Your Company voluntarily has adopted CSR Policy to shoulder its responsibility towards the society and also constituted a CSR Committee to ascertain the activities taken by the company in the best interest of the society although the Company does not fall in the mine of the applicability of Section 135 of the Companies Act, 2013.

Focus Area

In accordance with the Company Acts, 2013 the Company focus would be for working in various fields to take step towards ecological development of the Society and environment and thus being desirous to make the world a better place to survive and sustain. Amongst others the Company will mainly focus on:

- 1) Hunger, Poverty, Malnutrition & Health
- 2) Education
- 3) Gender Equality
- 4) Supporting Rural Development
- 5) Ensuring Environmental Sustainability
- 6) Promoting Sports and healthy living

During the year your company has spent an amount of Rs. 11,61,661/- in the field of education & health.

BUSINESS RESPONSIBILITY REPORT (BRR)

Regulation 34(2) of the SEBI Listing Regulations, 2015 inter alia provides that the Annual Report of top 500 listed entities based on market capitalisation (calculated on March 31 of every financial year shall include a Business Responsibility Report(BRR).

Your Company does not fall within the purview of the above mentioned regulation, however in order to follow the best Corporate Governance practises and in the interest of all the stakeholders your company has adopted its Business Responsibility report (BRR) which is enclosed as Annexure to the Directors Report .

HUMAN RESOURCE

Your Company believes that Human Resource is important to the organizations in myriad areas, ranging from strategic planning to company image. The purpose of Human Resource development is to provide the 'coaching' needed to strengthen and grow the knowledge, skills, and abilities that an employee already has. The goal of development and training is to make employees even better at what they do.

At Choice we believe that employees are the most treasured possessions and Crucial Players for the growth and Success of the Business. The Company as a structured induction process at all locations and management development programs to upgrade skills of managers. The Company has continued to conduct various employee benefit, recreational and team building programs to enhance employee skills, motivation and in all to foster team spirit. The Company is committed to fostering, augmenting and holding its top talent of the Company.

DIRECTOR’S RESPONSIBILITY STATEMENT

Pursuant to section 134 of the Companies Act, 2013(including any statutory modifications) or re-enactment(s) thereof for the time being in force), the Directors of the Company confirm that:

- a) That in preparation of the Annual Accounts for the year ended March 31, 2018, the applicable Accounting Standard had been followed along with proper explanation relating to material departures, if any.
- b) That the Director’s had selected accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the Financial Year ended March 31st Match, 2018 and of the Profit of the Company for the year.
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Annual accounts/financial statements have been prepared on a going concern basis.
- e) That proper internal financial control were in place and that the financial control were adequate and were operating effectively;
- f) That the Director’s have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A) CONSERVATION OF ENERGY

l) The steps taken or impact on conservation of Energy:

The operations of the Company are not energy-intensive. However

On behalf of the Board of Directors

Sd/-
Kamal Poddar
(Managing Director)
DIN No: 015187000

Sd/-
Ajay Kejriwal
(Director)
DIN No: 03051841

Mumbai : August 09, 2018

adequate measures have been initiated for conservation of energy.

II) The steps taken by the Company for utilising alternate source of energy:

Though the operations of the Company are not energy intensive, the Company promotes green energy and energy saving initiatives among its employees. The Company has installed a roof top solar power plants at its corporate office.

III) The Capital Investment on energy conservation equipment: by the company is around Rs. 14,00,000/-

B) TECHNOLOGY ABSORPTION

i) The efforts towards technology absorption:

The minimum technology required for the business has been absorbed, the company has also adopted an online enterprise wide Human Resource system which eliminates manual working, encourages paperless working & easy availability of data on the system.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution – Encourages paperless working & reduces manual working.

iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year): N.A.

iv) The expenditure incurred on Research and Development: Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no Foreign Exchange earnings and outgo during the year under review.

CEO & CFO CERTIFICATIONS

In terms of Regulations 17(8) of the Listing Regulations, a certificate as prescribed in Part B of the said Regulations , from Mr. Kamal Poddar , Managing Director of the Company and Mr. Manoj Singhaniania , Chief Financial Officer of the Company , for the Financial Year 2017- 18 with regards to financial statements and other matters are required under the Listing Regulations forms part of the Report on Corporate Governance.

APPRECIATION & ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation , for the contribution made by the employees at all levels because of who’s hard work and support , your Company’s achievements would not have been possible.

The Directors also place on record their earnest gratitude for the continued support extended by the bankers, financial institutions, lenders and stakeholders and the faith rested by them for “Choice”.

Further the Directors express their sincere appreciation to the Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, Ministry of Corporate Affairs, Registrar of Companies, Depositories, other Government & Regulatory Authorities for their on- going support extended by the them towards your Company.

ANNEXURE TO DIRECTOR’S REPORT AOC-1
Statement containing the silent features of the financial statement of subsidiaries/ associate companies/ joint venture

PART "A" SUBSIDIARIES

[Pursuant to first proviso to Sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Account) Rules, 2014]

SR No	Name of Subsidiary	Nreporing Periodame of Subsidiary	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Choice Equity Broking Private Limited	March 31, 2018	INR	66,500,000	448,611,621	1,865,250,116	1,350,138,495	197,350	743,706,524	61,642,021	24,838,613	36,803,408	-	100
2	Choice Merchandise Private Limited	March 31, 2018	INR	14,000,000	110,172,902	287,452,559	163,279,657	4,178,419	116,875,873	72,041,453	2,527,321	69,514,132	-	100
3	Choice Capital Advisory Private Limited	March 31, 2018	INR	50,500,000	24,938,157	110,779,213	35,341,056	50,096,906	64,594,912	11,972,499	548,947	11,423,552	-	100
4	Choice Finserv Private Limited	March 31, 2018	INR	20,600,000	428,535	21,626,333	597,798	-	1,424,262	914,949	149,594	765,355	-	100
5	Choice Consultancy Services Private Limited	March 31, 2018	INR	50,000,000	51,315,272	213,182,286	111,867,014	-	361,290,380	14,656,244	4,357,108	10,299,136	-	100
6	Choice Corporate Services Private Limited	March 31, 2018	INR	100,000	(3,134,015)	5,987,336	9,021,351	-	22,075,213	760,645	(31,787)	792,432	-	100
7	Choice Wealth Management Private Limited	March 31, 2018	INR	100,000	(20,476,497)	5,582,464	25,958,962	-	4,218,642	(20,067,650)	153,621	(20,221,271)	-	100
8	Choice peers International Private Limited	March 31, 2018	INR	1,000,000	(10,840,189)	5,492,950	15,333,139	-	241,448	(8,723,942)	(3,899,859)	(4,824,083)	-	100
9	Choice Retail Solutions Private Limited	March 31, 2018	INR	100,000	(1,283,975)	600,484	1,784,459	-	167,874	(240,611)	-	(240,611)	-	100
10	Choice Portfolio Management Services Private Limited	March 31, 2018	INR	21,100,000	(443,356)	22,992,952	2,336,307	-	1,493,212	420,591	108,300	312,291	-	100
11	Choice Tech Lab Solutions Private Limited	March 31, 2018	INR	100,000	3,844,549	30,814,388	26,869,839	-	98,561,236	9,343,101	1,205,551	8,137,550	-	100

Notes:
1. During the year the name of M/s. Choice Insurance Brokers Private Limited has been changed to M/s. Choice Stock Trade Private Limited and further changed to M/s. Choice Portfolio Management Services Private Limited with effect from July 24, 2017 .
2. Choice Consultancy Services Private Limited includes share of Jointly Controlled Operations.
3. Choice E-Commerce Private Limited ceased to be a subsidiary from March 26, 2018
4. The Company has acquired 100 % stake in M/s. Choice Retail Solutions Private Limited with effect from December 06, 2018.

Part "B" ASSOCIATES/ JOINT VENTURES**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

SR No	Name of Associates / Joint Ventures	Aqua Pumps Infra Ventures Limited (Associate)	Thought Consultants Jaipur P L in JV with Choice Consultancy Service P L
1.	Latest audited Balance Sheet Date	31.03.2018	31.03.2018
2.	Shares of associates/ Joint Ventures held by the company on the year end		
	i. Numbers	5,952,850	-
	ii. Amount of Investment in Associates/ Joint Ventures	148,792,305	-
	iii. Extent of Holding %	39.35%	50.00%
3.	Description of how there is significant influence	By shareholding	Joint Controlled Operation of CCSPL
4.	Reason why the associates/ joint venture is not consolidated	Consolidated	Consolidated
5.	Networth attributable to shareholding as per latest audited Balance Sheet	135,421,912	726,733
6.	Profit/ Loss for the year		
	i. Considered in Consolidation	2,100,552	385,692
	ii. Not considered in Consolidation	-	-

AOC-2**PARTICULARS OF CONTRACTS/ARRANGMENTS MADE WITH RELATED PARTIES**

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Account) Rules, 2014

Form for disclosure of particulars of contract/ arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm length transaction under third proviso thereto

1. **Details of contracts or arrangements or transaction not at arm's length basis:** There were no contracts or arrangements or transaction entered in to during the year ended March 31, 2018, which were not at arm's length basis.

2. **Details of material contracts or arrangements or transaction at arm's length basis:**

Names of the Related Party	Nature of Relationship	Nature of contracts	Duration of Contracts	Silent Terms of Contracts	Dates of Approval by the Board	Amount Received in Rs.
Choice Equity Broking Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	April 29, 2017	3,67,13,610
Choice Merchandise Broking Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	April 29, 2017	1,14,37,527
Choice Wealth Management Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	April 29, 2017	15,81,463
Choice Capital Advisors Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	April 29, 2017	89,49,800
Choice Consultancy Services Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	April 29, 2017	3,48,61,489
S K Patodia & Associates	Associates firm	Support Service Charge	10 Years	Service Charge	April 29, 2017	1,70,09,412

Note :

Other Related Party Transaction details are disclosed under Note. 32 (ii) of the standalone Financial statements.

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L67190MH1993PLC071117
ii	Registration Date	12/Mar/93
iii	Name of the Company	CHOICE INTERNATIONAL LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES (NON-GOVT COMPANY)
v	Address of the Registered office & contact details	CHOICE HOUSE,SHREE SHAKAMBHARI CORPORATE PARK, PLOT NO156-158, J B NAGAR, ANDHERI (EAST), MUMBAI - 400 099
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SHAREX DYNAMIC (INDIA) PRIVATE LIMITEDUNIT NO. 1, LUTHRA INDUSTRIAL PREMISES, ANDHERI-KURLA ROAD, SAFED POOL, ANDHERI (EAST), MUMBAI - 400072

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SR No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Broking & Distribution	74	50.99%
2	Outsourcing	74	24.31%
3	NBFC & Other	74	12.90%
4	Investment Banking	74	5.27%
5	E-Commerce & technical services	74	4.99%
6	Other unallocable	74	1.54%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SR No	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Choice Equity Broking Private Limited	U65999MH2010PTC198714	Subsidiary	100	2(87)
2	Choice Capital Advisors Private Limited	U65990MH2010PTC198262	Subsidiary	100	2(87)
3	Choice Merchandise Broking Private Limited	U65910MH2010PTC198824	Subsidiary	100	2(87)
4	Choice Wealth Management Private Limited	U65999MH2010PTC198598	Subsidiary	100	2(87)
5	*Choice Portfolio Management Services Private Limited	U74140MH2007PTC177075	Subsidiary	100	2(87)
6	Choice Consultancy Services Private Limited	U72900MH2010PTC198603	Subsidiary	100	2(87)
7	Choice Peers International Private Limited	U74999MH2011PTC214759	Subsidiary	100	2(87)
8	Choice Corporate Services Private Limited	U67190MH2011PTC214515	Subsidiary	100	2(87)
9	Choice Finserv Private Limited	U74999MH2016PTC281908	Subsidiary	100	2(87)
10	Choice Tech Lab Solutions Private Limited	U74999MH2016PTC286302	Subsidiary	100	2(87)
11	**Choice Retail Solutions Private Limited	U74999MH2015PTC268856	Subsidiary	100	2(87)
12	Aqua Pumps Infra Ventures Limited	L45400MH1992PLC070070	Associate	39.35%	2(6)

Note :*the name of M/s. Choice Stock Trade Private Limited has been changed to M/s. Choice Portfolio Management Services Private Limited with effect from July 24, 2017.

**The Company has acquired 100 % stake in M/s. Choice Retail Solutions Private Limited with effect from December 06, 2018.

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

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 Shares	Demat	Physical	Total	% of Total Shares	

A. Promoters

(1) Indian									
a) Individual/HUF	4486527	-	4486527	44.84	14300011	-	14300011	71.48	26.64
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	200000	-	200000	1.99	386527	-	386527	1.93	-0.06
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-

SUB TOTAL:(A) (1) 4686527 - 4686527 46.83 14686538 - 14686538 73.42 26.59

(2) Foreign

a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-

SUB TOTAL (A) (2) - - - - - - - - - -

Total Shareholding of Promoter (A)= (A)(1)+(A)(2) 4686527 - 4686527 46.83 14686538 - 14686538 73.42 26.59

B. PUBLIC SHAREHOLDING

(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Cenntal govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-

SUB TOTAL (B)(1):

(2) Non Institutions

a) Bodies corporates	3007912	2000	3009912	30.09	3042379	2000	3044379	15.22	-14.87
l) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1444308	74502	1518810	15.18	1166501	73002	1239503	6.20	-8.98
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	542681	-	542681	5.43	782638	-	782638	3.91	-1.52
c) Others (specify)									
Clearing Member OCB	63231	-	63231	0.63	11666	-	11666	0.01	-0.63
NRI	177639	-	177639	1.77	184076	-	184076	0.92	-0.85
Directors & Relatives	6000	-	6000	0.06	56000	-	56000	0.28	0.22

SUB TOTAL (B)(2): 5241771 76502 5318273 53.16 5243260 75002 5318262 26.53 -26.63

Total Public Shareholding(B)=(B)(1)+(B)(2) 5241771 76502 5318273 53.16 5299260 75002 5318262 26.53 -26.63

C. Shares held by Custodian for GDRs & ADRs

Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-

Grand Total (A+B+C) 9928298 76502 10004800 100 19929798 75002 20004800 100 0

(ii) SHARE HOLDING OF PROMOTERS

SR No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during 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	
1	Mrs. Vinita Sunil Patodia	1,278,927	12.77	0.00	1,575,000	7.87	-	-4.90
2	Mrs.Hemlata Kamal Poddar	200,000	2.00	0.00	850,000	4.25	-	2.25
3	Mr.Sunilkumar Patodia	300,000	3.00	0.00	1,100,000	5.50	-	2.50
4	Mr.Kamal Poddar	887,600	8.87	0.00	25,00,011	12.50	-	3.63
5	Kamal Poddar HUF	225,000	2.25	0.00	225,000	1.12	-	-1.13
6	Arunkumar Poddar	200,000	2.00	0.00	2,100,000	10.50	-	8.50
7	Upton Infrastructure Private Limited	200,000	2.00	0.00	386,527	1.93	-	-0.07
8	Sonu Poddar	100,000	1.00	0.00	1,250,000	6.25	-	5.25
9	Arunkumar Poddar HUF	100,000	1.00	0.00	225,000	1.13	-	0.12
10	Anil Chotmal Patodia	250,000	2.50	0.00	250,000	2.50	-	0.00
11	Sunil Chotmal Patodia HUF	270,000	2.70	0.00	300,000	1.50	-	-1.20
12	Archana Anil Patodia	250,000	2.50	0.00	1,575,000	7.87	-	5.37
13	Anil Chotmal Patodia HUF	225,000	2.25	0.00	300,000	1.50	-	-0.75
14	Mr.Suyash Patodia	100,000	1.00	0.00	300,000	1.50	-	0.50
15	Ms.Shreya Patodia	100,000	1.00	0.00	300,000	1.50	-	0.50
16	Aayush Anil Patodia	-	0.00	0.00	300,000	1.50	-	0.00
17	Aastha Anil Patodia	-	0.00	0.00	300,000	1.50	-	0.00
Total		4,686,527	46.84	-	14,686,538	73.42	-	26.58

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SR No.	Name of Shareholders	Date of Event	Share holding at the beginning of the Year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Kamal Poddar At the Beginning of the Year Purchase of Share Purchase of Share At the end of the year	14-07-2017 10-11-2017	887600 1612400 11 2500011	8.87	887600 2500000 2500011 2500011	8.87 12.50
2	Arunkumar Poddar At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	200000 1900000 2100000	2.00	200000 2100000 2100000	10.50
3	Vinita Sunil Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	1278927 296073 1575000	12.78	1278927 1575000 1575000	7.87
4	Archana Sunil Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	250000 1325000 1575000	2.50	250000 1575000 1575000	7.87
5	Sonu Poddar At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	100000 1150000 1250000	1	100000 1250000 1250000	6.25

SR No.	Name of Shareholders	Date of Event	Share holding at the beginning of the Year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
6	Sunil Kumar Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	300000 800000 1100000	2.999	300000 1100000 1100000	5.50
7	Anil Chothmal Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	250000 850000 1100000	2.499	250000 1100000 1100000	5.50
8	Hemlata Kamal Poddar At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	200000 650000 850000	1.999	200000 850000 850000	4.25
9	UPTON INFRASTRUCTURE PRIVATE LIMITED At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	200000 186527 386527	1.999	200000 386527 386527	1.93
10	Anil Chothmal Patodia HUF At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	225000 75000 300000	2.249	225000 300000 300000	1.50
11	Sunil Chothmal Patodia HUF At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	270000 30000 300000	2.699	270000 300000 300000	1.50
12	Shreya Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	100000 200000 300000	1	100000 300000 300000	1.50
13	Suyash Sunil Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	100000 200000 300000	1	100000 300000 300000	1.50
14	Arunkumar Poddar HUF At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	100000 125000 225000	1	100000 225000 225000	1.12
15	Aayush Anil Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	0 300000 300000	1	0 300000 300000	1.50
16	Aastha Anil Patodia At the Beginning of the Year Purchase of Share At the end of the year	14-07-2017	0 300000 300000	1	0 300000 300000	1.50

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

SR No.	Name of Shareholdres	Shareholding at the beginning of the year 01.04.2017		Brought during the year	Sold during the year	Shareholding at the end of the year 31.03.2018	
		No of shares	% of total shares of the Company			No of shares	% of total shares of the Company
1	Azura Projects Private Limited	410000	4.10	875026	-	1285026	6.42
2	Florence Securities Private Limited	750000	7.50	185684	-	935684	4.68
3	Chartered Capital Research Private Limited	75845	0.75	432624	-313	508156	2.54
4	Vivek Bhimsariya	100000	1.00	20000	-	120000	0.60
5	S & D Share Stock Pvt Ltd	-	-	110000	-	110000	0.55
6	Kirodi Mal Modi	55402	0.54	43489	-891	98000	0.49
7	Sunita Modi	36541	0.37	56459	-	93000	0.46
8	Swasti Vinayaka Realestate Development Limited	124000	1.23	-	-50000	74000	0.37
9	Bhageria Basant Matadin	55871	0.58	-	-	55871	0.28
10	Govind Patodia HUF	55046	0.55	-	-	55046	0.28

(v) Shareholding of Directors & KMP

SR No.	For Each of the Directors & KMP	Date of Event	Shareholding at the end of the year		% of total shares of the company	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr.Kamal Poddar At the beginning of the year Purchase of Share Purchase of Share At the end of the year	01-04-2017 14-07-2017 10-11-2017 31-03-2018	887,600 1612400 11 2,500,011	8.87 - 8.87 -	887,600 2,500,000 2,500,011 2,500,011	12.50
2	Mrs.Hemalata Kamal Poddar At the beginning of the year Purchase/ Sale of Share At the end of the year	01-04-2017 14-07-2017 31-03-2018	200,000 650,000 850,000	2.00 - 2.00	200,000 850,000 850,000	4.25
3	Mr. Ajay Kejriwal At the beginning of the year Purchase/ Sale of Share At the end of the year	01-04-2017 14-03-2018 31-03-2018	2,000 50,000 52,000	0.02 - 0.02	2,000 52,000 52,000	0.26

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment (Standalone)	Secured Loans excluding deposits (Debetures)	Unsecured Loans (Short Term)	Secured Loans excluding deposits (Short Term)	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year	-	-	-	-	-
i) Principal Amount	33,500,000	25,483,921	418,433,465	-	477,417,386
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	7,656,965	-	7,656,965
Total (i+ii+iii)	33,500,000	25,483,921	426,090,430	-	485,074,351
Change in Indebtedness during the financial year					
Additions	-	434,138,123	510,649,606	-	944,787,729
Reduction	2,500,000	333,941,506	-	-	336,441,506
Net Change	(2,500,000)	(100,196,617)	510,649,606	-	608,346,223
Indebtedness at the end of the financial year					
i) Principal Amount	31,000,000	123,455,425	924,735,443	-	1,079,190,868
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	2,225,113	12,004,593	-	14,229,706
Total (i+ii+iii)	31,000,000	125,680,538	936,740,036	-	1,093,420,574

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SR No.	Particulars of Remuneration	Name of the MD Kamal Poddar	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	4,200,000 - -	4,200,000 - -
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit others (specify)	- -	- -
5	Others, please specify Total (A) Ceiling as per the Act	- - 4,200,000	- - 4,200,000

B Remuneration to other directors:

SR No.	Name of the Director	Category	a) Fees for attending Board Meeting	b) Commission	c) Others, please specify	Total amount Paid
1	Mr. D K Goswami	Independent Director	200,000	-	-	200,000
2	Mr. L. N. Nathuramka	Independent Director	150,000	-	-	150,000
3	Mr. Kanhaiyalal Berwal	Independent Director	200,000	-	-	200,000
4	Mr. Raghuveer Shrivatava	Independent Director	150,000	-	-	150,000
5	Mr. Lalit Menghnanai	Independent Director	150,000	-	-	150,000
6	Mr. Ashok Kumar Thakur	Independent Director	200,000	-	-	200,000
7	Mrs. Hemlata Poddar	Non Executive Director	-	-	-	-
8	Mr. Ajay Kejriwal	Executive Director	-	-	-	-
9	Mr. Bharatkumar Shah	Independent Director	-	-	-	-

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

SR No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross Salary	Company Secretary Karishma Shah	CFO Manoj Singhania	TOTAL
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	752,166	1,453,231	2,205,397
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	24,743	-	24,743
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit others, specify	- - -	- - -	- - -
5	Others, please specify	-	-	-
	Total	776,909	1,453,231	2,230,140

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeall made if any (give details)
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A. COMPANY

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

B. DIRECTORS

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

C. OTHER OFFICERS IN DEFAULT

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

FORM NO. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,
The Members
Choice International Limited
(CIN: L67190MH1993PLC071117)
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Choice International Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions 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. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company;
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. 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;
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- VI. Other law applicable specifically to the Company, as detailed below;
 - i. The Reserve Bank of India Act, 1934
 - ii. Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non-Banking Financial Company (NBFC)

We have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India related to the meetings of Board of Directors and General Meetings;
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and listing agreement entered into by the Company with Stock Exchanges in India.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above, subject to the following:

- i. The company has not yet transferred its shares to IEPF as required under Section 124 of companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016

During the financial year under review, provisions of the following regulations were not applicable to the Company;

- I. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- ii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- iii. The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999
- v. 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;

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required to be strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report during the financial year under review, following specific events/actions having a major bearing on the affairs of the Company in pursuance of any of the above referred laws, rules, regulations, guidelines standards etc. are occurred;

- The Company has issued 10,000,000 equity shares to the promoters at a price of Rs. 40/- per share (including premium of Rs. 30/- per share) on conversion of warrants issued.
- The Company has started the process of surrendering its NBFC licence to comply with the conditions of the Reserve Bank of India while granting the NBFC licence to one of its wholly owned subsidiary.

For **R M MIMANI & ASSOCIATES LLP**
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]

Sd/-
MANOJ MIMANI
(PARTNER)
ACS No: 17083
CP No : 11601

Place: Mumbai
Dated: August 09, 2018

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms and integral part of this report.

Annexure - "A"

To,
The Members
Choice International Limited
Mumbai

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
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.

For **R M MIMANI & ASSOCIATES LLP**
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]

Sd/-
MANOJ MIMANI
(PARTNER)
ACS No: 17083
CP No : 11601

Place: Mumbai
Dated: August 09, 2018

BUSINESS RESPONSIBILITY REPORTS

As per Clause 34 (f) of the SEBI Listing Obligation & Disclosure Requirement Regulation, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identification Number	L67190MH1993PLC071117
2	Name of the Company	Choice International Limited
3	Registered Address	Choice House, Shree Shakambhari Corporate Park, Plot No 156 - 158, J.B. Nagar, Andheri (East), Mumbai - 400099
4	Website	www.choiceindia.com
5	Email Address	info@choiceindia.com
6	Financial Year reported	April 01, 2017 to March 31, 2018
7	Sector(s) that the company is engaged in	Financial Services
8	Three key products/ services manufactured/ provided by the company	- Broking & Distribution - Management Consultancy - Investment Banking
9	Total Number of locations where business activity is undertaken by the company	22
10	Markets served by the company	Domestic

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	Rs.20,00,48,000
2	Consolidated Total Turnover	Rs.1,518,799,090
3	Consolidated Total Profit after Tax	Rs.120,338,249
4	Total spending on CSR as percentage of PAT (%)	0.97%
5	List the activities in which expenditure in 4 above has been incurred	Educational Programmes, Rural Development, Environment Sustainability

SECTION C: OTHER DETAILS

1	Does the Company has any subsidiary Company / Companies?	Yes The Company has eleven wholly owned subsidiaries as on March 31, 2018
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If Yes , then indicate the number of such subsidiary company (s).	Yes
3	Do any other entity/ entities (eg. Suppliers, distributor etc.) that the company does business with , participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/ entities(Less than 30%, 30-60%, More than 60 %)	Not applicable

SECTION D: BR INFORMATION

1	Details of Director(s) responsible for BR	
a	Details of the Director responsible for implementation of the BR Policy	
	DIN No	01518700
	Name	Kamal Poddar
	Designation	Managing Director
b	Details of the BR head	
	DIN Number (If applicable)	-
	Name	Manoj Singhania
	Designation	Chief Financial Officer
	Telephone Number	022-67079999
	Email Address	manoj.singhania@choiceindia.om
2	Principle -wise BR Policy/ Policies	Included in the Report
3	Governance related to BR	Included in the Report

SECTION E: PRINCIPLE WISE PERFORMANCE

1	Principle- Wise Performance	Included in this report
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PREFACE

As mandated by the Securities and Exchange Board of India (SEBI) w.ef April 01, 2016, India's top 500 listed on BSE and NSE , are required to submit a " Business Responsibility Report"(BRR) along with their Annual Report for the year 2017- 18. Although your Company is not in the league of Top 500 Listed Companies, Your Company voluntarily aspires to adopt the guidelines issued by SEBI with respect to Business Responsibility statement to adhere to best philosophies of ethical principles to run a company and to abide to the Corporate Governance practises in true letter & spirit.

"Choice International Limited" or "Choice" your Company voluntarily for the Financial Year 2017 -18 presents its first BRR in line with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) and the BRR Requirements of SEBI. The Business Responsibility Performance of the Company is assessed annually by the Board of Directors of the Company.

The Company is at a very nascent stage to adhere to the regulations stipulated for addressing the Business Responsibility Report; the Company is in the process of adopting the policies to adhere to the Principles of Business Responsibility Reporting. However your company is following the guiding Principles for embracing the responsibilities shouldered on your company in true letter and spirit by motivating itself to set up a route map for its own policies and procedures.

PRINCIPLE 1:

ETHICS, TRANSPERANCY & ACCOUNTABILITY

Business should conduct and Govern themselves with ethics, transparency and accountability

Choice Group considers Corpora Governance as an integral part of good management and is committed to acting professionally, fairly and with integrity in all its dealings.

The Standard on ethics, transparency and accountability are stated under the Company policy on Code of Conduct. Code of Conduct is the statement of values and represents the standard conduct on which everyone associated with your company is expected to observe in all business endeavours. Your Company also has a Whistle Blower Policy which allows employees to bring to the attention of the Management , promptly and directly any unethical behaviour suspected fraud or irregularity in the company practises which is not in line with the Code of Conduct of the Company. Adequate measures are in place to ensure safeguards against victimization for employees who report any unethical behaviour.

No Stake holders complaints with respect to the Company's code of conduct and whistle Blower Policy were received in the reporting year.

PRINCIPLE 2:

PRODUCT LIFECYCLE SUSTANABILITY

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Choice Group is entirely in catering financial services including its subsidiaries and is not engaged in any kind of manufacturing activity or services under the purview of BRR.

The Core business area of the group is financial services divided in to various reportable segments comprising of Equity Broking & Distribution, Commodity Broking, Wealth Management, Portfolio Management, Investment Banking and Advisory including Retail Loans, Management Consultancy ,Cross Border Consultancy, Non-Banking Financial Services, IT Solutions & Retail Outlets

The group directly is not engaged in any kind of manu at work place.

FACTURING ACTIVITY PRINCIPLE 3:

EMPLOYEES WELL BEING

Business should promote the well -being of all employees

Your Company's thriving strategy on well- being aims to create a working environment that is supportive of employees personal lives while meeting our Company's business needs, your company truly believes in having a balanced personal & work life.

The Choice group has in all 1108 employees as a part of Choice family, on regular basis the lessons are circulated to the Employees on Management strategies and Business techniques.

Induction programmes are conducted for the new employees, to tutor and train them on the Company's Vision & Mission, the Working strategies, policies adopted by the Company, the business conducted by the company, the Code of conduct adopted by the Company, the availability of Whistle Blower Mechanism of the Company, the policy on sexual harassment

The Company has installed an online system to raise grievance directly to the top Management of any kind of complains/ wrong doing in terms of the Whistle Blower Policy.

The Company appreciates the efforts taken by the employees in writing the Growth story of the Company for which the employees are rewarded.

The Company strives not only to train the employee for their business needs but at a large the employees are in all trained for the Development of their overall personality.

The Company did not receive any complaint relating to child labour, forced labour, involuntary labour or sexual harassment during the year 2017- 18 and are not pending as of March 31, 2018.

PRINCIPLE 4:

STAKEHOLDER ENAGAEMENT

Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Your Company has an active interaction with its Stake Holder on regular basis. Stakeholder participation and interaction is crucial to the overall progress and transformation of the Company.

Shareholders and Investors

Your Company regularly interacts with its Shareholders and investors through results, announcement, annual reports, Updates on Company Websites and other transaction specific Disclosures in public domain. The Annual General Meeting gives the shareholders an opportunity to directly address the Board of Directors and the Management during the meeting. The Board Members directly engages with the shareholders during the Meeting.

Your Company has a designated e- mail address for shareholders, the grievance if any can be emailed at the mail address. Efforts are made to resolves the Shareholder Complains if any on immediate basis.

Clients

Your Company being a Financial Service provider is required to be updated on any changes in the policy and procedures by the statutory authorities and needs to update the client on the same. Your Company constantly seeks to understand the needs of the clients and brings in technology to ensure that the clients are kept informed and engaged about any policy change or procedural change.

Stock Exchange

Your Company being a Listed Company on BSE Limited abides by the guidelines as stated by the exchange. Timely disclosures and reporting are made by the Company to the Exchange..

PRINCIPLE 5:

HUMAN RIGHTS

Business should respect and promote human rights

The group does not have any specific policy on human rights. The firms adheres to all statues which embodies the principles of human rights such as prevention of Child Labour, prevention of sexual harassment, equal employment opportunities etc. The group is committed to a work environment in which all individuals are treated with respect and dignity.

The group has decided to uphold the human rights of all its employees and it strictly ensures compliances with all applicable laws of the land pertaining to human rights.

The Company did not receive any complaint relating to violation of human rights during the year 2017 -18.

PRINCIPLE 6:

ENVIRONMENT

Business should respect, protect, and make efforts to restore the environment

Your Company promotes green energy and energy saving initiatives amongst its employees. The Company has installed a roof top solar plant at its corporate office which leads to savings in CO2 emission. Our offices have been designed such that they are equipped with energy efficient air conditioners, LED Lights and other energy conservation measures. We at Choice have adopted Solar Power plant to have an eco- friendly environment.

The Company has installed various software's which leads to operational ease and thus your Company propagates a Paperless working, to reduce paper consumption, we emphasise the use of alternate communication Channels such as email. The Company's Annual Report 2016-17 was sent to more than 1500 Shareholders via email, thus saving tons of paper and as a measure of protecting the environment saving many trees.

Your company attempts towards absorbing green sustainable products, processes, policies and practices. We at Choice promote cost efficient environment -friendly measures and build awareness and consciousness of our environment among employees.

We have also requested the Shareholder to register their email IDs to get Annual Reports and other Communications through email instead of paper mode.

PRINCIPLE 7:

POLICY ADVOCACY

Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Your Company's approach to advocacy is guided by the Business Principles. The Company truly believes that any contact by the Company or its business associates with government, legislators, regulators or NGO's must be done with honesty, integrity, openness and in compliance with applicable laws. Only authorised and trained officials can interact with these organisations.

Your Company participates in multi stakeholder engagements and when relevant, responds to public consultations. The group support and participates in various discussions and initiatives taken by the government, regulators and various associations for development or advancement of finance services industry.

PRINCIPLE 8:

INCLUSIVE GROWTH

Business should support inclusive growth and equitable development

The Company "Choice International Limited" has voluntarily adopted Corporate Social Responsibility (CSR) activities. The CSR activities of the group express positive contribution towards economic, social & environment well-being of communities through its CSR activities.

PRINCIPLE 9:

CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Your Company always put interests of clients before its own interest. The group understand its client's needs, address them and deliver unique solutions as per their expectations.

Responsible Marketing & Communications:

- Your Company is committed to building trust through responsible practices and through transparent communication both directly to the clients and indirectly through other key stakeholders.
- Its your Company's responsibility to give disclosures to the client before entering in to any kind of agreement.
- Your Company uses a combination of channels, which include websites, customer care numbers and leaflets to communicate openly with its clients.

On behalf of the Board of Directors

Sd/-
Kamal Poddar
(Managing Director)
DIN No: 01518700

Sd/-
Ajay Kejriwal
(Director)
DIN No: 03051841

Mumbai
Date: August 09, 2018



MANAGEMENT DISCUSSION & ANALYSIS REPORT



GLOBAL ECONOMIC FRAMEWORK

The upswing in global investment and trade continued in the second half of 2017. At 3.8 percent, global growth in 2017 was the fastest since 2011. With financial conditions still supportive, global growth is expected to increase up to a 3.9 percent rate in both 2018 and 2019.

Economic activity in 2017 ended on a high note—growth in the second half of the year was above 4 percent, the strongest since the second half of 2010, supported by a recovery in investment. Outcomes exceeded the October 2017 World Economic Outlook forecasts in the euro area, Japan, the United States, and China, and continued to improve gradually in commodity exporters. Financial conditions remain supportive, despite the recent volatility in equity markets and increases in bond yields following signs of firming inflation in advanced economies. With broad-based momentum and expectations of a sizable fiscal expansion in the United States over this year and the next, global growth is now projected at 3.9 percent for 2018-19, a 0.2 percentage point upgrade for both years relative to the October 2017 forecast.

Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance.

The year 2017-18 was marked with strong macro-economic fundamentals. However, the growth of gross domestic product (GDP) moderated in 2017-18 vis-à-vis 2016-17. There was an improvement in export growth, fiscal trends remained attuned to the consolidation plans and inflation remained within the limits. The year also witnessed an increase in global confidence in Indian economy as well as improvement in ease of doing business ranking.

Equity markets in emerging markets and developing economies strengthened in the first three quarters of FY 2017-18. But towards the end of FY 2017-18, a significant portion of the gains were erased due to geopolitical uncertainties and the United States' trade policies.

Emerging markets and developing economies are forecasted to grow at about 4.9% and 5.1% in 2018 and 2019 respectively from 4.8% in 2017. Growth in emerging markets reflects firming activity in commodity exporters and continued solid growth in commodity importers. The contribution of net exports declined in commodity exporters, as import growth rebounded substantially.

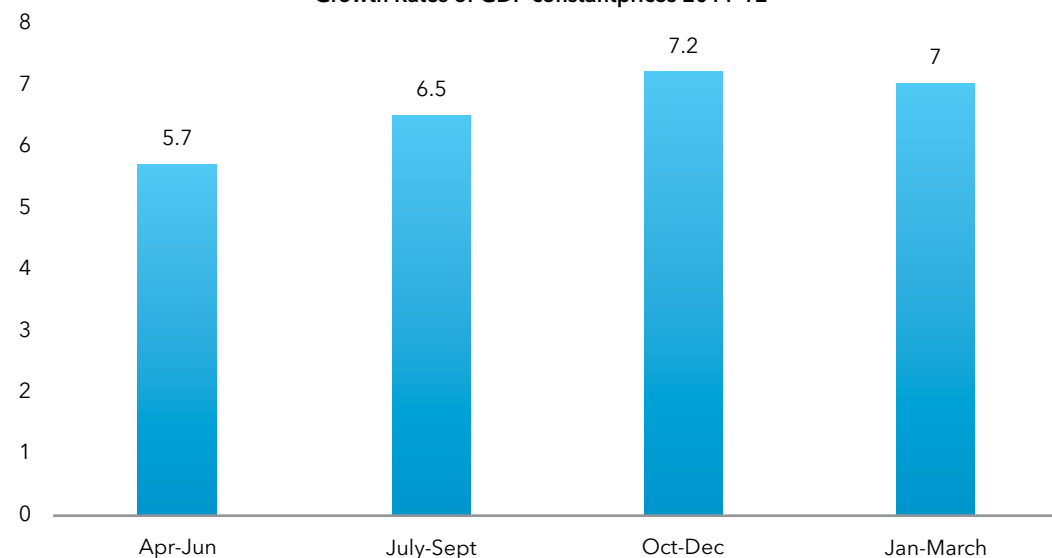
INDIAN ECONOMY OUTLOOK 2018- 2019

As Financial Year 2017-18 (FY18) draws to a close, it is worth taking a look at India's economic performance over what has been quite an interesting period. While the first quarter of the year saw the impact of demonetisation settling down, in the next quarter, introduction of the landmark Goods and Services Tax (GST) brought in some uncertainties as businesses adjusted to the new regime. This did not take long, and from the third quarter onwards, signs of growth returning were evident.

In the current financial year, what can we expect? As global economic activity continues to strengthen, global growth is forecast to grow by 3.9% during 2018 as per the International Monetary Fund's (IMF) January 2018 World Economic Outlook. The IMF expects India to grow at 7.4% during 2018 which could increase further to 7.8% during 2019 in contrast to 6.7% during 2017.

The Economic Survey for 2017-18 pegs the figure at 7-7.5% for the financial year ahead.

Quarterly GDP Figures 2017-18
Growth Rates of GDP constant prices 2011-12



Note: Jan-March is the expected growth rate during 4th quarter, CII calculation based on CSO's estimate of 6.6% annual growth rate during 2017-18

Source: Central Statistics Office; Q4 is estimates

The strong growth registered in the third quarter was primarily on account of the good performance of the manufacturing and construction sectors. The manufacturing sector registered a growth rate of 8.1% as compared to 6.9% in the previous quarter while the construction sector recorded a growth rate of 6.8% in contrast to 2.8% during the previous quarter.

Various economic reforms were undertaken in the year which include: implementation of the Goods and Service Tax, announcement of bank recapitalization, push to infrastructure development by giving infrastructure status to affordable housing, higher allocation of funds for highway construction and greater focus on coastal connectivity. Further initiatives include: lower income tax for companies with annual turnover up to 50 crore; allowing carry-forward of MAT credit up to a period of 15 years instead of 10 years at present; further measures to improve the ease of doing business; and, major push to digital economy

Other sectoral initiatives undertaken include: measures to revive the construction sector and promotion of exports in textile and apparel industry. Apart from these, the measures that were taken by the Government in the previous years to boost manufacturing, employment generation, improving ease of doing business and transparency via schemes such as Make-in-India, Skill India, direct benefit transfer and measures for financial inclusion were also taken forward in 2017-18

Gross Domestic Product

As per the second advance estimates of national income released by the Central Statistics Office in February 2018, real Gross Domestic Product (GDP) at constant prices is estimated to grow at 6.6% for 2017-18. The Indian economy achieved an impressive growth rate of 7.2%, a five-quarter high during the third quarter (Oct-Dec) of FY18 as opposed to 6.5% in the second quarter. India also regained its tag of the fastest growing major economy in the third quarter.

Emerging markets and developing economies are forecasted to grow at about 4.9% and 5.1% in 2018 and 2019 respectively from 4.8% in 2017. Growth in emerging markets reflects firming activity in commodity exporters and continued solid growth in commodity importers. The contribution of net exports declined in commodity exporters, as import growth rebounded substantially

An important macro-economic challenge faced by the Indian economy relates to the declining trend in the investment and saving rates, as seen from the latest available data. Nonetheless, medium-term macro outlook remains bright against the background of implementation of GST, green shoots in the global economy, relatively stable prices and improvement in indicators of external sector.

As per the 1st Advanced Estimates released by the Central Statistics Office (CSO), the economy is expected to grow by 6.5 per cent in 2017-18 in terms of GDP at constant (2011-12) market prices. The gross value added (GVA) at constant (2011-12) basic prices is expected to grow by 6.1 per cent in 2017-18, as compared to the growth of 7.1 per cent achieved in 2016-17. The growth in agriculture, industry and services is estimated at 2.1 per cent, 4.4 per cent and 8.3 per cent respectively in 2017-18, as compared to 4.9 per cent, 5.6 per cent and 7.7 per cent in 2016-17. Growth rate of industry sector declined in 2017-18, mainly on account of moderate growth in manufacturing sector. It was the services sector that contributed to more than half of the overall GVA growth rate of 6.1 per cent in 2017-18. From the demand side, the final consumption expenditure has been the major driver of GDP growth. The growth of fixed investment at constant prices increased from 2.4 per cent in 2016-17 to 4.5 per cent in 2017-18. As per CSO, the exports of goods and services are estimated to grow by 4.5 per cent in real terms in 2017-18 as was the case in 2016-17, whereas the imports are estimated to grow by 10.0 per cent in 2017-18 as against 2.3 per cent in 2016-17.

Index of Industrial Production

India's current account deficit (CAD) stood at US\$ 13.5 billion accounting for 2% of GDP in the third quarter (Oct-Dec) of 2017-18, higher than US\$ 8 billion (1.4% of GDP) during third quarter of 2016-17 and US\$ 7.2 billion (1.1% of GDP) in the preceding quarter.

The widening of CAD on a year-on-year basis was the result of the increased trade deficit which stood at US\$ 44.1 billion during the period.

The global economy is stabilising with favourable global trade and financial conditions. Domestically, GST promises to deliver positive outcomes as India becomes a single, more competitive market. We can look forward to an upward growth path for India in FY 2018-19.

INDIAN FINANCIAL SERVICE INDUSTRY

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payments banks to be created recently thereby adding to the types of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64 per cent of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for Micro and Small Enterprises, issuing guideline to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by both government and private sector, India is undoubtedly one of the world's most vibrant capital markets. In 2017, a new portal named 'Udyami Mitra' has been launched by the Small Industries Development Bank of India (SIDBI) with the aim of improving credit availability to Micro, Small and Medium Enterprises' (MSMEs) in the country. India has scored a perfect 10 in protecting shareholders' rights on the back of reforms implemented by Securities and Exchange Board of India (SEBI).

India's gross domestic savings (GDS) as a percentage of Gross Domestic Product (GDP) has remained above 30 per cent since 2004. It is projected that national savings in India will reach US\$ 1,272 billion by 2019. Over 95 per cent of household savings in India are invested in bank deposits and only 5 per cent in other financial asset classes.

The asset management industry in India is among the fastest growing in the world. Corporate investors accounted for around 43.44 per cent of total AUM in India, while High Net Worth Individuals (HNWI) and retail investors account for 30.09 per cent and 24.79 per cent, respectively. In the Asia-Pacific, India is among the top five countries in terms of HNWI. RBI has allowed 100 per cent foreign investment under the automatic route in 'other financial services'.

The Government of India has launched the 'Bharat 22' exchange traded fund (ETF), which will be managed by ICICI Prudential Mutual Fund, and is looking to raise Rs 8,000 crore (US\$ 1.22 billion) initially.

The Securities and Exchange Board of India (SEBI) has allowed exchanges in India to operate in equity and commodity segments simultaneously, starting from October 2018.

India's equity market turnover has increased significantly in recent years. The annual turnover value in the National Stock Exchange (NSE) witnessed a CAGR of 19.13 per cent between FY 96 and FY 17 to reach US\$ 790 billion. During the month of January 2018, equity mutual funds have registered a record net inflow of Rs 14,683 crore (US\$ 2.27 billion). In April 2018, the Government of India issued minimum FDI capital requirement of US\$ 20 million for unregistered /exempt financial

entities engaged in 'fund based activities' and threshold of US\$ 2 million for unregistered financial entities engaged in 'non-fund based activities'.

The Government of India has taken various steps to deepen the reforms in the capital markets, including simplification of the Initial Public Offer (IPO) process which allows qualified foreign investors (QFIs) to access the Indian bond markets. In FY18 the total amount of Initial Public Offerings increased to Rs 84,357 crore (US\$ 13,089 million).

Key Highlights of the financial service sector industry for the year 2017- 18:

- ▶ The asset management industry in India is among the fastest growing in the world. As of November 2017, 42 asset management companies were operating in the country
- ▶ Inflows in India's mutual fund schemes via the systematic investment plan (SIP) route reached Rs 53,446 crore (US\$ 8.26 billion) between April-January 2018.
- ▶ Equity mutual funds have registered a net inflow of Rs 13,404 crore (US\$ 2.07 billion), thereby taking their asset base to Rs 7.04 lakh crore (US\$ 108.74 billion) in January 2018.
- ▶ The number of mutual fund (MF) portfolios have increased to 66.5 million as of December 2017, backed by rising interest in MFs among investors.
- ▶ Mutual fund (MF) equity portfolios in India reached a 10-year high of 49.3 million, by end of 2017.
- ▶ In December 2017, corporate investors accounted for around 43.03 per cent of total AUM in India, while HNWI and retail investors accounted for 29.65 per cent and 25.25 per cent, respectively
- ▶ The market capitalisation of all the companies listed on the BSE reached a record Rs 150 lakh crore (US\$ 2.33 trillion) backed by high gains in the broader market.
- ▶ The amount raised by IPOs in India increased from US\$ 318 million in FY 2008-09 to US\$ 10,888 million in FY 2017-18*.
- ▶ Initial Public Offers (IPOs) by small and medium enterprises (SMEs) in India received record funding of Rs 16.79 billion (US\$ 259.35 million) in 2017 through 133 issues.
- ▶ At the end of January 2018, the assets under management of the mutual fund industry stood at Rs 22.41 lakh crore (US\$ 346.15 billion.)



BROKING & DISTRIBUTION

Industry Facts:

Steadily rising turnover in financial markets has led to rapid expansion of the brokerage segment Indian stocks markets, S&P Sensex and Nifty 50, rose 27.9 per cent and 28.6 per cent respectively in CY 2017, thereby yielding the best returns since 2014.

Following a strong performance in the financial year 2017-18, the domestic broking industry is expected to register moderate income growth in the current financial year due to "elongated period of volatility along with possible correction in valuations over the near term", according to ICRA. The rating agency pegs the income growth to around 5% with the projected aggregate income of 19,000 to 20,000 crore in FY2019. "The retail participation is likely to remain stable, supported by the initial public offering (IPO) pipeline, albeit with some fluctuations, given the volatility," said a statement by ICRA. The higher yielding cash volumes are expected to get a boost as more brokerage houses scale up the margin trading offering to their clients, which would also help support the income profile of full-service brokerage houses, given the price-based competition from the discount brokerage houses, it added. The rating agency highlighted the fact that the domestic capital markets reported a robust performance in FY2018, building on the healthy performance in FY2017, supported by the strong equity inflows by the domestic institutional investor (DII) segment.

Incidentally, equity turnover at the exchanges increased to ₹1,733 trillion in FY2018 from ₹1,004 trillion in FY2017, registering a staggering growth of 73%. The Average Daily Turnover (ADTO) also increased to ₹7.04 trillion from ₹4.05 trillion in the same period, as per ICRA

"The markets (which) remained on an upward trajectory till January 2018, however, witnessed a decline in February 2018, precipitated by the concerns regarding the banking system following the detection of a large-scale fraud in a leading public-sector bank, expectation of US Fed rate hike and rising crude prices," it said while adding that markets continued to remain volatile in March 2018. "FY2018 also witnessed a waning interest by the foreign portfolio investors (FPI) in the domestic capital markets, driven by various domestic and global cues," said Samriddhi Chowdhary, Assistant Vice President and Co-Head - Financial Sector Ratings, ICRA.

While the market volatility is expected to continue over the near term, the outlook for the domestic capital markets remains stable to positive for FY2019 supported by the increasing financialisation of savings and strong DII segment, said ICRA

However, markets and investor sentiment would remain susceptible to events like the outcome of impending state elections, aggravation of geopolitical tensions, uptick in crude prices and hike in rates by US Fed amongst others, which could have a bearing on FPI inflow, it added.

(Source: <https://www.thehindu.com/business/markets/volatility-to-moderate-broking-industry-growth-icra/article234823.ece>)

Our Broking Industry:

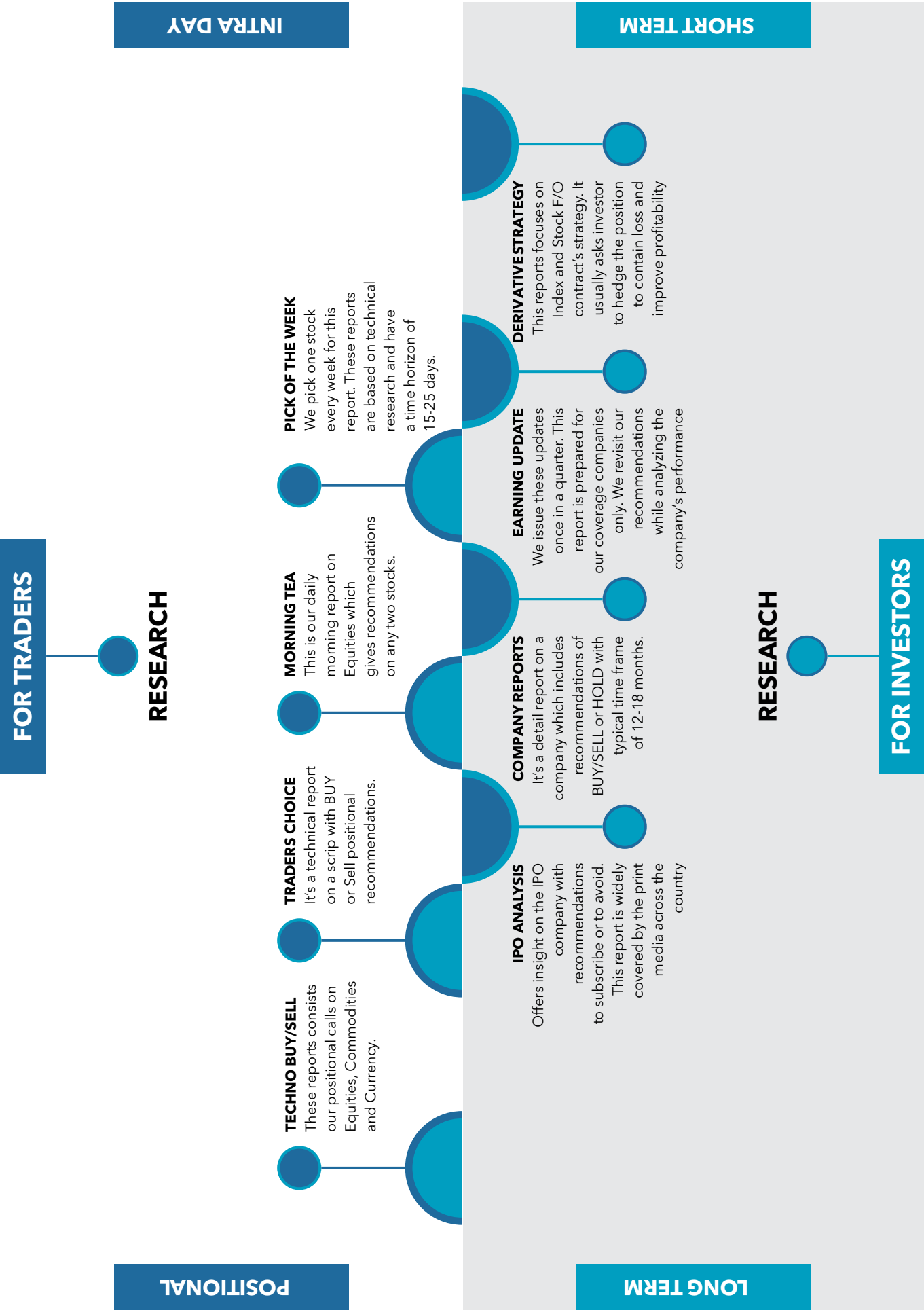
Our Broking & Distribution Business is routed through our subsidiary namely "Choice Equity Broking Private Limited & Choice Merchandise Broking Private Limited" soon to be merged in to one entity with the continuation of the Broking & Distribution Business in the name of M/s. Choice Equity Broking Private Limited.

Choice is a member of NSE, BSE, MSEI, MCX-SX, MCX, NCDEX and a depository participant with CDSL and has recently registered with NSDL as a Depository Participant as well.

We are in the Process of acquisition of Broking Business of M/s. Indi Trade Capital Limited which will lead to upsurge in the Cliental base in all increasing the PAN India presence of "Choice Broking".

"Choice Broking" is one of the largest Market Maker in the Country in the SME Segment. Choice comprehensively focuses on research and technology as core area to curve its expansion with the ultimate motto of client satisfaction by providing them user friendly systems & processes. We at Choice have built a healthy infrastructure to meet growing requirements of our clients and to offer time bound delivery with eminent services.

We at "Choice Broking" believe in Creation of Wealth for our Clients and Managing it at the same time. Through our expert, Timely & analytical Research reports published by adopting the best methodologies inclusive of both Technical & Fundamental reports we updates the clients on the best suitable investments to be made in their Portfolio.



SERVICES OFFERED AT CHOICE BROKING

<p>EQUITY TRADING</p>  <ul style="list-style-type: none"> • Member of BSE and NSE, MSEI offering trading services in Cash and Future segments • Trade Online via trading website and mobile application • Dedicated research teams offering technical and fundamental research on companies • Equity Coverage includes both value and Growth companies • Daily and Weekly newsletters on market trends and expectations • Portfolio Tracker application for a quick view on status and P/L of your account • Conduct your own research via Fundamental Screeners and Advanced Charting tools • Bulk and Block Deals 	<p>COMMODITY DERIVATIVE TRADING</p>  <ul style="list-style-type: none"> • Member of MCX, NCDEX & ICEX • Trading in Agriculture Commodities, Energy, Base and Precious Metals • Trade online, over the phone, at our branches or on your mobile • SMS for intra-day technical calls • In-depth research on commodities of your interest • Assistance in implementing trading strategies • Daily, weekly & detail research reports on commodities • Daily & Weekly Newsletter • Reports on Whatsapp platform • Call Trackers 	<p>FINANCIAL PLANNING</p>  <ul style="list-style-type: none"> • Online Platform for Financial Planning • Advice from experienced CFP Professionals on allocate of Funds • Comprehensive Financial plan by experts to achieve long term and short term goals. • Tracking of performance of all your instruments bought and their impact towards achieving your financial goals. • Advice on Investment funds and insurance products based on risk appetite of individual
<p>CURRENCY FUTURES TRADING</p>  <ul style="list-style-type: none"> • Trading service at NSE, BSE & MSEI Platforms • Research Reports & Newsletters on currencies • Assistance in implementing Hedge and Arbitrage trading strategies • Dedicated relationship officer to help in faster execution • Daily & weekly Newsletter • Report on whatsapp Platform • Call Trackers 	<p>FUND DISTRIBUTION</p>  <ul style="list-style-type: none"> • Buy Mutual Funds, Bonds, FDs and NCDs Online, Offline • Compare Funds on our website • Research & insights on Funds & their performance • Assistance from certified Investment Wealth Counselors • Get Timely update on performance of your funds 	<p>STRUCTURED PRODUCTS</p>  <ul style="list-style-type: none"> • Tailored Investment products for HNI clients • Uses Advanced hedging & diversification strategies • Investors can select products which suits their risk return expectations • Provides better returns than traditional investment vehicles

Choice is one of the fastest growing financial service firms in the Country. We are constantly evolving our services and delivery platforms to provide outstanding client experience and satisfaction. We assist our clients in taking informed decisions with research and insights that is easy to understand.

OUR ONE STOP SERVICES



FULL SERVICE BROKER

- » Financial Planning
- » Mutual Funds
- » Investment Banking
- » Structured Products
- » Invest In Ipos
- » Bonds

RESEARCH REPORT

- » Morning Tea
- » Equity Bazaar
- » Pick Of The Week
- » Detail Company Reports
- » Economic Outlook
- » Ipo Updates
- » Aaj Ka Trend
- » Tecno Buy
- » Currency Highlights
- » Lip And Cpi Update

CUSTOMER SERVICE

- » Dedicated Relationship Manager
- » Hassle Free Online Account Opening
- » Call & Trade Facility
- » Daily Call Tracker
- » Free Trading Account

ACCESS ANYWHERE

- » Trade Via Mobile App
- » Trade Online Via Choiceindia.com
- » Research Reports On Whatsapp
- » Track Your Holdings And Gains On The Move

WEALTH MANAGEMENT

Choice group offers its management services under the ambit of one of its subsidiary companies, Choice Wealth Management Private Limited.

With over 25 years of experience in the financial domain, we have expertise in financial wellness & sharing qualitative insights for our clients. As per the PwC report on Mutual Funds, the industry has witnessed a compound annual growth rate (CAGR) of 18% over the past 10 years. Despite the global economic slowdown in 2010 – 2013, there has been a remarkable upliftment in the mutual funds' investments in India. Even in the recent times, the average assets under management (AAUM) of the Indian Mutual Fund Industry for the month of June 2018 stood at 22.86 lakh crores rupees as per AMFI. This is about four and a half fold increase in tenure of a decade. These numbers moving on the upside are a result of factors such as favorable demographics, rising income levels, ongoing government initiatives and investor education initiatives & campaigns (like Mutual Funds Sahi Hai) by AMFI.

In an attempt to penetrate this opportunity which holds such huge potential for Mutual Funds Distributors, we started an online mutual funds distribution portal 'Investica' which was built by our in house tech division. This portal is operational on three platforms viz. Web, Android & iOS.

Investica is a web – app which is in lines with the Digital India Initiative by our Honorable Prime Minister which equipped with Aadhaar based eKYC which enables the client to onboard on the portal with zero paperwork. This feature does not only ease the process for the clients but also aids us in larger client acquisition. The onboarding process is much quicker vis a vis the traditional account opening process. This gives our clients a seamless experience to have an 'ON THE GO' procedure like this.

We allied with Ogilvy & Mather Advertising as our strategic partner in the brand identity building & for our digital commercial for cross platforms. Our Initial identity 'Bull' is now being replaced with 'Hammock' signifying the peace of mind that the consumers will experience as they experience the app. Our Brand Tagline is 'The Joy of Earning' is the joy of making an investment, of having made the right choice and choosing a right partner.

We launched two of our commercials on multiple social media platforms to create a sense of awareness in regards with our brand revamp. The idea was to let our users (existing & potential) about the new identity and how in the midst of our chaotic life, how we forgot the little joys of life. Our Angdaayi & Fursat commercials have crossed 2 million views each! So far, we've received an overwhelming response on these digital stories and we will launch the other 3 commercials hereafter.

The traction from our ads across various portals has gained positive traction so far. Within a year, we stand at 250k installs of the app with the customer satisfaction rate of over 90 % where queries of clients are resolved with a TAT of 1 day or less. Investica was also featured at 6 in the trending list by Google play store in the finance applications. Our transaction volume has witnessed significant rise on the platform recently & will also gain momentum in the coming months.

Currently, Investica offers ratings to various funds based on the risk appetite of the investors and Goal based thematic baskets crafted by our experts which enable its patrons to choose funds based on their investment objectives. These features foster seamless experience for its users whilst making their mutual fund decision. For our clients who are starting their mutual funds journey for the first time, Investica has educative blogs to guide them before making any investment coupled with the cadence of our research team who are available to guide the investors in case of any query.

Future Roadmap - The next wave

With the next update on the portal, it shall have an upheaval feature of Goal Based Investments to cater to the clients. Since the tagline signifies the joy of earning, one can now invest for a small goal like buying a bike to more polished goals like buying your dream home. One can simply select their goal (ex. going for an EDM concert) and the portal will suggest the amount to be invested to achieve that goal and the time in which the goal shall be accomplished. Also, it will suggest if there's any shortfall in reaching the completion of the goal & will also notify the user about the same.

In the beginning of the year, more than 64 NFO's have been filed with SEBI to match the mounting demand from the retail investors. Having said that, another new feature that is lined up is notification to the clients about the New Fund Order (NFO) of the AMC's empanelled with Investica. The user will also be in a position to see the details of the NFO like Scheme Name, Type, Objective, Category, Launch & Closure Date etc.

investica
The Joy of Earning

SAY HELLO TO A NEW WAY
OF INVESTING IN
MUTUAL FUND APP INVESTICA

Google play Available on the App Store

PORTFOLIO MANAGEMENT SERVICES (PMS)

Industry Facts:

The Indian Portfolio management industry has registered a strong growth, driven by robust capital markets and record equity flows in the industry. This remarkable AuM growth has also rendered into surge in profitability over last few Years.

The outlook for the industry is positive, but there are challenges that need to be addressed to ensure sustained profitability.

Report On Portfolio Managers

(Rupees in Crores)

Particulars	March 2018			March 2017		
	Discretionary	Non-Discretionary	Advisory	Discretionary	Non-Discretionary	Advisory
No. of Clients	113776	5427	2158	70994	4674	1482
AUM Rs. in Crores			225131.324			188,384.86
Listed Equities	102587.34	15278.95			13623.49	
Unlisted Equities	479.87	127.54		73912.86	42.78	
Plain Debt	1018735.82	63135.72		683.15	52883.64	
Structured Debt	386.37	440.42		866612.64	544.18	
Equity Derivative	825.32	-3.14		281.60	-0.02	
Mutual Funds	11643.02	9844.29		188.19	7563.20	
Others	17465.29	973.07		8687.90	404.12	
Total	1,152,123.03	89,796.85		16669.64	75061.39	
Grand Total		14,67,051.21		9,67,035.96		12,30,482.21

OUR PMS SERVICES:

The broking firms are no longer merely brokers that generate their revenue from broking operations. They have adopted the role of advisory to the clients for building their wealth. The Indian economy is on its way of becoming a superpower with the accelerated pace of reforms undertaken by the current dispensation and these are unlikely to stop, irrespective of any change. With GST, IBC & Ease of doing business, Indian corporates are becoming more & more matured. Corporate governance standards are on rise, businesses are no longer a domestic affair, they have to be abreast with the global framework and upcoming technological developments.

For the survival of one's business it is indeed necessary for any business house to keep an track of their on-going role not merely as a Broker but as a service provider to cater to one's Financial solutions. Keeping all these factors in mind, Choice Broking has set up a very strong research team to advise the clients to invest in the companies which have, dynamic management. Great corporate governance with sustainable growth plans along with the responsibility to abide with the law of the Judiciary, our research team has been advising with the ideas of wealth generation to our clients. Keeping in mind the trust which our clients shoulder on us, we have launched Choice Portfolio Mgt. Services.

CHOOSE TO BE WISE; WITH "CHOICE"

Our Portfolio Management Services is rendered through our subsidiary namely "Choice Portfolio Management Services Private Limited". Our Subsidiary has procured the License to act as a SEBI registered Portfolio Managers on September 28, 2017.

At Choice our Portfolio Management Services are highly customized to cater to your needs, and enable you to achieve your financial goals. Our Prime focus is to create wealth for the clients & our expertise in the areas of extensive research, highly qualified investment team and a rich experience of over two decades in the financial service space, enables us to achieve this goal for you.

We manage existing portfolios as well as build new distinct portfolios for you based on your investments objectives and risk appetite, for which we offer a wide range of strategies including some focused thematic strategies, which aims at maximizing the investors wealth

while making investments in diversified sectors which have a potential to grow at a faster pace, with a sustainable management & corporate governance standards.



Experienced & Professional Fund Management



High Level of Transparency



Finley Crated Investment Philosophy



Exhaustive In House Research Desk



Timely review of Fund Performance



Devotd Relationship Manager for a Client



Quality Selection of Stocks, with balanced diversification

We at Choice PMS truly believe in Reaching the Financial Goals is always faster with the Right Mix of Investments.

"BE AN INVESTOR BY CHOICE"

Mentioned below are two of our best strategies which is offered by our Company to meet your investment goals.

NEW INDIA STRATEGY:

IRADE NAYE Bharat Ke!



Time Horizon:
Long Term



Risk Appetite:
Moderate

India has become a favourable investment destination in the world on the back of following factors:

- Progress on Policy front improving business environment
 - Stable macro economic fundamentals
 - Huge Market size & demographic dividend
 - Low Political uncertainties and less sensitivity towards the global market.
- i) A distinct stamp is being placed on India as structural change has occurred across various dimensions. Implementation of favourable initiatives such as GST, IBC, RERA, DBT and demonetization has made structural changes in economy which would not only yield result in the form of high quality economic growth but generate adequate employment in the long term.
- ii) Economic reforms has given impetus to India's new mantra for success "IRADE"

Infrastructure, Rural Consumption / Renewable Energy, Affordable Housing, Digitalization and Emerging Businesses); will flourish more industrial avenues making "New India" unrivalled.

IDEAL VALUATION STRATEGY



Time Horizon:
Long Term



Risk Appetite:
Conservative

The Ideal Valuation strategy aims to create wealth by the long term compounding effect on Investment done in:

- Good Business
- Good Management
- Good Valuations

We seek to capitalise the opportunities that come up in the emotionally driven markets, which lead some very fundamentally strong companies to trade at a considerable discount than its intrinsic value.

Our Strategy is to buy the undervalued stocks, or simply the stocks at a price much lower than its fair price, irrespective of the market movements.

The big market whales and the mammoths of value investing, including Warren Buffett, have argued that the essence of value investing is buying stocks below its intrinsic value.

The moderate approach through our "IDEAL VALUATION STRATEGY" helps you appreciate your capital, over a given period of time, with an apt combination of a risk averse & also a moderate risk portfolio.

- Ideal Valuation Strategy (IVS) is based on the emphasis on both value as well as growth investing. Under this strategy, we find the businesses which are fundamentally strong and available at reasonable valuation. We believe that a business can trade at higher multiple but its underlying fundamentals must justify this.

Thereby a company is studied both from quantitative as well as qualitative fronts in order to find fundamental strength of the business.

- Under quantitative analysis, we do rigorous historical financial analysis of the companies through focusing on key ratios relating to growth, margins and returns. We have customized our quantitative approach in the way that any business which shows sustained improvement in key performance parameters comes in selection criteria.
- In qualitative analysis, we strategically study the company and focus would remain on understanding business model, products and services analysis, inter-firm comparison based on SWOT, corporate government standards and promoters zeal to growth and stability.

Our extensive & expertise research through our experienced Fund Managers brings for you a structure for Wealth creation. With the kind of response we have received initially, we expect to cross the mark of Rs.200 Cr. in a few years time and emerge as one of the top rated Portfolio services in the industry.



INVESTMENT & MERCHANT BANKING

India is going through a remarkable transformation. The Government of India has introduced several reforms like IBC, RERA, FDI Investment, ease of doing business, mega tax reforms, financial inclusion, infrastructure development and the growth of manufacturing and service sectors are just some of the change enablers. More so, the country currently enjoys prudent fiscal conditions, stable inflation, growing trade and steady employment creation to support sustainable GDP growth.

Capital Market & Debt Syndication service is routed through our subsidiary "Choice Capital Advisors Private Limited" herein referred as "CCAPL".

Choice Capital Advisors Private Limited (CCAPL), Category I - Merchant Banker is focused on undertaking new initiatives to give additional thrust to investment banking and corporate advisory services to SMEs and large corporate enterprises across two product group - Capital Market & Debt Syndication.

CCAPL believes in offering pragmatic advice to its clients on various capital market related issues and services enabling the companies to derive economic benefits in the long run. Its strength has been a deep understanding of capital markets earned over years of experience. With its in-built knowledge and innovative skills, CCAPL has developed a niche in the securities arena, thus paving a growth path for the companies across industries. CCAPL through its financial services enable its multiple consumer segments create, grow and protect their wealth.

On the Capital Market front, CCAPL offers entire bouquet of services which include Initial Public Offer (IPO) - Main Board & SME Platform, Further Public Offer (FPO), Right Issues, Buy Backs, Takeovers, Institutional Trading Platform, Pre - IPO Placement, QIP transactions,

Mergers and Acquisitions. CCAPL's growth is driven by strong focus on IPO readiness and IPO co-ordination services. Valuation services provided to various sectors of the industry has also added value to the operational and financial performance of the Company. We have also empanelled with BSE for valuation services of delisting companies. We promote Companies in improving their compliance and corporate governance through our advisory and consultation services led by a team of expert professionals, yielding optimum results for our clients.

On the Debt Syndication front, the team has successfully created a robust and vibrant edge through its initiative on advisory for working capital and project finance segment.

Although major transformational reforms seen in the past, such as the Government's demonetisation measures and the tax reforms through the introduction of GST, CCAPL has emerged as a resilient player on a steady path of quality growth with PAT of 6.8 Crore during FY 2018. Against the backdrop of an overall difficult market condition, CCAPL have delivered a good performance driven by strong growth and operational efficiencies.

During FY 2018, CCAPL acted as advisors to the Main Board IPO of H.G. Infra Engineering Limited with issue size of INR 462 Crore and as merchant banker to the SME IPO of Globalspace Technologies Limited with issue size of INR 20.02 Crore. CCAPL also acted as advisors to Gini & Jony for fund raising worth INR 30 Crore.

With our well diversified operational model across capital market activities and the expanding scope of financial services in the current economic environment, we firmly believe in our ability to assist our clients in building valuable businesses thereby creating value for all stakeholders.



CHOICE CORPORATE SERVICES PRIVATE LIMITED - AN APPROACH TOWARDS LENDING

Choice corporate services private limited herein referred to as "CCSPL" is a name that is common in day to day life. We at CCSPL believe in serving the customers on priority. We understand the necessities and craving for those who are looking for affordable and flexible loans.

CCSPL - A corporate DSA working PAN India, serving people for affordable loan service such as - Home Loan, Personal Loan, Business Loan and Loan against property are a few to count. Our motto is to offer better ROI for loans in comparison to prevailing market structure. We understand customers' needs therefore empaneled with more than 50 Bank & NBFC all over India to offer you the best interest rates on loans

WHO WE ARE?

We ensure you have the money you need when you need it!



CCSPL is an Indian company located in various locations of India & headquartered in Mumbai. We are a reputable name in the loan offering industry with an aim to offer user-friendly loan service to our valuable customers; we have an expert team of well-trained staff that helps you in getting loan quickly and without any hassle. Our team work to get you the best loan and aim to obtain competitive rates.

Business performance in the last year

In FY 2017-18 we were operational in various locations PAN India offering business of almost 166 crs marking a new high.

New Launches

In this digital era, we will lack behind if we are not going upgrade our self on digital world. For that we are looking forward to build an app based portal so that loan process gets easier and handy. We are also on verge of introducing our Online Portal assisting customers in every location of India.

Comparison with the peer group

Today market is so competitive that we need to take primitive measures to stay ahead of our completion Here are some reasons why people rely on us:

- Foremost reason is that we are offering our customers personal assistance that means they are interacting an individual instead of any robot misguiding you in numbers.
- There are various competitors such as Direct Sales agents, Chartered accountants as well as small time agents/connectors who work on reference basis for small commission
- There are also few online portals who invite customer online to apply for loans and thereby pass the same lead to bankers and NBFC's.
- We are currently working on Offline model and plan to compete the online team players of the market too.

Our Standing in the industry

We have a long list of satisfied and happy customers. As we are always ready to offer the best of best services to our valuable customers -

- We provide E2E services to our customers from loan documentation till the disbursement of cheque.

Way forward Statement

In forth coming years we are targeting to serve people in the remotest locations of India and for that we are aggressively working and building a team of supporting members through our ONLINE portal. The above mentioned activities are carried out by our Wholly owned Subsidiary M/s. Choice Corporate Services Private Limited.

CROSS BORDER CONSULTANCY

The group provides cross border consultancy through its subsidiary namely "Choice Peers International Private Limited" or "CPI" is an International Division of Choice group.

CPI has shown rapid growth which is substantiated by its increased presence throughout the globe. It has been able to multiply its member strength from 33 in March 2017 to 100+ in the current year. CPI is now present in 90+ countries as on March 2018 and growing constantly. CPI has further added new clients through its members in diversified sectors across countries like UK, Hong Kong, Kenya, UAE, Nigeria, India, Singapore, etc.

Compared to our peers who have been in this space for quite some time, CPI is relatively a new entrant and hence not comparable. CPI started its operations in the year 2016 and in a span of 2 years CPI has managed to make a commendable presence in 90+ countries.

CPI has an association with 100+ members throughout the globe and the Management expects to add more members in the coming years. With a shift in focus to generation of business leads for member firms, the Management is putting in efforts towards the same by connecting to different member firms, government officials, clients, etc. We expect to catch up with the peers in next 5 years at the pace at which we are growing.

Consultancy services offered by our member firms are as under:

- Audit and Assurance
- International Taxation
- Investment Banking
- Business set up and expansion solutions
- Government Reforms and Infrastructure Development
- Strategy and Technology consulting

Way forward:

The Management has a vision to grow business by finding opportunities for the member firms within our space throughout the globe and making them profitable for member firms as well as CPI. Africa being an emerging economy, we further plan to increase our African presence by expanding offices within West and South Africa. Also an office in Singapore would help us bolster our Asian presence which is being discussed thoughtfully.



MANAGEMENT CONSULTANCY

The Choice Consultancy Services Private Limited, a wholly owned subsidiary continues to demonstrate steady progress in rendering consultancy services in key segments like roads & highways, civil structures, water management, solid waste management (SWM), urban development & sustainability, public utility & welfare and information technology (IT). Our services include conducting feasibility studies, preparation of detailed project report, project management consultancy, transaction advisory etc.

The recent impetus from the Government on announcements and increased budgetary allocations covering the following in specific has led to growing opportunities for us and moved our focus mainly on orders from Government-

- Smart Cities
- Road & Highways
- Pradhan Mantri Awas Yojna
- National Mission for Clean Ganga (Namami Gange)
- Environmental Infrastructure (Solid Waste Management)

The Company successfully bagged projects in roads & highways (Rajasthan, Himachal Pradesh, Karnataka and Maharashtra), water management (Madhya Pradesh and Jharkhand), SWM (Chhattisgarh), public utility and welfare (for Pradhan Mantri Awas Yojna in Jharkhand, Chhattisgarh, Orissa and Madhya Pradesh).

We continues to focus on 3 aspects - Commercial and financial settlement of completed projects, Efficient execution of ongoing projects and balancing risk-reward approach to targeting new projects. Relationship building with the external stakeholders, including strategic clients and execution partnerships is recognized as a key to navigating through the challenging environment.

The year began with our presence in diverse segments of the market and the Company launched rational approach towards optimizing opportunities in domestic as well as global market.

CHOICE TECHLAB SOLUTIONS PRIVATE LIMITED SERVICES

Core Services Offered by Choice TechLab:

- ▶ **Digital Services**
 - Digital Marketing
 - Website Design
 - E-Commerce Development
 - Professional SEO Services
 - ERP/CRM
- ▶ **Cloud Services**
 - Cloud Infrastructure Design
 - CI and Deployment
 - DevOps Consulting Services

- ▶ **Artificial & Business Intelligence**
 - Machine Learning
 - Chatbot Development
- ▶ **Database Services**
 - Remote DBA Support
 - BI and Analytics
 - Managed NoSQL Databases
- ▶ **IT Security Services**
 - Threat Management
 - Disaster Recovery
- ▶ **Mobile Application Development**
 - IOS Application Development
 - Android Application Development



ACHIEVEMENTS FY 2017 - FY 2018

Neuron - Investment Tracking Web Application

Neuron is an easy-to-use web application with a detailed web-based dashboard that makes for an effective sales-force monitoring, investments tracking and reporting system. Neuron web application has been designed to assist the Choice Back office to manage details of users on Jiffy (Trading Platform) and Investica (Mutual Fund Investment) portal.

e-KYC - Online Aadhaar KYC Verification Web Application

e-KYC is a paperless Aadhaar-based process for fulfilling KYC requirements to start investing. It helps significantly cut down on time, paper work and customer acquisition cost as it allows for data transmission on a real-time basis by reducing manual implementation time and increasing turnaround time.

PMAY - SURVEY MOBILE APPLICATION

PMAY is a mobile application that allows PMAY Surveyors to survey the house of a beneficiary and authenticate it with images, date and timestamp, to remove loopholes and validate the entire survey process. The backend web based administration facilitates the state coordinator to have a complete overview of this scheme implementation in the state under different ULB and check whether the fund allocated for particular ULB is being utilized properly for the development of urban houses.

PWD POTHOLE - GIS BASED MOBILE APPLICATION

PWD Pothole is an android mobile application that has been

developed to record and report potholes. It is developed with a web-based analytical dashboard with reports in the backend portal to effectively manage reports.

CHOICE RETAILERS CRM - WEB APPLICATION FOR BRICK & MORTAR CENTRE

An IT system developed to manage the Brick and Mortar centres of Choice, across India. It provides a range of facilities that include finance, banking as well as a complete accounting system.

CHOICE AUDIT - WEB APPLICATION FOR AUDITORS

Developed with a simple user interface, the Choice Audit software is developed to audit payments like Contractor GST, Payment of Purchase Bill, Advance Payment, Payment of Salary, Miscellaneous Payment, Payment of Placement, Payment of Toilets (S.B.M.), Repair & Maintenance for Office & Motor Vehicles, and Payment of Pradhan Mantri Awas Yojana.

SIRJEE - MACHINE LEARNING BASED CHATBOT DEVELOPMENT

Sirjee is a user-friendly online platform that uses artificial intelligence to detangle complicated tax problems in no time. It is designed using an advanced NLP and Machine Learning, which facilitates the chatbot to understand most questions in a natural language.

NEW LAUNCHES FY 2018-2019

JIFFY

An online share-trading platform that will allow users to trade and invest in Equity, Derivative, Commodity, Options and Currency. It will be available on Web, Android and iOS and allows for seamless market data streamlining, expert insights, advanced charts, and support across multiple exchanges among others.

PROPERTY TAX

Property tax is an online web based application that allows the listing of all the properties under ULB. Information related to property tax concerning every property type in the ULB will be managed through the system. It will have an online payment gateway for payment of taxes through net banking or Credit and Debit cards. Alert messages to the assessee through SMS and emails will be provided.

UIDAI

This project allows for an IT enabled process for carrying out day-to-day activities relating to various types of payments made from the account of UIDAI and receipts to UIDAI.

WAY FORWARD STATEMENT.

CHOICE TECHLAB SOLUTIONS Pvt. Ltd. believes that when Creativity, Technology, Marketing and Artificial Intelligence combine, incredible results are achievable.

CHOICE RETAILS SOLUTIONS:

With a robust presence across Equity & Commodity Broking, Mutual Fund Distribution, Retail Loans, Insurance Broking, Management Consulting, Investment Banking, Infrastructure Consulting & IT Solutions – Choice Group is committed to serving end to end financial services of Corporates & Retail Clients.

In a never before heard initiative in the financial services sector, Choice Group has started an “All-in-one” investment, protection, servicing and advisory stores across the country. These stores are miniature Choice Group outlets. Any services requirements or investment needs can be sufficed at these stores from Taxation to Mutual Funds to Loans to Stock Markets everything is covered. The advantage of proximity for any corporates or individuals to walk-in and avail the services of Choice Group. We are calling them Choice Kendra or Centres, directly affiliated with the Choice Group. A veritable first-movers advantage with a broad Franchise option, it is great for individuals who would like to start their business or get it managed. All Services provided by Choice Group are available at any of our Choice Kendra's.

Services offered at Choice Kendra:

- GST - Get all your Goods & Services Tax related qualms treated well by our Expert
- ITR- Keep your money with yourself by competent consultancy for Income Tax
- Loans - Fund your dreams with prompt service for Loans right at your doorstep
- Stock Markets - Robust Analysis & Dedicated Platforms for our investors to earn higher profits
- Mutual Funds - A perfect platform with recommendations to help your Invest in Mutual Funds

RISK EVALUATION & MITIGATION

Risk is an integral part of the business which aims at delivering superior shareholder value by achieving an appropriate balance between risks and returns. Today Financial services company operate in an increasingly complex, competitive and continuously evolving legislative and regulatory environment due to increasing globalisation, integration, of world markets , newer and more complex products & transactions and an increasingly stringent regulatory framework. The ability to manage risks across geographic, products, assets classes, customer segments and functional departments is a paramount importance for the hindrance fee growth of the organisation.

The Company being a Holding Company with no operating business on standalone basis derive its income mainly from dividend, interest and Capital gains and hence is not directly exposed to many risks. The risk for the Company emanates from the risk associated with the business of various operating entities within the group.

The Groups Business is exposed to many internal & external risks. A team of experienced people within the organisation identify & monitor these risks as an on- going process to monitor and control the same to keep the risks to minimum level. On-going monitoring by our officials helps in identifying risks at an early stage. There is a continuous focus on the maker checker and sponsorship processes.

The report of internal auditors is reviewed and discussed by the Audit Committee of the respective operating companies including the company review in compliance with the set process and risks events.

1) Product risk: Product risk refers to the risks arising out of the products a company offers to its customer in the market.

Risk mitigation: The group offers its customers a well-diversified product range in line with customers need and market conditions. The Company offers brokerage, mutual fund distribution and portfolio management to its customers. This diversification and product range helps the Company reduce risks arising out of products.

2) Regulatory risk is the risk arising out of a change in laws and regulation governing business. It could also arise on account of inadequate observance of regulatory requirements or differences in interpretation of regulations vis-à-vis the regulators. New laws or regulations or changes in the enforcement of existing laws and regulations may adversely affect business/ revenue/profits.

Risk mitigation: The Company has a team of experienced professionals who take care of compliance with applicable laws, rules, regulations, and guidelines affecting our business. The team is

strongly supported by our Corporate Functions team to quickly calibrate the action in case of a change in regulation. All the new guidelines, circulars, notifications are complied with. Formulation of the policies as well as its implementation is taken due care of. Internal audit is also carried out to monitor compliance with best practices, approved policies, and applicable regulations.

3) Operational Risk can result from variety of factors including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems , software or equipments fraud, in adequate training and employee errors. Our businesses are dependent on people and processes. Shortcomings or failure in internal processes or systems may have material adverse impact on the financial position as well as affect its operation.

Risk Mitigation: Well defined policies, operational processes and systems have been devised for our operations. Regular audit are done by internal auditors to monitor the adherence of policies and processes. Maker/ Checker mechanism has been put in place to ensure compliance with laid down systems and procedures in all areas of functioning of the Company.

Also the Company's key management team consists of professionals of high level of commitment and the team is well versed in the key issues relevant to the holding company structure.

4) Liquidity Risk is the risk arising due to unavailability of adequate funds at appropriate prices or tenure. It also refers to the risk that arises from the difficulty of selling assets without high impact cost. Risk Mitigation: We have strong financial position and all our businesses are adequately capitalised, have appropriate credit lines available to address liquidity risks. We also maintain a part of our capital in liquid assets to manage any sudden liquidity needs.

5) Market Risk

Market risk is the risk arising from the adverse movements in market price for various securities, which may impact value of portfolio of investments in securities, which may impact value of portfolio of investments in securities.

Risk Mitigation: Our Portfolios and collaterals / securities are continuously monitored.

6) Business Continuity Risk

In the event of disruption in the conduct of business due to incidents like fire, natural calamity, breakdowns of infrastructure etc. We are exposed to risk of loss data, clients or business that can adversely affect our financial results.

Risk Mitigation: Policies on Preservation of documents and records are laid down by the Company and the internal checks are kept at regular intervals.

INTERNAL CONTROL SYSTEM & POLICY

The Company maintains adequate internal control systems commensurate with the nature of business, size, and complexity of its operations. The Company has well-established processes, guidelines, and procedures to augment the internal controls. This, coupled with adequate internal information systems ensures proper information flow for the decision making process. Adherence to these processes is ensured through frequent internal audits. The internal control system is designed to ensure maintenance of proper accounting controls, monitoring of operations, protection and conservation of assets and compliances with applicable laws and regulations.

Adequate Internal Controls systems to commensurate with the nature of business and size of operations for ensuring:

- Orderly and efficient conduct of business
- Adherence to company's policies and procedures
- Safeguarding all our assets against loss from unauthorised use or disposal
- Prevention & detection of fraud & error
- Accuracy and completeness of accounting standards
- Timely preparations of reliable financial information
- Compliance with applicable laws and Regulations,.

The Audit Committee of the Board provides necessary oversight and directions to the internal audit function and periodically review the findings and ensures corrective measures are taken keeping in mind the organization's requirements, growth prospects, and ever-evolving business environment. This system enables us to capture a precise reflection of the organization's position at all times and also facilitates timely detection and plugging of anomalies by various business groups.



CAUTIONERY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections , estimates and expectations may be “forward looking statements” within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied.

Mumbai

August 09, 2018

HUMAN RESOURCE

The Company's strong management team and talented, professional human capital resource are its biggest strengths. The Human Resource function revolves around creating and developing human capital by improving organizational effectiveness, providing a safe and ethical work environment, and maintaining stability and sustainability amidst the rapidly changing business environment.

The Company strongly believes in enhancing the value of its people asset consistently. The current talent acquisition backdrop is being driven towards managing the landscape in a way such that the Company delivers on its promise to its customer as well as on the Company's vision

The Company promotes a workplace where extremely diverse set of talent can connect, contribute and thrive in partnership with business leaders. People development has always been a focus area for the Company. Learning needs have been addressed during the year through new programmes in the areas of strategy, execution and critical thinking.

Human Resource team's broad range of activities includes:

- Employee Management
- Learning & Development
- Compensation & benefits
- Performance Management
- Workforce Diversity
- Talent Management
- Rewards & Recognition



On behalf of the Board of Directors

Sd/-
Kamal Poddar
(Managing Director)
DIN No: 01518700

Sd/-
Ajay Kejriwal
(Director)
DIN No: 03051841



CORPORATE GOVERNANCE

“

**In the End only
Kindness Matters
Good Corporate
Governance it's all bout
Being Proper & Prosper**

”

Corporate Governance is a set of systems, processes and principles which ensure that a Company is governed in the best interests of all stakeholders. It is about promoting fairness, equity, transparency, accountability and respect for laws. The aim of “Good Corporate Governance” is to manage affairs of the company in a transparent manner in order to maximise long-term value of the Company for the benefit of its shareholders and all other stakeholders.

Corporate governance provides a structure that works for the benefit of everyone concerned, by ensuring that the enterprise adheres to ethical standards, laws and accepted best practices. It imbibes the basic business ethics and values that need to be adhered to in letter and spirit. A transparent, ethical and responsible corporate governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the culture of the organisation.

The extent to which corporate enterprises observe the basic principles of good corporate governance has now become an important factor for attracting foreign investment. In this age of globalisation when quantitative restrictions have been removed and trade barriers dismantled, the relationship between corporate governance and flows of foreign investment has become increasingly important.

Further, in the context of liberalization and globalisation there is growing realization in the emerging economies including India that a country's business environment must be maintained and operated in a manner that is conducive to investors' confidence so that both domestic and foreign investors are induced to make adequate investment in corporate companies. This will be conducive to rapid capital formation and sustained growth of the economy.

It further needs to be emphasized that practices and principles of good corporate governance have been evolved which stimulate business rather than stifle it. In fact in good corporate governance structure what is ensured is that companies must preferably follow voluntarily ethical code of business conduct which are conducive to the expansion of investment in them and ensure good outcome in terms of rates of return.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practice and compliance of laws and regulations leading to effective control and management of the affairs of the Company. The Company believes that good corporate governance contemplates that corporate actions balance the interest of all stockholders and satisfy the tests of accountability, transparency and fair play. The Company gives high priority to core value and ethics and believes that all its operations and actions must be directed towards overall share holder value.

At Choice, Corporate Governance is about upholding the highest standards of integrity, transparency and accountability. We maximize shareholder value while safeguarding and promoting the interests of other stakeholders and maintaining a steadfast commitment to ethics and code of conduct. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth. We have engrained into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way.

CANONS OF OUR CORPORATE GOVERNANCE PHILOSOPHY:

- Engaging a diverse and highly experienced Board of Directors, with expertise in industry, finance, management and the law;
- Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organisation;
- Adoption of transparent and robust systems, processes, policies and procedures;
- Making high levels of disclosures for dissemination of corporate, financial and operational information to all its stakeholders;
- Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements.
- Respect, accountability and fairness towards all stakeholders.
- Create value for all stakeholders without compromising on ethical principles.
- Clear communication of relevant information and high degree of disclosure levels.

Choice is in full compliance with the corporate governance norms and disclosures of clause of the Listing Regulation with the Stock Exchange. We report our financial results and other relevant disclosures/developments in a clear and timely manner through print and electronic media.

WE BELIEVE THAT, THE CORPORATE GOVERNANCE ISSUES SHOULD NOT BE IMPOSED ON THE CORPORATES BY THE MARKET OR REGULATORS BUT IT SHALL BE ENTREPRENEUR DRIVEN.

ROLE OF BOARD OF DIRECTORS

Corporate Governance is concerned with the functioning of Board of Directors (BODs) - its structure, styles, process, their relationships and roles, activities etc. Therefore, Boards of directors (BODs) are considered as a crucial part of the Corporate Governance. Directors are appointed by the shareholders of the company, who set overall policy for the company, and the board appoints one or more of them as managing directors/whole time directors/ executive directors to be approved by the shareholders.

BOD's are a link between the people who provide capital (the shareholders) and the people who use that capital to create value (the managers). The board's primary role is to monitor management on behalf of the shareholders. Board of directors is the important element of Corporate Governance. As Tricker says, "Corporate Governance addresses the issues facing Boards of Directors".

In this view, the main responsibility of governing a company is upon the Board of Directors and, therefore, attention must be paid to their roles and responsibilities. The roles of the Board of Directors and shareholders are interactive and, therefore, the quality of governance depends upon the level of interface set up by them. The board is accountable in many ways to the shareholders and

stakeholders in a company. The directors are required to attain a balance between competing interests of shareholders, customers, lenders, promoters and directors. Preferably, the board should be the heart and soul of a company. Whether or not, the company grows or declines, depends upon the sense of purpose and direction, the values, the will to generate stakeholders' satisfaction and the drive to achieve them.

At the rudder of the "Choice" Corporate Governance practice is its Board. The Board provides strategic direction to the company's senior management and oversees the interests of all stakeholders. It reviews corporate policies, overall performance, accounting and reporting standards and other significant areas of management, corporate governance and regulatory compliance. Choice's Board consists of eminent individuals with diverse experience and expertise.

It comprises of combination of Various executive, Non -Executive & Independent Director on its Board the details of which are provided in the report.

GOVERNANCE STRUCTURE

The Corporate Governance structure at Choice is as follows:

I) Board of Directors:

The Board is entrusted with an ultimate responsibility of the Management, Directions and performance of the Company. As its Primary role its fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

II) Committees of the Board:

The Board has constituted the following Committees Viz, Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee, Security Allotment Committee and Finance Committee & Risk Management Committee.

1) BOARD OF DIRECTORS

A) COMPOSITION OF BOARD OF DIRECTORS

As at March 31, 2018, the Company had Ten Board of Directors comprising of 7 Non - Executive Independent Directors, one Non-Executive Women Director & Two Executive Directors out of which one is the Managing Director of the Company. The Composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulation read with Section 149 of the Companies Act 2013.

B) INDEPENDENT DIRECTORS:

The role of Independent directors is to act as a guide to the company. Their roles broadly include improving corporate credibility and governance standards functioning as a watchdog, and playing a vital role in risk management. Independent directors play an active role in various committees set up by company to ensure good governance. The Company has on its Board, renowned & distinguished Independent Directors who have brought Independent Judgement to Board's contemplations including issues of strategy, risk management and overall governance. They have played a pivotal role in safe guarding the interests of all stakeholders.

The Independent Directors have submitted declarations that they meet criteria of Independence laid down under the Companies Act, 2013 and Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations.

The terms and Conditions for the appointment of Independent Directors are posted on the Company's website at the following link: <http://reports.choiceindia.com//Reports/PO23122015dc0df.pdf>

None of the Directors of the Company hold directorships in more than twenty Companies. In accordance with the Listing Regulations, all the Directors of the Company meet the requirements of not holding independent directorship in more than seven listed companies. The Managing Director of the Company does not hold directorship in more than three listed companies. Also none of our Directors is serving as a member of more than ten committees or as the Chairman of more than five committees as per the Listing Regulations. Necessary disclosures regarding committee positions in other public companies at the end of the financial year have been made by the Directors.

Further it is hereby acknowledged that, the Independent Directors apart from receiving sitting fees paid for attending the Meetings of the Board does not have any material pecuniary relationship with the Company during the Financial Year 2017-18.

C) INDEPENDENT DIRECTOR'S MEETING

Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the Independent Directors of the Company to hold at least hold one meeting in a year, without the attendance of Non -Independent Directors. At such meetings the Independent

Directors, inter alia, review the performance of (i) Managing Director, Non - Independent Directors and the Board as a Whole, (ii) Managing Director of the Company taking in to views of Executive / Non - Executive Directors (iii) assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors met on April 29th, 2018 during the year under review.

D) MEMBERSHIP OF OTHER BOARDS

The information relating to the number of other directorships and committee chairmanships/ membership held by the directors in other public companies as on March 31, 2018 is given below. Other directorship includes directorship of Private Limited Companies and Companies under Section 8 of the Companies Act, 2013. The information pertaining to the Chairmanship / memberships of the committee of the Board held by our Directors include audit committee and stakeholder relationship Committee as required under the Listing Regulation.

Name of the Director	Category	Number of Directorship in other Companies	Number of Committee Position held in other Public Companies		No. of Equity Shares held in " Choice International Limited" as on March 31, 2018
			Chairman	Member	
Mr. Kamal Poddar	Executive Director	16	-	-	25,00,011
Mr. Ajay Kejriwal	Executive Director	5	-	-	56,000
Mrs. Hemlata Poddar	Non -Executive Director	-	-	-	8,50,000
Mr. Debkumar Goswami	Independent Non - Executive Director	3	-	-	-
Mr. Ashok Kumar Thakur	Independent Non - Executive Director	4	3	2	-
Mr. Kanhaiyal Berwal	Independent Non - Executive Director	-	-	-	-
Mr. Lalit Menghnani	Independent Non - Executive Director	3	-	-	-
Mr. L.N. Nathuramka	Independent Non - Executive Director	-	-	-	-
Mr. Raghuvir Shrivastava	Independent Non - Executive Director	1	-	-	-
Mr. Bharat Kumar Shah	Independent Non - Executive Director	1	-	-	-

Notes:

- Directorship includes private limited companies and Section 8 Companies.
- Chairmanship / Membership of committee only includes Audit Committee and Stake Holder Relationship Committee in Indian Public Companies. Members of the Board of the Company do not have membership of more than 10 Board level committees or Chairman of more than five such Committees.
- Mr. Kamal Poddar & Mrs. Hemlata Poddar are related to each other.
- Brief Profiles of each of the above directors are available on the Company's Website : www.chchoiceindia.com
- Mr. Lalit Menghnani (DIN: 06614582) & Mr. Raghuvir Shrivastava (DIN No: 01199531) the Independent Directors of the Company has resigned from the Directorship of the Company with effect from May 25, 2018 & May 30, 2018 respectively.

E) BOARD MEETING

The Board Meets at regular intervals to discuss and adopt the business strategies, policies, risk management, financial results / performances of the Company and its subsidiaries. The Board Meetings are pre scheduled and a tentative annual calendar of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business constraints the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed Agenda along with relevant notes and other material information are sent in advance separately to each Director and in in exceptional cases tabled at the meeting with the approval of

the Board. This ensures timely and informed decisions by the Board. The Board reviews the performances of the company in comparison to set targets/ available resources.

The Board Meeting are generally held at the registered office or in the nearby vicinity of the Registered Office of the Company. Five Board Meetings were held during the Financial Year under review i.e 2017-18- April 29, 2017, July 15, 2017 , August 14, 2017, November 10, 2017 & February 12, 2018.The Meetings were held at least once in the quarter and the time period between the two meetings did not exceed 120 days. The required quorum was present at all the above meetings. The details of attendance of the Director at the Board meetings held during the financial year 2017 - 18 and at the last Annual General Meeting are given below:

Name of the Director	Number of Board Meeting Held	Number of Board Meeting Attended	Attendance at the previous Annual General Meeting Held in the Year 2017
Mr. Kamal Poddar	5	5	√
Mr. Ajay Kejriwal	5	5	√
Mrs.Hemlata Poddar	5	3	√
Mr. Debkumar Goswami	5	5	√
Mr. Ashok Kumar Thakur	5	4	√
Mr. Kanhaiyal Berwal	5	4	√
Mr. Lalit Menghnani	5	3	√
Mr. L.N. Nathuramka	5	3	-
Mr. Raghuvir Shrivastava	5	3	√
Mr. Bharat Kumar Shah	5	4	√

F) FLOW OF INFORMATION TO THE BOARD

The Agenda for the Meetings of the Board and its Committees are circulated in advance to the Directors to ensure sufficient time is provided to Director to prepare for the meetings. The Board meets at least once in a quarter inter alia to review quarterly standalone and consolidated financial results , compliance report(s) of all laws applicable to the Company , major legal issues or regulatory development , minutes of the Board Meetings of Subsidiary companies, significant transactions and arrangements entered in to by the unlisted subsidiary companies, risk management, borrowings, Joint ventures or any other proposal from the management regarding mergers, acquisitions, restructuring of investments etc.

The agenda items for Board/ Committee meetings are finalised by the Company Secretary in consultation with the Chairman. The detailed Agenda, setting out the business to be transacted at the Board/ Committee meetings supported with relevant presentations, explanatory notes and executive summaries is sent to each Director at least seven days before the date of the meetings. In addition to the items which are required to be placed before the Board for its noting and/ or consideration / approval. Information is provided on various significant items.

With regards to matters requiring the approval of the Board, all the concerned person communicate with the Company Secretary in advance to enable inclusion of such matters in the agenda for the Board/ committee meetings. Where it is not practicable to circulate any document or if the agenda item is of a confidential nature, the same is sent separately or tabled at the meeting, as the case may be. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the permission of the Chairman and with the consent of the majority of the Directors present at the Meeting. The senior officials of the Group are invited to the Board meetings in respect of the items concerning them to provide additional inputs as and when necessary.

At the Board Meetings, presentations are made by the Senior

Management & the Business Heads of the Company and its subsidiaries. The Board periodically reviews and takes note of, all the compliances confirmations in respect of laws and regulations applicable to the company. The annual operating & Capital expenditure plans and budgets, unaudited / audited financial results, minutes of the board Meetings of the unlisted subsidiaries including the summary of the key decisions taken by their respective boards, significant transactions and arrangements entered in to by the unlisted subsidiary companies, risk management update / reports, minutes of meetings of the committees of the board etc. are placed before the Board.

The draft Minutes of the Board and Committee meetings are circulated are circulated amongst the Directors/ Members for their perusal and comments. Suggestion if any , received from the Directors/ Members are suitably incorporated in the draft Minutes , in consultation with the chairman of the Board/ Committee. Minutes are generally signed by the Chairman of the Board/ Committee at the next meeting.

The Company has an effective post meeting follow up review and reporting Process. The decisions taken by the Board/ Committees are communicated to the respective departmental heads for their implementation. The implementation of the decisions of the previous Board Meeting is placed in the next Board Meeting.



G) FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTOR

At the time of appointing a Director, a formal letter of appointing a Director, a formal letter of appointment is given to the Director, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the compliance required from him under Companies Act, 2013, the Listing Regulations and other various statues and an affirmation is obtained. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further on -going basis as a part of Agenda of Board/ Committee Meetings, presentations are regularly made to the Independent Directors on various matters covering the Company's and its Subsidiaries along with its group Companies business and operations , industry and Regulatory updates, strategy, finance , risk management framework, role , rights , responsibilities of the Independent Directors under various statues and relevant matters. The details of the familiarisation programmes for Directors are available on the company's website: www.choiceindia.com

H) BORAD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR Regulations), a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Director individually as well as the evaluation of the working of the Committees of the Board. The Performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The Purpose of the Board evaluation is to achieve obstinate and reliable improvement in the governance of the Company at the Board level with participation of all the concerned in an environment in harmony. The Board acknowledges its intention to establish and follow the best practises in the Board Governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board Members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

A structured questionnaire is prepared after taking in to considerations inputs received from covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance. A separate exercise is carried out to evaluate the performance of individual Directors including the Managing Director , who were evaluated on parameters such as level of engagement and contributions , independence of judgement , safeguarding of interest of the Company and its minority shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

I) GOVERNANCE CODE

The Company has adopted the code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (One Level below the Board of Directors) of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company www.choiceindia.com .

All the Members and Employees have affirmed compliance with the said code for the year ended March 31, 2018. A declaration to this effect is signed by the Managing Director is given below:

DECLARATION ON CODE OF CONDUCT

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2018.

Place: Mumbai
Date : August 09 , 2018

Sd/-
Kamal Poddar
Managing Director
DIN No : 01518700

J) INSIDER TRADING CODE

The Company has adopted an Internal Code of Conduct for Regulating , Monitoring and Reporting of Trades by Insiders (" the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the PIT Regulations).

The Code is applicable to promoters and Promoter's group, all Directors and Designated employees who are able to access to Unpublished Price sensitive information relating to the Company. The Company has formulated The Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information in compliance with PIT Regulation.

2) COMMITTEES OF THE BOARD

The Board has constituted various committees of Directors to take an informed decisions in the best interest of the Company which caters to specific areas and activities. The Committees constituted are in line with the Companies Act, 2013 & Listing Regulations. Following are the Committees constituted by the Board of Directors which comprises of the members of the Board & the Senior Management of the Company.

- A) Audit Committee
- B) Nomination & Remuneration Committee
- C) Stakeholder Relationship Committee
- D) Risk Management Committee
- E) Corporate Social Responsibility Committee
- F) Investment Committee
- G) Finance Committee
- H) Securities Allotment Committee

The above mentioned committee meetings are held at regular intervals to track the day to day affairs of the Company. The decisions taken by the Committees are reviewed by the Board of Directors at the Board Meeting conducted for each quarter.

All the decision pertaining to the constitution of the Committees, appointment of Members and fixing their terms of reference / role of committee are taken by the Board of Directors. Details of the role and composition of these Committees including the number of meetings held during the financial year and attendance at meetings are provided below.

A) AUDIT COMMITTEE

Audit committees is identified as an effective means for corporate governance that reduce the potential for fraudulent financial reporting. Audit committees oversee the organization's management, internal and external auditors to protect and preserve the shareholders' equity and interests. The Composition, quorum, powers, role & scope of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the provisions of the Listing Regulations.

As on March 31, 2018, the Audit Committee comprises of three Directors, the majority of which are Independent Directors. All the members of the Committee are financially literate and holds a varied experience in the Financial Market.

The audit committee met four times during the year i.e on 2017- 18- April 29, 2018, July 15, 2018, November 10, 2018 & February 12, 2018. The maximum interval between any two consecutive Meetings was well within the maximum allowed gap of 120 day. The Minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meeting are given in the below mentioned table:

Details of the Meeting & Members of Audit Committee

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended	Presence at the Previous Annual General Meeting held in September, 2017
Mr. Debkumar Goswami	Independent Director	Chairman	4	4	√
Mr. A.K Thakur	Independent Director	Member	4	4	√
Mr. Ajay Kejriwal	Executive Director	Member	4	4	√



The Company Secretary of the company acts as the secretary to the committee.

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

- I) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Reviewing, with the management, the annual financial statements and auditors reports thereon before submission to the board for approval, with particular reference to :
 - a) Matters required to be included in the Director's responsibility statement to be included in the board's report in terms of (c) of sub section (3) of section 134 of the Companies Act, 2013.;
 - b) Changes if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgements by management.
 - d) Significant adjustments made in the financial statements arising out of audit finding;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Modified Options in the draft audit report,
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue(public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and effectiveness of audit process.
- viii) Approval or any subsequent modification of transactions of the listed entity with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, 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;

- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) 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;
- xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii) To review the functioning of the whistle blower mechanism;
- xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).





B) NOMINATION & REMUNERATION COMMITTEE

The perseverance of the Nomination and Remuneration Committee is to assist the Board in ensuring that the Board and Executive Committee retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the firm. The Committee assists the Board in meeting its responsibilities regarding the determination, implementation and oversight of senior remuneration arrangements to enable the recruitment, motivation and retention of partners generally. The Committee also assists the Board by reviewing and making recommendations in respect of the remuneration policies and framework for all staff.

The Nomination & Remuneration Committee comprises of three Directors, all being Non - Executive Director as on the date of the Report the Committee constitutes of two Independent Director & one Non - Executive Director. The details of the Members of the Committee & the Committee Meetings held during the year under review are mentioned below in the table:

Details of the Meeting & Members of Nomination & Remuneration Committee

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Debkumar Goswami	Independent Director	Chairman	1	1
** Mr. Lalit Menghnani	Independent Director	Member	1	1
Mrs. Hemlata Poddar	Non- Executive Director	Member	1	1
* Mr. Kanhaiyalal Berwal	Independent Director	Member	–	–

The Company Secretary acts as a Secretary to the Committee.

* Mr. Kanhaiyalal Berwal the Independent Director of the Company was appointed as the Member of the Nomination & Remuneration Committee with effect from May 30, 2018 pursuant to Resignation of Mr. Lalit Menghnani with effect from May 25, 2018 from the Board of Directors of the Company due to which **Mr. Lalit Menghnani ceased to be the Member of the Committee.

The Composition & role of the Nomination & Remuneration Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 19 read with Part D of Schedule II of the Listing Regulations. During the Financial Year 2017-18 the Committee meeting was held April 29, 2017 times in the year.

Terms of reference:

The Broad terms of reference of the Nomination & Remuneration Committee as approved by the Board are as follows:

- Formulation of the criteria for determining qualifications, positive

attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of the performance evaluation of Independent Directors.
- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole Time Directors and Senior Management Employees.
- To create an evaluation framework for the Independent Director and the Board.
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors.

Criteria for Performance Evaluation of Directors

A separate exercise was carried out to evaluate the performance of individual Directors including the Managing Director were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its shareholders. The performance evaluation of the Managing Director and the Executive Directors and the other Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Evaluation Criteria:

- Understanding the Business in connotation with the Risk appetite of the Business and Regulatory requirements;
- Leadership and Management Skills
- Attendance at the Board Meetings and active participation in the discussion of Business Performance.
- Nurturing Leadership & Strategic Management Skills
- Managing the Conflicts in the Board Discussion
- Managing the Potential Conflict of interest.

Board Membership:

The Nomination & Remuneration Committee shall formulate the criteria for appointment of a Director and review the said criteria for determining the qualifications, skills, positive attributes necessary for inducing members of the Board. The Committee is also responsible for screening the candidates who meet the criteria, reviewing their appointment/ re - appointment and making recommendations to the Board in this regard.

Few of the parameters considered by the Nomination & Remuneration Committee while recommending the appointment of a Director to the Board, include:

- Composition of the Board
- Board Diversity
- Appropriate Balance of skills & experience and knowledge
- Professional qualifications, expertise and experience in specific area of business;
- any present or potential conflict of interest;
- ability to devote sufficient time and attention to his professional obligation informed and balanced decision;
- ability to uphold ethical standards of integrity and probity in accordance with the Company's values.

Remuneration Policy:

In determining the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the Company, a Remuneration Policy has been framed by the Nomination & Remuneration Committee and approved by the Board with the following broad objective:

- Ensuring that the level and compensation of Remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company Successfully,
- Motivate the Key Managerial Personnel and Senior Management to achieve excellence in their performance.
- Relationship of Remuneration to performance is clear and meets appropriate performance Benchmarks.
- Ensuring that the remuneration to Directors, KMP & Senior Management involves a balance between fixed & incentive pay reflecting between fixed & incentive pay reflecting short & long term performance objective appropriate to the working of the Company and its goals.

Emphasis on efficiency and pay for performance has been the foundations of the Company's philosophy on rewards. The Company values its intangible assets in the forms of its employee and to retain them, the Company regularly benchmarks the remuneration level in the industry and makes necessary changes in its pay structure to retain their employees.

a) Remuneration to Non - Executive / Independent Directors:

The Non - Executive / Independent Director of the Board shall be entitled to sitting fees for attending the meeting of the Board & Committees thereof. The sitting fees paid to the Directors are within the limit prescribed under the Companies Act, 2013. The Independent Directors shall not be eligible for any stock option plans and further shall also not be eligible for any share based payments. The Independent Directors do not have any material pecuniary relationship or transactions with the Company.

b) Remuneration to Managing/ Executive Directors

The appointment and remuneration of Executive Directors including Managing Director is governed by the recommendation of Nomination & Remuneration Committee, Resolutions passed by the Board & Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreement executed between the Director and the Company.

The remuneration payable to the Managing Director is broadly divided in to fixed and variable component. The fixed component comprises of salary, allowances, perquisites and the variable component comprises of performance bonus and may include commission subject to the approval of the members.

The remuneration policy is directed towards rewarding performance based, to retain the talent. The details of Remuneration to the Managing Director during the year is as follows:

Name of the Director	Salary, Allowances & Perquisites as on March 31, 2018
Mr. Kamal Poddar	Rs. 42,00,000/-



c) Remuneration to Senior Management Employees

The Remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay & incentive pay in compliance with the provisions of the Companies Act, and in accordance with Company's Policy. The fixed pay shall include monthly remuneration, employer's contribution to provident fund, pension schemes etc as amended from time to time. The incentive pay shall be decided based on the balance between performance of the Company and Performance of the Key Managerial Personnel and Senior Management, to be decided annually or such intervals as may be considered appropriate.

C) STAKEHOLDER RELATIONSHIP COMMITTEE

The Stake Holder Relationship Committee comprises of two Directors. Detailed below in the table is the Constitution & details of the Meeting held during the year.



Details of the Meeting & Members of Stakeholder Relationship Committee

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mrs. Hemlata Poddar	Non- Executive Director	Chairman	2	2
Mr. Ajay Kejriwal	Executive Director	Member	2	2

The Company Secretary acts as a Secretary to the Committee.

The Committee met 2 times during the Financial Year 2017- 18 on April 29, 2017 & July 15, 2017.

The Company obtains half yearly certificate from a Company Secretary in Practise under Regulation 40(9)of the Listing Regulations, confirming the issue of certificates for transfer , sub division , consolidation etc. and submit a copy thereof to the Stock Exchange in terms of Regulation 40(10) of the Listing Regulations. Further the Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also filed with the Stock Exchange on a half yearly basis.

In accordance with Regulation 55 A of the SEBI (Depositories and Participants) Regulations , 1996 and SEBI Circular No. D & C/ FITTC/Cir- 16/2002 dated December 31, 2002 a Qualified Practising Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share capital with NSDL & CDSL and the total issued and paid up share capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

The terms of reference of the committee include:

- approval of transfer of Shares/ debenture and issue of Duplicate /split/consolidation /subdivision of Share.
- to fix record date/ book closure of Share/ debenture transfer book of the Company from time to time
- Monitoring expeditious redressal of investor grievance matters received from stock exchanges, SEBI , ROC etc.
- to carry out any other duties that may be delegated to the committee by the Board of Directors from time to time.

The Secretarial Department of the Company and the Registrar and Transfer Agent, Sharex Dynamics (India) Private Limited attend to all the grievances of the Shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Efforts are made to ensure that the grievances are redressed expeditiously to the satisfaction of the Investors.

Details of Shareholders Complaints received & redressed during the year 2017- 18 are as follows:

Opening Balance of Complain received	Complain received during the year	Complain Resolved During the Year	Closing Balance of Complaints received
0	0	0	0



D) RISK MANAGEMENT COMMITTEE

The Risk Management Committee constituted by the Board of Directors is bound to adhere to the Roles & Responsibility as defined by the Board of Directors in the Policy.

- Term of reference of Risk Management Committee:
- Identifying the Company's Risk appetite
 - Review the risk management practises and structures and recommend changes to ensure their adequacy
 - Framing a Risk Management Policy
 - Approve and review the risk management plan put in place by the management
 - Such other activities as the Board of Directors may determine from time to time.

The Committee is responsible for the overall risk management process & to address the uncertainties if any to be aroused in the operations of the Company.

The Risk Management Committee meets at Regular Interval .The Risk Management Committee comprises of the Senior Management Team of the Company and the Executive Directors.

E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Section 135 of the Companies Act, 2013 does not imply to your company, nonetheless your Company understands the importance of its responsibilities towards the society under which we cater our services. Your Company has voluntarily adopted the CSR Policy to shoulder its responsibilities towards the society and has also constituted the CSR Committee to ascertain the activities undertaken by the Company in the best interest of the Society.

The Constitution of the Corporate Social Responsibility Committee is as follows:

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Kanhaiyalal Berwal	Independent Director	Chairman	1	1
Mr. Kamal Poddar	Managing Director	Member	1	1
Mr. Ajay Kejriwal	Executive Director	Member	1	1
*Mr. Raghuvir Shrivastava	Independent Director	Member	1	1

* Note : The Committee was held on July 15, 2017 during the year under review.

Note : Mr. Raghuvir Shrivastava cease to be the member of the committee pursuant to his resignation from the Directorship of the Company with effect from May 30, 2018.

Terms of reference of the Committee are as follows:

- Formulating and recommending to the Board , CSR Policy which shall indicate the activities to be undertaken by the Company as specified in the Schedule VII of the Act;
- Making recommendation on the amount of expenditure to be incurred on CSR activities;
- To monitor the implementation of the activities to be undertaken by the Company.



F) INVESTMENT COMMITTEE

The Investment Committee is entrusted with the day to day operations with respect to investments to made in the name and on behalf of the Company. The maximum amount up to which the Investment shall me made by the Investment Committee is already predefined by the Board of Directors.

The decisions taken by the Investment Committee with respect to the Investments made on behalf of the Committee are reviewed by the Board of Directors at the Board Meeting; the decisions taken by the Investment Committee can be altered by the Board of Directors.

The Investment Committee constituted by the Board comprises of Executive & Independent Directors. The details of the Committee Meeting held during the Year along with the Constitution of the Committee are detailed as follows:

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Kamal Poddar	Managing Director	Chairman	3	3
Mr. Ajay Kejriwal	Executive Director	Member	3	3
Mr. A K Thakur	Independent Director	Member	3	3

The Committee was held on November 17, 2017, December 06, 2017 & March 24, 2018 during the year under review.



G) FINANCE COMMITTEE

The Finance Committee is entrusted with responsibility of day to day business activities and taking decisions on behalf of the Company in respect of Financial matters pertaining to giving Guarantee, availing loan facility from Banks, Financial Institutions, Monitoring adherence to the Budget, setting Finance goals along with the funding strategies to achieve them, Presenting Finance goals to the Board of Director for approval, Creating, approving, and updating policies that help ensure the assets of the organization are protected, Ensuring approved Finance policies and procedures being followed by the Company.

The maximum amount up to which the loans to be given or to be availed by the Company is predefined by the Board of Directors of the Company. The decisions taken by the Finance Committee with respect to the Financial decisions on behalf of the Committee are reviewed by the Board of Directors at the Board Meeting; the decisions taken by the Finance Committee can be altered by the Board of Directors.

The details of the Committee Meeting held during the Year along with the Constitution of the Committee are detailed as follows:

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Kamal Poddar	Managing Director	Chairman	6	6
Mr. Ajay Kejriwal	Executive Director	Member	6	6
Mr. Manoj Singhania	Chief Financial Officer	Member	6	6

The Meeting of the Finance Committee was held on August 14, 2017, October 09, 2017, February 21, 2018, March 13, 2018, March 22, 2018 & March 27, 2018 during the year under review.

H) SECURITIES ALLOTMENT COMMITTEE

The Securities Allotment Committee is entrusted majorly with the role of considering and approving the allotment of Shares/ Debentures arising on account of any Corporate action to be initiated by the Company.

The Securities Allotment Committee Meeting was held on May 30, 2017 during the Year under review.

The Constitution of the Securities Allotment Committee is as follows:

Name of the Director	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Kamal Poddar	Managing Director	Chairman	1	1
Mr. Ajay Kejriwal	Executive Director	Member	1	1
Ms. Karishma Shah	Company Secretary	Member	1	1

AFFIRMATIONS & DISCLOSURES

a) Compliance Framework

The Company is in compliance with all mandatory requirements under the Listing Regulations.

b) Related Party Transaction

All transactions entered into by the company with related parties, during the financial year 2017- 18, were in ordinary course of business and on arms -length basis. The details of the Related Party Transaction are set out in the notes to the Financial Statements forming part of this Annual Report.

The Related Party Transaction undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with rules issued there under and Regulation 23 of the Listing Regulations.

The Audit Committee during the Financial Year 2017-18 has approved Related Party Transactions while granting omnibus approval in line with the policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with Rules issues thereunder and the Listing Regulations(including any statutory modification(s) or re-enactments thereof for time being in force.

The related party transaction policy has been placed and can be accessed on the company's website www.choiceindia.com.

There are no materially significant Related Party Transactions of the Company which have potential conflict with the interest of the Company at a large.

c) Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9)& (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for Vigil Mechanism of Directors and Employees to report to the management about Unethical behaviour, fraud or violation of the Company's Code of Conduct.

The Company has adopted a Whistle Blower Policy and an effective Vigil Mechanism system to provide a formal mechanism to its Directors, Employees and Business Associates to raise their concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice or wrong doing within the organisation and also to safeguard against victimization.

d) Details of Non - Compliance by the Company, Penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during last three Financial Year

The Company has complied with all requirements specified under the Listing Regulations as well as other Regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchange or any statutory authority for non - compliance of any matter related to Capital Markets during the last three Financial Years.

e) Policy Determining Material Subsidiaries

Pursuant to requirements of Regulation 16 and Regulation 23 of the Listing Regulations the Company has adopted the policies for determining material subsidiaries and on related party transactions and the said policies are available on the Company's Website at www.choiceindia.com.

f) Disclosure on Commodity Price Risk and Commodity Hedging Activities

The Company has in place a mechanism to inform the Board Members about the Risk assessment, mitigation Plans and periodical reviews faced by the Company. Risk based internal audit plan is approved by the Audit Committee which also reviews adequacy and effectiveness of the Company's internal financial controls.

The Company does not involve in commodity hedging activities.

g) Disclosure of Accounting Treatment

In the preparation of the financial statements the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

h) Risk Management

Business Risk Management is an on-going process within the Company. The assessment is periodically examined by the Company.

i) Subsidiary Companies

The Company has adopted a policy in line with the requirements of Listing Regulations. The Objective of the policy is to lay down the criteria for identification and dealing with material subsidiaries to formulate a governance framework for subsidiaries of the Company. The Policy of Material subsidiary is available on the website of the Company www.choiceindia.com.

Monitoring framework of Subsidiary Companies:

- i) The Financial statements along with the investments made by the unlisted subsidiaries are placed before the Audit Committee and the Company's Board Quarterly.
- ii) A copy of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries along with the Exception Reports and Quarterly Compliance Certificates are tabled before the Company's Board quarterly.
- iii) A summary of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries are circulated to the Company's Board quarterly.
- iv) A statement containing all significant transactions and arrangements entered in to by the subsidiary companies is placed before the Company's Board.

j) SEBI Complaints Redress System (SCORES)

Securities and Exchange Board of India (SEBI) administers a centralised web based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website www.scores.gov.in. It also enables the Company to receive the Complaints from Investor against them, redress such complaints and report redressal. All the activities starting from lodging the complaint till its disposal are carried online in an automated environment and the status of every complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on Scores and endeavours to resolve all investor complain received through scores.

k) Filing with BSE "Listing Centre":

Pursuant to Regulation 10(1) of the SEBI (LODR Regulations) BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Shareholding Pattern & Corporate Governance. All the data relating to financial results, various submissions/ disclosure documents etc., have been electronically filed and Shareholding pattern & corporate governance Report have been filed in XBRL mode with the Exchange on the "Listing Centre". (<http://listing.bseindia.com>)

l) Code of Conduct to Regulate, Monitor and Report Trading by Insiders:

In accordance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("Insider Trading Code"). The said Insider Trading Code applies to Directors, Senior Management Personnel, persons forming part of the Promoter(s) & Promoter(s) groups and such other designated employees of the Company, who were expected to have access to unpublished price sensitive information relating to the Company ("designated persons"). Such designated persons are expected to be compliance with the Insider Trading Code at all times.

During the year under review, the Board of Directors of the Company approved incremental changes to the code of conduct to Regulate, Monitor and Report Trading by Insiders.

The Processes to be followed under the Insider Trading Code have been automated by the Company and all Designated Persons, other than Promoter(s) & Promoter(s) group, are using the same.

m) Means of Communications

Timely disclosures of the information on corporate financial performance and the corporate developments are a sign of good corporate governance practise which your company follows.

Effective Communication of information is an essential component of Corporate Governance. It is process of sharing information, ideas, thoughts, opinions and plans to all stake holders which promote management - shareholders relations. The Company regularly interacts with its members through multiple channels of Communications such as results, announcements, annual reports and the website of the Company and the stock exchanges.

i) Quarterly Result

The Unaudited quarterly/ half yearly financial results are announced within 45 days of the end of the respective quarter. The audited annual financial results are announced within 60 days of the close of the financial year as per the requirement of the Regulation 33 of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) where the shares of the company are listed. These results are thereafter published within 48 hours in one English Newspaper (Financial Express) & one local newspaper (Navshakti) as well as placed

ii) Website

In Compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under "Investors Relation" on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly / Half Yearly/ Nine Months and Annual Financial results along with the applicable policies of the Company at www.choiceindia.com.

iii) Stock Exchange

The Company makes timely disclosures of necessary information to BSE Limited in terms of Listing Regulations and other rules & regulations issued by the SEBI

iv) BSE Listing Centre

The Financial Results, Shareholding Pattern and Quarterly report on Corporate Governance and other filings required to be made to the stock exchanges are electronically filed at BSE portal i.e listing.bseindia.com.

v) Price Sensitive Information

All price sensitive information and such other matters which in the opinion of the Company are of importance to the Shareholders/ investors are promptly intimated to the Stock Exchanges. Material developments relating to the company are potentially price sensitive in nature or which could impact continuity of publicly available information regarding the Company are disclosed to the Stock Exchanges in terms of the Company's policy for determination of Materiality of Events/ Information.

n) Details of Non- Compliance

The Company has complied with all requirements specified under Listing Regulations as well as other Regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory authority for non - compliance of any matter related to the capital markets during the last three years.

o) Non Mandatory Requirement

Adoption of Non - Mandatory requirement of Listing Regulation is being reviewed by the Board on timely intervals.

**GENERAL SHAREHOLDER INFORMATION****I) Company Registration Details:**

The Company is registered in the state of Maharashtra, India, under the jurisdiction of Registrar of Companies, Mumbai.

Corporate Identity Number (CIN No) : L67190MH1993PLC071117

II) Financial Year

April 1, 2017 to March 31, 2018

III) 25th Annual General Meeting for the Financial Year 2017- 18

Day and Date	Thursday, September 27, 2018
Time	11.00 PM
Venue(Registered Office of the Company)	Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400099
Financial Year	April 1, 2017 to March 31 st , 2018
Book Closure Dates	21 st September 2018 - 27 th September 2018
Last Date Of Receipt Of Proxy Forms	25 th September 2018

IV) Listing Details

Stock Exchange on which Shares are Listed	BSE Limited (Bombay Stock Exchange)
Stock Code	531358
Script Id	CHOICEIN
ISIN	INE102B01014

V) Dividend History

Financial Year	Type of Dividend	Date of Declaration	Dividend Per Share of the Face Value of Rs. 10 each
2010-11	Final	September 30, 2011	10%
2011-12	Final	September 28, 2012	10%
2012-13	Final	September 16, 2013	10%
2013-14	Final	September 27, 2014	10%
2014-15	Final	September 26, 2015	10%
2015- 16	Final	September 20, 2016	10%
2016-17		Dividend Not Declared	

VI) Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 (the Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter called "the IEPF Rules"), the amount of dividend which remain unclaimed or unpaid for a period of seven years from the date of transfer of such amount to the Unpaid Dividend Account opened in pursuance of sub-section (1) of the said Section is required to be transferred to the Investor Education and Protection Fund (IEPF) established under sub-section (1) of Section 125 of the Act.

Accordingly, the unclaimed dividend in respect of the financial year 2010-11 is due for transfer to the IEPF in October 2018. Members, who have not yet claimed their dividend for the financial year 2010-11 or for any subsequent financial years, are requested to claim the same from the Company. Additionally, pursuant to sub-section (6) of Section 125 of the Act read with the IEPF Rules, all shares in respect of which dividend has not been claimed for the past seven consecutive



years shall be transferred by the Company in the name of IEPF Authority by way of credit to the Demat Account established by the IEPF Authority on or before October 30, 2018 or such other date as may be specified by the Central Government in this regard.

Any member whose shares are thus transferred to IEPF may claim his/her/its shares under proviso to Section 124(6) of the Act by following the process given under Rule 7 of the IEPF Rules. In terms of the relevant IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends (Final Dividend) for the financial years from 2010-11 to 2015-16 as on the date of the Twenty Third Annual General Meeting (AGM) held on September 20, 2016, on the website of the Pursuant to the provisions of Sections 124 and 125 of the Act, the Company has transferred an amount of Rs. 38,864/-, being the unclaimed dividend for the financial year 2009-10 to IEPF in 2017.

Given below are the dates of declaration of dividend and corresponding last dates for claiming unpaid Dividend.

Financial Year	Type of Dividend	Date of Declaration of Dividend	Last date for claiming unclaimed Dividend
2010-11	Final	September 30, 2011	October 21, 2018
2011-12	Final	September 28, 2012	October 05, 2019
2012-13	Final	September 16, 2013	September 23, 2020
2013-14	Final	September 27, 2014	October 3, 2021
2014-15	Final	September 26, 2015	October 1, 2022
2015-16	Final	September 20, 2016	October 1, 2023

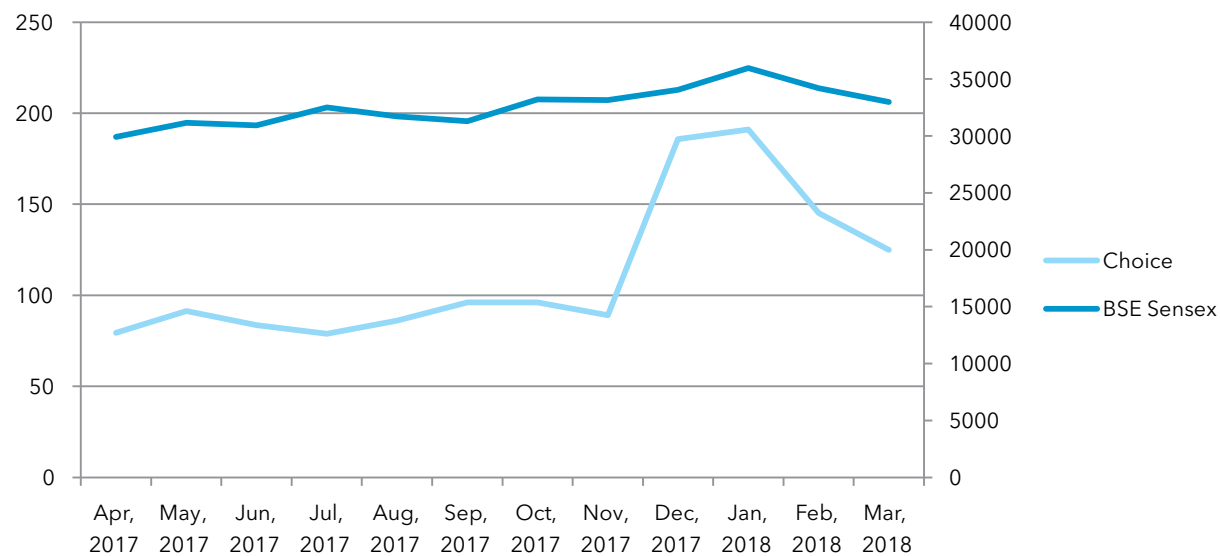
VII) Details of General Body Meetings of Last three years

Financial Year	Date	Time	Venue	Special Resolutions if any
2014-15	September 26, 2015	12.30 P.M.	Anchorage Hall, Hotel SubalInternational, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400099	1) Issue of Non- Convertible Debentures on a Private Placement Basis 2) Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company
2015-16	September 20, 2016	11.30 A.M.		–
2015-16	September 18, 2017	12.00 P.M.		–

VIII) Market Price Data

Month	Choice High (BSE)	Choice Low (BSE)	Close Price (BSE)	BSE Sensex High	BSE Sensex Low	BSE Sensex Close
April , 2017	79.4	51	79.3	30184.22	29241.48	29918.4
May, 2017	95.1	80	91.3	31255.28	29804.12	31145.8
June, 2017	92.4	80	83.55	31522.87	30680.66	30921.61
July, 2017	87.6	76.5	78.85	32672.66	31017.11	32514.94
August, 2017	86.1	65.65	86.1	32686.48	31128.02	31730.49
September, 2017	103.9	85	96	32524.11	31081.83	31283.72
October, 2017	101.4	90.25	96	33340.17	31440.48	33213.13
November, 2017	99.5	87.35	89	33865.95	32683.59	33149.35
December, 2017	196	86.05	185.75	34137.97	32565.16	34056.83
January, 2018	196.05	163.65	191	36443.98	33703.37	35965.02
February, 2018	195	140	145.1	36256.83	33482.81	34184.04
March, 2018	149.75	121.3	125	34278.63	32483.84	32968.68

Comparison Chart



IX) Registrar and Transfer Agent:

M/s. Sharex Dynamics (India) Private Limited
Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072
Tel No: 0222 8515606/44 | Website: www.sharexindia.com

X) Distribution of Shareholding as on March 31, 2018:

No. of Equity Shares	No. of Shareholder	% of total No. of Shareholders	Share Amount (In Rs.)	% total of Share Capital
1 to 5000	1636	74.77%	25,23,250	1.26%
5001 to 10000	207	9.46%	17,20,820	0.86%
10001 to 20000	137	6.26%	21,02,670	1.05%
20001 to 30000	57	2.61%	14,27,460	0.71%
30001 to 40000	19	0.87%	6,87,600	0.34%
40001 to 50000	33	1.51%	15,31,720	0.77%
50001 to 100000	45	2.06%	32,67,790	1.63%
100001 to above	54	2.47%	18,67,86,690	93.37%
Total	2188	100%	20,00,48,000	100%

XI) Categories of Shareholder as on March 31, 2018

No	Category of Shareholder	Total No. of Shares	% of Total Shares
(A)	Shareholding of Promoter & Promoter Group		
a	Individuals	1,43,00,011	71.48
b	Bodies Corporate	3,86,527	1.94
	Total Promoter Shareholding (A)	1,46,86,538	73.42
(B)	Public Shareholding		
a	Institutions		
	i. Mutual Funds/UTI	-	-
	ii. Financial Institution/ Banks	-	-
	iii. Foreign Portfolio Investor	-	-
	iv. Insurance Companies	-	-
	v. Foreign Financial Institution	-	-
	vi. Foreign Mutual Fund	-	-
	Sub Total (Ba)	-	-
b	Non - Institution		
	i. Bodies Corporate	30,44,254	15.21
	ii.a Individual Shareholder nominal Share Capital up to Rs. 1 Lakh	9,82,292	4.92
	ii.b Individual Shareholder nominal Share Capital in excess of Rs. 1 Lakh	10,95,974	5.47
	NRI	1,84,076	0.93
	Clearing Members	11,666	0.05
	Sub Total (Bb)		
	Total Public Shareholding (B)(Ba + Bb+Bc+Bd)		
	Grand Total (A+B)	2,00,04,800	100

XI) Top Ten Shareholder other than the promoters as on March 31, 2018

Sr. No	Name of the Shareholder	No. of Shares Held	% of Holding
1	M/s. Azura Projects Private Limited	12,85,026	6.24
2	M/s. Florence Securities Private Limited	9,35,684	4.67
3	M/s. Chartered Capital Research Private Limited	5,08,156	2.54
4	Mr. Vivek Bhimsaria	1,20,000	0.60
5	M/s. S & D Share & Stock Private Limited	1,10,000	0.55
6	Ms. Kirodia Mal Modi	98,000	0.49
7	Ms. Sunita Modi	93,000	0.46
8	M/s. Swasti Vinayaka Realestate Deve	74,000	0.37
9	Mr. Bhageria Basant Modi	55,871	0.27
10	Govind Patodia HUF	55,046	0.27

XIII) Address of Correspondence

Compliance Officer	R&T Agent: Sharex Dynamics (India) Private Limited	Correspondence with the Company
Ms. Karishma Shah Company Secretary & Compliance Officer Choice House, Shree Shakambhari Corporate Park, Plot No - 156- 158, Andheri (East), Mumbai - 400099 EmailId: karishma.shah@choiceindia.com	Unit -1, Luthra Industrial Premises Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072. Tel No : 022 8515606/44 Website: www.sharexindia.com	Choice House, Shree Shakambhari Corporate Park, Plot No - 156- 158, Andheri (East), Mumbai - 400099 EmailId:info@choiceindia.com



XIV) Dematerialisation of Shares

As on March 31, 2018 total dematerialised Equity Shares of the Company amounts to 99.61% of the Company's Capital (CDSL : 93.91% & NSDL 5.72%). The Company has entered in to an Agreement with Central Depository (India) Limited (CDSL) & National Securities Depository Limited(NSDL) where by the Shareholders have an option to dematerialise their shares with either of the depositories.

XV) Share Transfer System

Sharex Dynamics (India) Private Limited is the Company's Registrar and Share Transfer Agent (RTA) for carrying out share related activities like transfer of Shares, transmission of shares, transposition of shares, name deletion, change of address, amongst others.

The Board of Directors of the Company have delegated the authority to approve the transfer of Shares, transmission of shares, requests for deletion of name of the shareholders etc. to the designated officials

Sd/-
Kamal Poddar
(Managing Director)
DIN No: 01518700

Mumbai
Date: August 09, 2018

Sd/-
Ajay Kejriwal
(Director)
DIN No : 03051841

of the Company. However the transactions in respect of issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of Share Certificates are approved by the Stakeholder Relationship Committee of the Board of Directors of the Company.

All the documents received from the shareholders are scrutinized by the Company RTA . The Shares lodged for transfer, etc are processed and Share Certificates duly endorsed are returned within the stipulated time subject to documents being valid and complete in all respects.

In all cases of transfer of shares in physical mode an intimation letter is being sent to the transferor (s) informing them of the lodgement of Transfer and in case of any objections to said transfer to revert within fifteen days with copy to transferee(s).

A summary of approved transfers, transmission, deletion requests, etc. are placed before the Board of Directors from time to time as per the Listing Regulations.

CEO/ CFO CERTIFICATION

We the under signed, in our respective capacities as Managing Director(CEO) and Chief Financial Officer of Choice International Limited (" the Company") to the best of our knowledge and behalf certify that:

- a). We have reviewed financial statement and the Cash Flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:
 - 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 listed entity's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transaction entered in to by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting of the Company and 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 we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant Changes, if any, in internal control over financial reporting during the year;
 - ii) Significant Changes, if any, in accounting policies during the year and the same have been disclosed in the notes to financial statements; and
 - iii) instances of significant fraud of which we 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 systems over financial reporting.

For Choice International Limited

Sd/-
(Kamal Poddar)
Managing Director
DIN No : 01518700
Mumbai
Date : May 30, 2018

Sd/-
Manoj Singhanaia
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity Number: L67190MH1993PLC071117
Nominal Capital: Rs.20,00,48,000

To the Members of
Choice International Limited
Choice House
Shree Shakambhari Corporate Park,
Plot No.156-158, J.B. Nagar, Andheri (East),
Mumbai-400099

We have examined all the relevant records of **Choice International Limited** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2018.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations.

For **R M MIMANI & ASSOCIATES LLP**
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]

Sd/-
MANOJ MIMANI
(PARTNER)
ACS No: 17083
CPNo : 11601

Place: Mumbai
Dated: August 09, 2018

INDEPENDENT
AUDITOR'S
REPORT
(STANDALONE)

	Pageviews	% Pageviews
	5,932	23.33%
ces	1,306	5.14%
	867	3.41%
	697	2.74%
guidelines	602	2.32%

TO THE MEMBERS OF CHOICE INTERNATIONAL LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Choice International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India and guidelines issued by the Reserve Bank of India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 standalone 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.

In conducting 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 thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

OTHER MATTER

The comparative standalone financial information of the Company for the year ended March 31, 2017 was audited by M/s Gupta Shyam & Co. (previous auditors of the Company).

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:
 - 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.
 - 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.
 - 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.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Sd/-
Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 30, 2018



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Choice International Limited)
Report on the Internal Financial Controls Over Financial Reporting 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 Choice International Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone 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 (the "Guidance Note") 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 our audit opinion on the Company's internal financial controls system over financial reporting.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information, 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, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Sd/-
Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 30, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Choice International Limited for the year ended March 31, 2018)

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

(b) The Company has a program of verification of fixed assets once in three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, according to the information and explanation given to us, the fixed assets have not been physically verified during the year.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed provided to us, we report that, the title deeds, comprising the immovable property of land and building, which is freehold, is held in the name of the Company as at the balance sheet date.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no amount overdue for more than 90 days at the balance

(iv) The Company is a registered Non-Banking Finance Company to which provisions of Section 185 and Section 186 of the Companies Act, 2013 are not applicable, hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year as provided under Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Accordingly, the provisions of clause (v) of the Order are not applicable. There are no unclaimed deposits with the Company any time during the year.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Income-tax, Service Tax. The Company has been regular in depositing Employees' State Insurance, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable except for:
- | Name of Statute | Nature of Dues | Amount (Rs.) | Period to which the Amount Relates | Due Date | Date of subsequent payment |
|----------------------|-------------------|--------------|------------------------------------|------------------|----------------------------|
| Income Tax Act, 1961 | Income tax demand | 94,930 | A.Y. 2013-14 | February 6, 2016 | Not paid |
- (c) There are no dues of Income-tax, Service Tax, and Goods and Service Tax as on March 31, 2018 on account of disputes. Details of disputed Income-tax amount paid under protest is given below:
- | Name of Statute | Nature of Dues | Forum where dispute is pending | Period to which the Amount Relates | Amount Involved (Rs.) | Amount Unpaid |
|----------------------|-------------------|--------------------------------|------------------------------------|-----------------------|---------------|
| Income Tax Act, 1961 | Income tax demand | CIT (Appeals) | A.Y. 2011-12 | 1,934,494 | Nil |
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. Further, the Company does not have any loans or borrowings from government.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us,

during the year the Company has made preferential allotment of shares by conversion of share warrants issued in the previous year, during the year.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration. However, during the current year, the shareholders of the Company approved the proposal of conducting the NBFC business through its wholly owned subsidiary company and consequently surrender its own NBFC license to RBI. Refer Note 33 to the Standalone Financial Statements.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Sd/-
Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 30, 2018

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CHOICE INTERNATIONAL LIMITED | ANNUAL REPORT 2018

INDEPENDENT AUDITOR'S REPORT (STANDALONE)

STANDALONE
FINANCIALS
2018

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CHOICE INTERNATIONAL LIMITED BALANCE SHEET

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	200,048,000	100,048,000
(b) Money Received against share warrants	3	-	100,000,000
(c) Reserves and Surplus	4	1,170,958,033	430,923,364
		1,371,006,033	630,971,364
2. Non - Current Liabilities			
(a) Long -Term Borrowings	5	-	33,500,000
(b) Deferred Tax Liabilities (Net)	6	25,522,000	28,080,362
(c) Long - Term Provisions	7	863,675	1,015,989
		26,385,675	62,596,351
3. Current Liabilities			
(a) Short - Term Borrowings	8	1,062,420,574	451,574,351
(b) Trade Payables	9		
(i) Micro, Small and Medium Enterprises		75,422	-
(ii) Others		6,199,851	5,393,388
(c) Other Current Liabilities	10	78,076,870	3,174,711
(d) Short - Term Provisions	11	5,880,062	5,178,912
		1,152,652,779	465,321,362
TOTAL		2,550,044,487	1,158,889,077
II Assets			
1. Non - Current Assets			
(a) Property, Plant & Equipments	12		
(i) Tangible assets		650,489,903	233,682,664
(ii) Intangible assets		2,254,462	2,604,693
(iii) Capital work in progress		-	1,125,600
(iv) Intangible assets under development		1,280,999	287,799
		654,025,364	237,700,756
(b) Non - Current Investments	13	947,758,696	498,991,556
(c) Long - Term Loans and Advances	14	15,491,238	16,406,183
		1,617,275,298	753,098,495
2. Current Assets			
(a) Inventories	15	-	1,665,555
(b) Trade Receivables	16	17,891,773	9,883,682
(c) Cash and Bank Balances	17	4,083,111	13,830,171
(d) Short - Term Loans and Advances	18	910,609,438	379,493,612
(e) Other Current Assets	19	184,867	917,562
		932,769,189	405,790,582
TOTAL		2,550,044,487	1,158,889,077

Notes 1 to 36 forms part of Standalone Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

CHOICE INTERNATIONAL LIMITED STATEMENT OF PROFIT AND LOSS

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from Operations	20	226,402,803	196,259,666
II Other Income	21	1,843,918	13,413,384
III Total Revenue (I + II)		228,246,721	209,673,050
IV Expenses			
Purchases	22	-	48,681,022
Changes in Inventories	23	1,665,555	(334,295)
Employee Benefits Expense	24	30,018,668	31,091,144
Depreciation & Amortisation Expense	12	7,827,608	9,250,806
Finance Costs	25	98,859,119	42,225,037
Other Expenses	26	59,788,048	44,132,183
Total Expenses		198,158,998	175,045,896
V Profit Before Tax (III-IV)		30,087,723	34,627,154
VI Tax Expense:			
(a) Current Tax Expense		8,556,000	6,482,950
(b) Earlier Years Tax Expense		1,077,506	409,220
(c) Deferred Tax		(2,558,362)	1,857,205
		7,075,144	8,749,375
VII Profit for the Year (V-VI)		23,012,579	25,877,779
VIII Earnings Per Equity Share (Face Value ₹10 Per Share):	27		2.59
(1) Basic (₹)		1.25	1.30
(2) Diluted (₹)		1.15	

Notes 1 to 36 forms part of Standalone Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

CHOICE INTERNATIONAL LIMITED
CASH FLOW STATEMENT

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flow from Operating Activities		
Net profit before tax	30,087,723	34,627,154
Adjustments for:		
Depreciation & Amortisation Expenses	7,827,608	9,250,806
Finance costs	98,859,119	42,225,037
Provision for Gratuity	(139,765)	528,105
Profit on sale of Investments	(316,154)	-
Interest income	-	(37,319)
Operating profit before Working Capital changes	136,318,531	86,593,783
Changes in Working Capital		
(Increase) in Trade Receivables	(8,008,091)	(2,954,654)
(Increase) in Loans & advances and other assets (Non Current & Current)	(631,509,269)	(255,017,935)
Decrease /(Increase) in Inventories	1,665,555	(334,295)
Increase / (Decrease) in Trade Payables	881,885	(3,330,655)
Increase in Other liabilities & provisions (Non Current & Current)	35,328,867	861,130
Cash used in operations	(465,322,522)	(174,182,626)
Income tax paid (Net)	(8,285,156)	(4,735,937)
Net cash flow (used in) Operating Activities	(473,607,678)	(178,918,563)
B. Cash flow from Investing Activities		
Interest received	-	37,319
Purchase of Property, Plant & Equipments	(7,130,126)	(6,915,334)
Proceeds from Sale of Property, Plant & Equipments	-	91,057
Investment in Subsidiaries	(66,000,100)	(40,700,000)
Proceeds form Sale of investments of a subsidiary	1,316,154	-
Investment in associates	(49,755,000)	-
Purchase of investments in other companies	(254,095,080)	-
Proceeds from Sale of investments in other companies	20,083,040	-
Net cash flow used in Investing Activities	(355,581,112)	(47,486,958)
C. Cash flow from Financing Activities		
Proceeds from issue of share warrants	-	100,000,000
Securities Premium on Equity Shares	300,000,000	-
Finance costs paid	(88,904,493)	(39,151,985)
Dividend paid	134,319	(9,972,611)
Movement in Short-term borrowings from related parties (Net)	115,665,744	(79,734)
Movement in Short-term borrowings from others (Net)	492,680,479	187,257,691
Net cash flow from Financing Activities	819,576,049	238,053,361
Net (decrease)/increase in Cash and Cash Equivalents	(9,612,741)	11,647,840
Opening Cash and Cash Equivalents	12,808,466	1,160,626
Closing Cash and Cash Equivalents	3,195,725	12,808,466
Components of Cash and Bank Balances		
Cash on Hand	43,574	59,006
Cheques on Hand	-	5,679,112
Balance with Banks	3,152,151	7,070,348
	3,195,725	12,808,466
Other Bank Balances (Earmarked)	887,386	1,021,705
Cash and Bank Balances	4,083,111	13,830,171

Note : During the year ended March 31, 2018, loans given to one of its wholly owned subsidiary aggregating ₹ 100,000,000 has been converted into Investment in equity shares of the said subsidiary. Thus, the impact has not been given in the cash flow statement above.

Notes 1 to 36 forms part of Standalone Financial Statements.
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Background

Choice International Limited ("CIL" / the "Company") is incorporated in India as a public limited company and registered with Reserve Bank of India as Non-Deposit Taking Non-Systemically Important Non-Banking Financial Services Company. The Company is engaged in financial services business comprising of lending, investments and advisory services.

1: SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting & preparation of Standalone Financial Statements:

The Standalone Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") and Guidelines issued by Reserve Bank of India. The Standalone Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Standalone Financial Statements are consistent with those followed in the previous year.

b) Use of estimates:

The preparation of Standalone Financial Statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the Standalone Financial Statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the Standalone Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Any change in the estimates is recognised prospectively in current and future period.

c) Revenue Recognition:

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria must be met before revenue is recognised:

- (i) Interest and other dues on Lending is recognised on accrual basis, except in case of Non-Performing Assets (NPA's), wherein income is recognized on realisation of the same. NPA's are determined in accordance with the Guidelines issued by the Reserve Bank of India.
- (ii) Income on services provided in the nature of Business Support Services ("BSS") is recognised on an accrual basis on completion of services as enumerated in the BSS policy of the Company.
- (iii) Profit or Loss on sale of investments is determined based on weighted average cost of investments and is recognized on trade date basis.
- (iv) Interest on fixed deposits are recognised on accrual basis.
- (v) Dividend income is recognised once the unconditional right to receive dividend is established.

d) Property, Plant & Equipment

Tangible assets:
Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Intangible assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Revaluation of Assets:

Land is accounted for using revaluation model as per Revised Accounting Standard - 10. The fair value of the Company's freehold land as at March 31, 2018 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Company with appropriate qualifications and relevant experience in the valuation of land at relevant locations. The Fair value was determined based on a Sales Comparison Method. Revaluation Surplus is credited to revaluation surplus in Shareholder's equity. Subsequently, such Land will be carried at fair value based on periodic valuations by an independent registered appraiser.

During the current year, pursuant to the revaluation model adopted as aforesaid, the land of the Company has increased by Rs.417,022,090 and correspondingly the Reserves & Surplus have also increased by that amount.

e) Depreciation & Amortization:

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. In respect of computer software which are amortized over a period of five years in accordance with the Accounting Standard 26 "Accounting for Intangible Assets". Depreciation on addition to fixed assets is provided on a pro-rata basis from the date of addition.

The estimated useful life of intangible assets and the amortization period are reviewed at the end of each financial year and amortization method is revised to reflect the changed pattern.

f) Inventories:

Inventories of share & securities are valued at cost (on FIFO basis) or the net realizable whichever is lower, by taking the value of all the scripts of the shares cumulatively. Cost includes all incidental cost of acquisition.

g) Cash & Cash Equivalent:

Cash comprise cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible in cash and which are are subjected to insignificant risk of change in value.

h) Finance Cost:

Interest cost is recognised as expenses in the period in which the cost is incurred. Other finance Charges includes origination fees and other ancillary costs with respect to funds mobilised by the Company which are amortised over the tenure of such borrowings.

i) Employees Benefits:

- (i) **Short-term:** Short-term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company. These includes Salary, Compensated leave encashment, Bonus, etc.
- (ii) **Long-term:** The Company has both defined-contribution and defined-benefit plans. The defined contribution plans are financed by the company and in the case of some defined contribution plans by the Company along with its employees.
 - **Defined-contribution Plans**
These are plans in which a company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund and Family Pension Fund. The Company's payments to the defined contribution plans are reported as expenses in the period in which the employees perform the services that the payment covers.
 - **Defined-benefit Plans**
Expenses for defined-benefit plans are calculated as at the balance sheet date by independent actuary. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss.

j) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments, all other investments are classified as non-current investments. Investments are valued in accordance with the RBI guidelines and Accounting Standard-13 on "Accounting for investments".

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Quoted current investments are valued at lower of cost and market value of investments on a category basis. Unquoted current investments are valued at lower of cost and breakup value/fair value of investments in accordance with RBI Guidelines.

k) Impairment of Assets:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

l) Accounting For Taxes On Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. The effect on Deferred Tax Assets and Liabilities of a change in tax rates is recognised in the Statement of Profit and Loss in the year of substantive enactment of the change. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

m) Provisions, contingent liabilities & assets:

A Provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 - "Provisions, Contingent Liabilities and Contingent Assets" is made. Contingent Assets are neither recognised nor disclosed in the Standalone Financial Statements.

n) Provisioning under Prudential Norms:

- (i) NPAs are identified and categorised according to the Guidelines issued by the Reserve Bank of India (RBI). Provisions are made against sub-standard, doubtful and loss assets at the rates prescribed in the RBI guidelines, unless an accelerated provision / write-off is warranted on a case to case basis where additional risks are identified by the Management.
- (ii) Provisioning for NPAs is dependent upon, inter alia, whether the NPA is secured or unsecured. Loans are considered as secured, where the Company has valid recourse to assets / recovery by Pledge of shares, units, other securities.
- (iii) Provision for Standard Assets is made at 0.25% on the outstanding standard assets in accordance with RBI guidelines.
- (iv) Impairment in the investment portfolio is provided, as per the Guidelines issued by the RBI, unless an accelerated provision / write-off is warranted on a case to case basis.

o) Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions on non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on available information.

For the purpose of Cash Flow Statement, cash and cash equivalents includes fixed deposits which are freely remissible but excludes interest accrued on fixed deposits.

p) Earnings Per Share

Basic earnings per share is calculated by dividing the Net Profit / (Loss) for the period attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing the Net Profits / (Loss) for the period attributable to equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
2 SHARE CAPITAL		
(a) Details of authorised, issued and subscribed & paid up share capital		
Authorised Capital 20,100,000 (PY 20,100,000) Equity Shares of ₹ 10/- each	201,000,000	201,000,000
Issued Capital 20,004,800 (PY 10,004,800) Equity Shares of ₹ 10/- each	200,048,000	100,048,000
Subscribed and Paid up Capital 20,004,800 (PY 10,004,800) Equity Shares of ₹10/- each fully paid-up	200,048,000	100,048,000
	200,048,000	100,048,000

Rights, preferences and restrictions attached to each class of shares -

The Company has only one class of share capital, i.e., equity shares having face value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. The Shareholders are entitled to interim dividend if proposed by the Board of Directors. The Final dividend is subject to approval of the shareholders in the Annual General Meeting.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

No. of shares at the beginning of the year	10,004,800	10,004,800
Add : Shares issued during the year	10,000,000	-
No. of shares at the end of the year	20,004,800	10,004,800

(c) Shareholders holding more than 5% of equity shares as at the end of the year

Kamal Poddar	Promoter	2,500,011 12.50%	887,600 8.87%
Arun Kumar Poddar	Promoter	2,100,000 10.50%	- -
Vinita Sunil Patodia	Promoter	1,575,000 7.87%	1,278,927 12.78%
Archana Anil Patodia	Promoter	1,575,000 7.87%	- -
Sonu Poddar	Promoter	1,250,000 6.25%	- -
Sunil Kumar Patodia	Promoter	1,100,000 5.50%	- -
Anil C Patodia	Promoter	1,100,000 5.50%	- -
Azura Projects Private Limited		1,285,026 6.42%	- -
Florence Securities Pvt. Ltd.		935,684 4.68%	750,000 7.50%
Mansavi Consultancy Pvt Ltd		- -	816,850 8.16%

3 MONEY RECEIVED AGAINST SHARE WARRANTS

During the previous year the Company has received application money of ₹10/- each against preferential issue of 10,000,000 share warrants. These warrants were converted into 10,000,000 Equity shares of ₹ 10/- each face value with ₹ 30/- per share as securities premium. The proceeds were utilised for the purpose it was raised other than temporary deployment.

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
4 RESERVES AND SURPLUS		
a) Statutory Reserve *		
Opening Balance	30,457,000	25,281,000
Add : Transferred from statement of profit & loss	4,603,000	5,176,000
Closing Balance	35,060,000	30,457,000
b) Capital Reserve		
Opening Balance	869,500	869,500
Add : Transferred from statement of profit & loss	-	-
Closing Balance	869,500	869,500
c) Securities Premium Reserve		
Opening Balance	339,217,300	339,217,300
Add : Received on shares issued during the year	300,000,000	-
Closing Balance	639,217,300	339,217,300
c) Revaluation Reserve **		
Opening Balance	-	-
Add : Addition during the year	417,022,090	-
Closing Balance	417,022,090	-
d) Surplus in Statement of Profit & Loss		
Opening Balance	60,379,564	39,677,785
Add : Profit for the year	23,012,579	25,877,779
Less : Transfer to statutory reserve	4,603,000	5,176,000
Closing Balance	78,789,143	60,379,564
Total (a+b+c+d)	1,170,958,033	430,923,364

*The Management has created a statutory reserve of ₹ 4,603,000/- (PY- ₹ 5,176,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

**Pursuant to the Revised AS 10 "Accounting for Fixed Assets", the Company has revalued freehold lands at fair market value, under revaluation model. Pursuant to the foregoing, during the current year, property, plant & equipment increased by Rs. 417,022,090/- and Reserves & Surplus increased by Rs. 417,022,090/.

5 LONG TERM BORROWINGS

Secured loans		
Non Convertible Debentures*		
310 (PY- 335) Index linked non convertible, redeemable debentures of Rs. 100,000 each	31,000,000	33,500,000
Less- Current maturity of long term borrowings	31,000,000	-
	-	33,500,000

* Non Convertible Debentures referred above are issued on private placement basis which are secured against loans & advances. The debentures are index linked.

(Amount in ₹)

Particulars	As at March 31, 2017	Movement for the year	As at March 31, 2018
6 DEFERRED TAX LIABILITIES (NET)			
The major components of deferred tax liabilities / assets (net) as recognised in the financial statements is as follows:			
Deferred tax liability - On difference between book balance & tax balance of fixed assets	28,410,161	(2,012,161)	26,398,000
Deferred tax asset - Provision for employee benefit expenses	(329,799)	72,799	(257,000)
Provision for standard loan assets	-	(619,000)	(619,000)
	28,080,362	(2,558,362)	25,522,000

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
7 LONG-TERM PROVISIONS		
Provision for employee benefit expenses	863,675	1,015,989
	863,675	1,015,989
8 SHORT TERM BORROWINGS		
Secured loans		
Loans taken from financial Institutions*	936,740,036	426,090,430
Unsecured loans		
Loans taken from Subsidiaries (Refer Note No. 32)	115,665,744	-
Loan from others	10,014,794	25,483,921
	1,062,420,574	451,574,351
*Loans taken from Financial Institutions are secured against shares & securities placed as collateral by customers to whom loans has been given.		
9 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	75,422	-
Others	6,199,851	5,393,388
	6,275,273	5,393,388
Based on information received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006; details of amount due to such vendors is as below:		
S No	Particulars	
(i) Principal Amount Outstanding	75,422	-
(ii) Interest due on above and unpaid	-	-
(iii) Interest due and payable for the period of delay	-	-
(iv) Interest accrued and remaining unpaid	-	-
10 OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings	31,000,000	-
Interest Accrued but not due	9,885,488	-
Statutory dues	6,307,045	1,933,498
Payable towards partly paid investment	29,643,040	-
Other liabilities	1,161,197	1,161,113
Equity Stock Option Premium	80,100	80,100
	78,076,870	3,174,711
11 SHORT TERM PROVISIONS		
Provision for tax (net of tax paid)	-	692,733
Provision for interest on debentures	3,566,190	3,497,052
Provision on standard assets	2,250,000	937,805
Provision for employee benefit expenses	63,872	51,322
	5,880,062	5,178,912

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

12 PROPERTY, PLANT & EQUIPMENT
Current Year

Description	Gross Block (Cost or Valuation)						Depreciation & Amortisation				Net Block	
	As at April 1, 2017	Additions	Adjustments	Deductions	As at March 31, 2018	As at April 31, 2017	Charged For the year	Adjustments	Deductions	As at March 31, 2018	As at March 31, 2017	
(i) Tangible Assets:												
Freehold Land (Revalued)	27,977,910	-	417,022,090	-	445,000,000	-	-	-	-	445,000,000	27,977,910	
Building owned	214,776,824	-	-	-	214,776,824	22,670,150	3,394,592	-	-	188,712,082	192,106,674	
Water Pumps & Borewell	175,363	-	-	-	175,363	35,011	33,227	-	-	107,125	140,352	
Computer Hardwares	1,943,200	140,498	-	-	2,083,698	1,116,033	403,418	-	-	564,247	827,167	
Server & Networks	3,571,025	3,399,728	-	-	6,970,753	2,463,609	737,227	-	-	3,769,917	1,107,416	
Electric Installation	3,835,109	-	-	-	3,835,109	1,817,057	404,488	-	-	1,613,564	2,018,052	
Furniture & Fixtures	12,067,586	134,380	-	-	12,201,966	5,410,736	1,307,337	-	-	5,483,893	6,656,850	
Solar Plant	-	1,404,425	-	-	1,404,425	-	49,421	-	-	1,355,004	-	
Vehicles	678,301	-	-	-	678,301	503,851	93,095	-	-	81,355	174,450	
Office Equipments	9,670,039	1,918,495	-	-	11,588,534	6,996,246	789,572	-	-	3,802,716	2,673,793	
Total	274,695,357	6,997,526	417,022,090	-	698,714,973	41,012,693	7,212,377	-	-	650,489,903	233,682,664	
(ii) Intangible Assets:												
Computer Softwares	24,287,766	265,000	-	-	24,552,766	21,683,073	615,231	-	-	2,254,462	2,604,693	
Total	24,287,766	265,000	-	-	24,552,766	21,683,073	615,231	-	-	2,254,462	2,604,693	
(iii) Capital work in progress	1,125,600	278,825	-	1,404,425	-	-	-	-	-	-	1,125,600	
(iv) Intangible assets under development	287,799	993,200	-	-	1,280,999	-	-	-	-	1,280,999	287,799	
Grand Total (i+ii+iii+iv)	300,396,522	8,534,551	417,022,090	1,404,425	724,548,738	62,695,766	7,827,608	-	-	654,025,364	237,700,756	

**CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS**

(Amount in ₹)

Previous Year

Description	Gross Block (Cost or Valuation)				Depreciation & Amortisation				Net Block	
	As at April 1, 2016	Additions	Adjustments	Deductions	As at March 31, 2017	Charged For the year	Adjustments	Deductions	As at March 31, 2017	As at March 31, 2016
(i) Tangible Assets:										
Freehold Land	27,977,910	-	-	-	27,977,910	-	-	-	27,977,910	27,977,910
Building owned	214,776,824	-	-	-	214,776,824	3,394,592	-	-	192,106,674	195,501,266
Computer Hardwares	1,483,449	555,075	-	95,324	1,943,200	356,657	-	4,267	1,116,033	719,806
Server & Networks	3,492,427	78,598	-	-	3,571,025	648,963	-	-	2,463,609	1,107,416
Furniture & Fixtures	14,588,769	1,313,926	-	-	15,902,695	1,615,411	-	-	7,227,793	8,976,387
Vehicles	678,301	-	-	-	678,301	93,095	-	-	503,851	267,545
Office Equipments	7,888,256	1,957,146	-	-	9,845,402	1,624,441	-	-	7,031,257	2,481,440
Total	270,885,936	3,904,745	-	95,324	274,695,357	7,733,159	-	4,267	41,012,693	237,602,135
(ii) Intangible Assets:										
Computer Softwares	22,690,576	1,597,190	-	-	24,287,766	1,517,647	-	-	21,683,073	2,525,150
Total	22,690,576	1,597,190	-	-	24,287,766	1,517,647	-	-	21,683,073	2,525,150
(iii) Capital work in process	1,125,600	-	-	-	1,125,600	-	-	-	1,125,600	-
(iv) Intangible assets under development	287,799	-	-	-	287,799	-	-	-	287,799	-
Grand Total	293,576,512	6,915,334	-	95,324	300,396,522	9,250,806	-	4,267	62,695,766	240,127,285

**CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
13 NON-CURRENT INVESTMENTS		
(a) Trade investments in unquoted equity shares fully paid-up		
Subsidiary companies -		
6,650,000 (PY - 5,650,000) shares of ₹10/- each of Choice Equity Broking Private Limited	391,400,000	291,400,000
5,050,000 (PY - 5,050,000) shares of ₹10/- each of Choice Capital Advisors Private Limited	50,500,000	50,500,000
1,400,000 (PY - 1,400,000) shares of ₹10/- each of Choice Merchandise Broking Private Limited	50,000,000	50,000,000
50,000,000 (PY - 10,000) shares of ₹10/- each of Choice Consultancy Services Private Limited	30,100,000	100,000
2,110,000 (PY - 510,000) shares of ₹ 10/- each of Choice Portfolio Management Services Pvt Limited (Formerly known as Choice Stock Trade Private Limited)	21,078,857	5,078,857
2,060,000 (PY - 60,000) shares of ₹10/- each of Choice Finserv Private Limited	20,600,000	600,000
100,000 (PY - 100,000) shares of ₹ 10/- each of Choice Peers International Private Limited	1,000,000	1,000,000
10,000 (PY - 10,000) shares of ₹10/- each of Choice Wealth Management Private Limited	100,000	100,000
10,000 (PY - 10,000) shares of ₹ 10/- each of Choice Tech Lab Solutions Private Limited	100,000	100,000
10,000 (PY-10,000) shares of ₹ 10/- each of Choice Corporate Services Private Limited	75,394	75,394
10,000 (PY - Nil) shares of ₹ 10/- each of Choice Retail Solutions Private Limited**	100	-
Nil (PY - 100,000) shares of ₹ 10/- each of Choice E-Commerce Private Limited*	-	1,000,000
	564,954,351	399,954,251
(b) Other investments in quoted equity shares fully paid-up		
Associate company -		
5,952,850 (PY - 5,417,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited	148,792,305	99,037,305
Other companies -		
450,000 (P Y- Nil) shares of ₹10/- each of Kisan Mouldings Limited***	53,505,000	-
(c) Other investments in unquoted equity shares fully paid-up		
523,980 (P Y- Nil) shares of ₹10/- each Jaatvedas Construction Company Limited****	129,947,040	-
400,000 (PY - Nil) shares of ₹10/- each of Gini & Jony Limited*****	50,560,000	-
	382,804,345	99,037,305
Total (a+b)	947,758,696	498,991,556
Less : Provision for diminution in the value of investments	-	-
	947,758,696	498,991,556
Aggregate book value of -		
Quoted fully paid-up investments		
Unquoted fully paid-up investments	202,297,305	99,037,305
	745,461,391	399,954,251
Aggregate market value of -		
Quoted fully paid-up investments		
	205,968,050	92,645,235
* The Company has sold its 100% holding in Choice E-Commerce Private Limited @ Rs. 13.16 per equity share on March 26,2018		
** The Company has purchased 100% holding in Choice Retail Solutions Private Limited @ Rs. 0.001 per equity share on December 06,2017.		
*** During the year the Company has made investment in Kisan Mouldings Limited in 450,000 equity shares of Rs. 118.90/- per share on October 17,2017.		
**** The Company has purchased 604,960 equity shares of Jaatvedas Construction Co Private Limited on November 28, 2017 @ Rs.248/- per share & subsequently sold 80,980 shares at the same price on March 27, 2018.		
*****During the year the Company has made investment in Gini & Jony Limited in 400,000 equity shares @ Rs.116.40/- per share on August 07,2017.		
14 LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Security deposits	2,682,696	2,344,706
MAT credit entitlement	5,889,277	7,930,360
Advance Tax (net of provisions)	6,919,265	6,131,117
	15,491,238	16,406,183
15 INVENTORIES		
Stock-in-trade		
Shares & securities	-	1,665,555
	-	1,665,555
16 TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months	-	774,000
Others (Refer Note 32)	17,891,773	9,109,682
	17,891,773	9,883,682

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
17 CASH AND BANK BALANCES		
Cash on Hand	43,574	59,006
Cheques on Hand	-	5,679,112
Bank Balances -		
In current accounts	3,152,151	7,070,348
Cash & Cash Equivalents (as per "AS-3 Cash Flow Statements")	3,195,725	12,808,466
Other Bank Balances		
Other Bank Balances (Earmarked)	887,386	1,021,705
Cash and Bank Balances	4,083,111	13,830,171
18 SHORT-TERM LOANS AND ADVANCES		
Secured, considered good		
Loans against shares & securities	506,283,364	286,074,562
Unsecured, considered good		
Loans given to related parties (Refer Note 32)	186,819,605	48,736,091
Loans given to others	207,052,726	40,443,427
Balance with revenue authorities (net of provisions)		
Indirect taxes	36,330	429,453
Other Advances	5,128,247	1,482,038
Prepaid expenses	5,289,166	2,328,041
	910,609,438	379,493,612
19 OTHER CURRENT ASSETS		
Margin Money	184,867	917,562
	184,867	917,562

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
20 REVENUE FROM OPERATIONS		
Interest income	105,359,149	59,870,323
Income from business support services	119,084,255	74,672,313
Sale of shares & securities	1,641,645	51,708,472
Dividend income	1,600	10,008,558
Profit on sale of a subsidiary	316,154	-
	226,402,803	196,259,666
21 OTHER INCOME		
Excess provision of Interest on Debentures written back	-	13,347,055
Interest on deposits	-	37,319
Realised Gain on Derivatives	1,771,148	-
Miscellaneous income	72,770	29,010
	1,843,918	13,413,384
22 PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	-	48,681,022
	-	48,681,022
23 CHANGES IN INVENTORIES		
Shares & Securities	1,665,555	1,331,260
At the beginning of the year	-	1,665,555
Less : At the end of the year		
	1,665,555	(334,295)
24 EMPLOYEE BENEFIT EXPENSES		
Salaries & allowances	29,019,116	30,138,215
Contribution to provident fund & other funds	582,819	395,755
Staff welfare expenses	416,733	557,174
	30,018,668	31,091,144
25 FINANCE COST		
Interest on borrowings from-	-	2,009,507
-banks	74,288,652	29,539,718
-financial institutions	6,738,679	-
-related parties	6,321,864	-
-others	11,509,924	10,675,812
Interest on debentures	98,859,119	42,225,037
26 OTHER EXPENSES		
Rent	8,486,651	2,894,621
Repairs & maintenance	7,575,569	6,485,231
Rates & taxes	1,798,796	1,834,674
Legal and professional	5,937,461	4,952,538
Insurance charges	106,164	120,960
Electricity Charges	6,682,738	5,704,833
Traveling & Conveyance expenses	4,298,847	3,768,786
Communication expenses	8,313,081	4,928,182
Canteen expenses	3,758,059	5,145,859
CSR expenses	1,161,661	48,149
Director sitting fees	1,050,000	700,000
Advertisement & Business promotion expenses	3,135,961	2,065,544
Printing & Stationery	1,876,181	1,288,893
Bad debts written off	-	734,201
Provision on standard loan assets	1,312,196	635,648
Bank charges	12,677	5,667
Commission & Brokerage	135,000	141,000
Miscellaneous expenses*	4,147,006	2,677,397
	59,788,048	44,132,183
* Miscellaneous expenses includes Auditor's remuneration as below:		
As auditors	1,920,000	315,000
Taxation matters	-	80,000
Other matters	-	106,998
	1,920,000	501,998

Current year fees includes Rs. 20,000/- paid to M/s Gupta Shyam & Co.(predecessor auditor).

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
27 EARNINGS PER EQUITY SHARE		
Profit attributable to equity shareholders	23,012,579	25,877,779
Weighted average number of equity shares	18,388,362	10,004,800
Basic Earnings Per Share	1.25	2.59
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	23,012,579	25,877,779
Weighted average number of equity share after considering potential equity shares	20,004,800	19,895,211
Dilutive Earnings per Share	1.15	1.30

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
28 Contingent liabilities & Capital Commitments:		
A Contingent Liabilities*		
i) Income tax demand contested by the Company	1,934,494	1,934,494
	1,934,494	1,934,494
*The Company does not expect any outflow of economic resources in respect of above.		
ii) Corporate guarantees issued to Banks & Financial Institutions on behalf of subsidiaries-	1,053,873,165	1,341,427,960
B Capital Commitments- Nil		
29 Expenditure in Foreign Currency		
Foreign Travelling	986,383	376,645

30 Employee benefit plans:

The Company has classified the various benefits provided to employees as under:

1. Defined Contribution Plan

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Employer's Contribution to Provident Fund	286,856	210,489
Employer's Contribution to ESIC	295,963	185,266
Total	582,819	395,755

2. Defined benefit plans

The Company offers the gratuity as employee benefit schemes to its employees. The Company operates unfunded post retirement defined plans for Gratuity. Details for which was as follows:

(Amount in ₹)

Expenses Recognised in the Statement of Profit & Loss	For the year ended March 31, 2018	For the year ended March 31, 2017
Components of employer expense		
Current service cost	450,078	252,750
Interest on obligation	77,082	41,750
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Recognised Past service cost vested	379,277	38,214
Actuarial losses/(gains)	17,240	102,957
Total expense recognised in the Statement of Profit & Loss	923,677	435,671

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Net liability recognised in the Balance Sheet	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Net Liability	966,318	1,067,311
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(966,318)	(1,067,311)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	966,318	1,067,311

(Amount in ₹)

Table showing change in fair value of defined benefits obligation :	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Defined Benefit Obligation	1,067,311	539,206
Net transfer in (out) obligation	(1,011,173)	92,434
Service cost	450,078	252,750
Interest cost	77,082	41,750
Past Service Cost	418,049	38,214
Actuarial (gain) / loss	17,240	102,957
Benefits paid	(52,269)	-
Closing Defined Benefit Obligation	966,318	1,067,311

(Amount in ₹)

Experience Adjustments	As at March 31,2018	As at March 31,2017	As at March 31,2016
Experience adjustments on plan liabilities	50,740	22,523	100,325
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	(33,500)	80,434	(6,038)
Experience adjustments on plan assets	-	-	-
Net Actuarial loss/(gain) for the year	17,240	102,957	94,287

(Amount in ₹)

Experience Adjustments	As at March 31,2015	As at March 31,2014
Experience adjustments on plan liabilities	(56,334)	(15,808)
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	44,336	(33,721)
Experience adjustments on plan assets	-	-
Net Actuarial loss/(gain) for the year	(11,998)	(49,529)

(Amount in ₹)

Actuarial assumptions	As at March 31, 2018	As at March 31, 2017
Discount rate	7.70%	7.40%
Salary escalation	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

Note:-The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors. The above information is certified by the actuaries and relied upon by auditors.

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

31 Schedule as required in terms of paragraph 18 Master Direction - Non-Banking Financial Company-Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

(Amount in ₹)

Liabilities side	Amount Outstanding	Amount Overdue
(1) Loans & advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	44,451,678	NIL
Unsecured	NIL	NIL
(other than falling within the meaning of public deposits*)		
(b) Deferred credits	NIL	NIL
(c) Term loans	-	NIL
(d) Inter-corporate loans and borrowing	10,014,794	NIL
(e) Commercial paper	NIL	NIL
(f) Public deposits	NIL	NIL
(g) Other loans (specify nature)		
Bank overdraft	-	NIL
Financial institutions loan against shares & securities	936,740,036	NIL
Related parties	115,665,744	NIL
Total -	1,106,872,252	NIL

*As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :

(a) In the form of Unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c) Other public deposits	NIL	NIL

Assets side	Amount Outstanding
(3) Break-up of loans and advances including bills receivables (other than those included in (4) below):	
(a) Secured	506,283,364
(b) Unsecured	393,872,331
	<u>900,155,695</u>
(4) Break-up of leased assets and stock on hire and other assets counting towards AFC activities:	
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial lease	NIL
(b) Operating lease	188,232,365
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed assets	NIL
(iii) Other loans counting towards AFC activities:	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2018

Assets side	Amount Outstanding
(5) Break-up of investments -	
<u>Current investments -</u>	
1) Quoted -	
(i) Shares	(a) Equity
	(b) Preference
(ii) Debentures and bonds	
(iii) Units of mutual funds	
(iv) Government securities	
(v) Others (please specify)	
2) Unquoted -	
(i) Shares	(a) Equity
	(b) Preference
(ii) Debentures and bonds	
(iii) Units of mutual funds	
(iv) Government securities	
(v) Others (please specify)	
<u>Long term investments -</u>	
1) Quoted -	
(i) Shares	(a) Equity
	(b) Preference
(ii) Debentures and bonds	
(iii) Units of mutual funds	
(iv) Government securities	
(v) Others (please specify)	
2) Unquoted -	
(i) Shares	(a) Equity
	(b) Preference
(ii) Debentures and bonds	
(iii) Units of mutual funds	
(iv) Government securities	
(v) Others (please specify)	
	<u>947,758,696</u>

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Secured	Unsecured	Amount net of provisions* Total
1. Related parties**			
(a) Subsidiaries	NIL	160,839,605	160,839,605
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	506,283,364	207,052,726	713,336,090
Total -	506,283,364	367,892,331	874,175,695

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market value / Break-up or fair value or NAV	Book value (Net of provisions)
1. Related parties**		
(a) Subsidiaries***	737,636,337	564,954,351
(b) Companies in the same group	NIL	NIL
(c) Other related parties***	136,915,550	148,792,305
2. Other than related parties***	249,799,540	234,012,040
Total -	1,124,351,427	947,758,696

(8) Other information

	Amount
(i) Gross non-performing assets	
(a) Related parties**	NIL
(b) Other than related parties	NIL
(ii) Net non-performing assets	
(a) Related parties**	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

*Provisioning norms shall be applicable as prescribed in these Directions.

** As per accounting standard of ICAI.

*** Quoted Investment are disclosed at Market Value and unquoted investments are disclosed at Break-up Value & Fair Value unless Fair Value of the investments are available

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

32 (i) Related Party Disclosure :

Details of Related Parties -

Description of Relationship	Names of Related Parties	March 31,2018	March 31,2017
a. Subsidiary Companies	Choice Capital Advisors Pvt. Ltd.	✓	✓
	Choice Corporate Services Pvt. Ltd.	✓	✓
	Choice Equity Broking Pvt. Ltd.	✓	✓
	Choice Merchandise Broking Pvt. Ltd.	✓	✓
	Choice Consultancy Services Pvt. Ltd.	✓	✓
	Choice Wealth Management Pvt. Ltd.	✓	✓
	Choice Portfolio Management Services Private Limited (Formerly known as Choice Insurance Brokers Pvt. Ltd.)	✓	✓
	Choice E-Commerce Private Limited (till March 26,2018)	✓	✓
	Choice Peers International Private Limited	✓	✓
	Choice Finserv Private Limited	✓	✓
	Choice Tech Lab Solutions Private Limited	✓	✓
	Choice Retail Solutions Private Limited (w.e.f. December 06,2017)	✓	-
b. Associate Companies	Aqua Pumps Infra Ventures Limited (APIVL)	✓	✓
	Choice Realty Pvt. Ltd. (Subsidiary of APIVL)	✓	✓
c. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Managing Director)	✓	✓
	Ajay Kejriwal (Executive Director)	✓	✓
	Manoj Singhanian (CFO)	✓	✓
	Savita Singhanian (Relative of KMP)	✓	✓
	Karishma Shah (Company Secretary)	✓	✓
d. Individuals owning directly or indirectly interest in voting power that gives them control & their relatives	Kamal Poddar - Holding 12.50 % of Capital in CIL	✓	✓
	Hemlata Poddar - Holding 4.25% of Capital in CIL	✓	✓
	Sunil Patodia - Holding 5.50% of Capital in CIL	✓	✓
	Vinita Patodia - Holding 7.87 of Capital in CIL	✓	✓
	Anil Patodia- Holding 5.50% of Capital in CIL	✓	✓
	Archana Patodia- Holding 7.87% of Capital in CIL	✓	✓
	Arun Poddar - Holding -10.50% of Capital in CIL	✓	✓
	Sonu Poddar - Holding 6.25% of capital in CIL	✓	✓
	Shreya Patodia - Holding 1.50% of Capital in CIL	✓	✓
	Suyash Patodia -Holding 1.50% of Capital in CIL	✓	✓
	Aastha Patodia -Holding 1.50% of Capital in CIL	✓	✓
	Ayush Patodia -Holding 1.50% of Capital in CIL	✓	✓
e. Enterprises over which (c) & (d) are able to exercise significant influence	S. K. Patodia & Associates	✓	✓
	The Byke Hospitality Ltd.	✓	✓
	Hotel Relax Pvt. Ltd.	✓	✓
	Manbhari Biofuel Pvt. Ltd.	✓	✓
	S. K. Patodia Advisory Services Pvt. Ltd.	✓	✓
	Shree Shakambhari Exims Private Limited (Formerly known as Upton Infrastructure Pvt. Ltd.)	✓	✓
	Aqua Pumps Pvt. Ltd.	✓	✓
	Wheresmypandit.com Pvt Ltd	✓	✓
	Gravotix Technology Private Limited	✓	✓
	Motormistri.Com Private Limited	✓	a
	Thoughts Consultants Jaipur P L in JV with Choice Consultancy Services P L	✓	✓
	VSC Consulting Private JV with Choice Consultancy Services Private Limited (w.e.f January 15,2018)	✓	-
	Samank Consumer Products Private Limited	✓	✓
	Samank Apparels Private Limited	✓	✓
	Choice Insurance Broking India Private Limited	✓	✓
	Mumbai Vaish Seva Sansthan	✓	✓
	Farmer's Evolvment Foundation	✓	✓
	Blazing Star Properties Private Limited	✓	✓
	Anant Incense Enterprise (Partnership name ,entered by Aastha Patodia)	✓	✓
	Closhoerize (Partnership name ,entered by Shreya Patodia)	✓	✓
	De Starvings Couriers LLP	✓	✓
	Anil Patodia HUF	✓	✓
	Sunil Patodia HUF	✓	✓
	Arun Poddar HUF	✓	✓
	Kamal Poddar HUF	✓	✓

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(ii): Details of Related Party transactions during the year ended March 31, 2018

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Transactions						
Equity investments in						
Choice Consultancy Services Private Limited	30,000,000	-	-	-	-	30,000,000
Choice Equity Broking Private Limited	100,000,000	-	-	-	-	100,000,000
Choice Finserv Private Limited	20,000,000	-	-	-	-	20,000,000
Choice Portfolio Management Services Pvt Ltd	16,000,000	-	-	-	-	16,000,000
Choice Retail Solutions Private Limited	100	-	-	-	-	100
Aqua Pumps Infra Ventures Limited		49,755,000	-	-	-	49,755,000
	166,000,100	49,755,000	-	-	-	215,755,100
Loan Taken from-						
Kamal Poddar	-	-	98,846,290	-	-	98,846,290
Choice Capital Advisors Private Limited	6,300,000	-	-	-	-	6,300,000
Choice Equity Broking Private Limited	238,949,087	-	-	-	-	238,949,087
Choice Merchandise Broking Private Limited	113,874,230	-	-	-	-	113,874,230
	359,123,317	-	98,846,290	-	-	457,969,608
Loan Repaid-						
Kamal Poddar	-	-	98,846,290	-	-	98,846,290
Choice Capital Advisors Private Limited	530,080	-	-	-	-	530,080
Choice Equity Broking Private Limited	238,949,087	-	-	-	-	238,949,087
Choice Merchandise Broking Private Limited	3,978,406	-	-	-	-	3,978,406
	243,457,573	-	98,846,290	-	-	342,303,863
Loan Given to-						
Choice Consultancy Services Private Limited	94,200,000	-	-	-	-	94,200,000
Choice Corporate Services Private Limited	13,568,882	-	-	-	-	13,568,882
Choice Capital Advisors Private Limited	13,200,000	-	-	-	-	13,200,000
Choice E-Commerce Private Limited	25,270,000	-	-	-	-	25,270,000
Choice Equity Broking Private Limited*	217,593,231	-	-	-	-	217,593,231
Choice Merchandise Broking Private Limited**	55,634,367	-	-	-	-	55,634,367
Choice Finserv Private Limited	20,000,000	-	-	-	-	20,000,000
Choice Peers International Private Limited	8,095,000	-	-	-	-	8,095,000
Choice Techlab Solutions Private Limited	13,268,186	-	-	-	-	13,268,186
Choice Wealth Management Private Limited	18,500,000	-	-	-	-	18,500,000
Choice Portfolio Management Services Private Limited	375,000	-	-	-	-	375,000
Choice Retail Solutions Private Limited	700,000	-	-	-	-	700,000
Samank Consumer Products Private Limited	-	-	-	-	65,980,000	65,980,000
	480,404,666	-	-	-	65,980,000	546,384,666
Loan Repayment received from-						
Choice Consultancy Services Private Limited	75,154,001	-	-	-	-	75,154,001
Choice Corporate Services Private Limited	11,240,896	-	-	-	-	11,240,896
Choice Capital Advisors Private Limited	13,200,000	-	-	-	-	13,200,000
Choice E-Commerce Private Limited	43,782,426	-	-	-	-	43,782,426
Choice Equity Broking Private Limited	134,532,217	-	-	-	-	134,532,217
Choice Merchandise Broking Private Limited	61,797,231	-	-	-	-	61,797,231
Choice Finserv Private Limited	20,000,000	-	-	-	-	20,000,000
Choice Peers International Private Limited	800,000	-	-	-	-	800,000
Choice Techlab Solutions Private Limited	4,420,911	-	-	-	-	4,420,911
Choice Wealth Management Private Limited	275,000	-	-	-	-	275,000
Choice Portfolio Management Services Private Limited	11,835	-	-	-	-	11,835
Samank Consumer Products Private Limited	-	-	-	-	40,000,000	40,000,000
	365,214,517	-	-	-	40,000,000	405,214,517
Revenue from Operations						
Income from Business Support Services-						
Choice Equity Broking Private Limited	36,713,610	-	-	-	-	36,713,610
Choice Merchandise Broking Private Limited	11,437,527	-	-	-	-	11,437,527
Choice Wealth Management Private Limited	1,581,463	-	-	-	-	1,581,463
Choice Capital Advisors Private Limited	8,949,800	-	-	-	-	8,949,800
Choice Consultancy Services Private Limited	34,861,489	-	-	-	-	34,861,489
The Byke Hospitality Limited	-	-	-	-	8,530,954	8,530,954
S K Patodia & Associates	-	-	-	-	17,009,412	17,009,412
	93,543,889	-	-	-	25,540,366	119,084,255
Interest on Loans						
Choice Equity Broking Private Limited	4,044,718	-	-	-	-	4,044,718
Choice Merchandise Broking Private Limited	660,925	-	-	-	-	660,925
Samank Consumer Products Private Limited	-	-	-	-	5,110,537	5,110,537
	4,705,643	-	-	-	5,110,537	9,816,180

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Brokerage & DP Charges						
Choice Equity Broking Private Limited	21,850	-	-	-	-	21,850
	21,850	-	-	-	-	21,850
Finance Costs						
Interest on Loans						
Choice Equity Broking Private Limited	2,514,686	-	-	-	-	2,514,686
Choice Merchandise Broking Private Limited	4,223,993	-	-	-	-	4,223,993
Other Borrowing Costs						
Choice Equity Broking Private Limited	21,116	-	-	-	-	21,116
	6,759,795	-	-	-	-	6,759,795
Employee Benefit Expenses						
Director remuneration	-	-	4,200,000	-	-	4,200,000
Salary & allowances						
Manoj Singhania	-	-	1,453,231	-	-	1,453,231
Karishma Shah	-	-	776,909	-	-	776,909
Savita Singhania	-	-	-	365,176	-	365,176
	-	-	6,430,140	365,176	-	6,795,316
Balances outstanding at the end of the year						
Trade receivables-						
Choice Equity Broking Private Limited	7,712,050	-	-	-	-	7,712,050
Choice Merchandise Broking Private Limited	3,417,171	-	-	-	-	3,417,171
Choice Wealth Management Private Limited	672,391	-	-	-	-	672,391
Choice Consultancy Services Private Limited	5,981,491	-	-	-	-	5,981,491
The Byke Hospitality Limited	-	-	-	-	11,724	11,724
S K Patodia & Associates	-	-	-	-	96,946	96,946
	17,783,103	-	-	-	108,670	17,891,773
Trade Payables						
Kamal Poddar	-	-	375,050	-	-	375,050
Manoj Singhania	-	-	118,587	-	-	118,587
Karishma Shah	-	-	55,290	-	-	55,290
	-	-	548,927	-	-	548,927
Short term borrowings						
Choice Merchandise Broking Private Limited	109,895,824	-	-	-	-	109,895,824
Choice Capital Advisors Private Limited	5,769,920	-	-	-	-	5,769,920
	115,665,744	-	-	-	-	115,665,744
Non Current Investments						
Choice Equity Broking Private Limited	391,400,000	-	-	-	-	391,400,000
Choice Capital Advisors Private Limited	50,500,000	-	-	-	-	50,500,000
Choice Merchandise Broking Private Limited	50,000,000	-	-	-	-	50,000,000
Choice Consultancy Services Private Limited	30,100,000	-	-	-	-	30,100,000
Choice Portfolio Management Services Private Limited	21,078,857	-	-	-	-	21,078,857
Choice Finserv Private Limited	20,600,000	-	-	-	-	20,600,000
Choice Peers International Private Limited	1,000,000	-	-	-	-	1,000,000
Choice Wealth Management Private Limited	100,000	-	-	-	-	100,000
Choice Techlab Solutions Private Limited	100,000	-	-	-	-	100,000
Choice Corporate Services Private Limited	75,394	-	-	-	-	75,394
Choice Retail Solutions Private Limited	100	-	-	-	-	100
Aqua Pumps Infra Ventures Limited	-	148,792,305	-	-	-	148,792,305
	564,954,351	148,792,305	-	-	-	713,746,656
Short Term Loans & Advances						
Choice Consultancy Services Private Limited	20,147,035	-	-	-	-	20,147,035
Choice Corporate Services Private Limited	6,404,899	-	-	-	-	6,404,899
Choice Equity Broking Private Limited	83,061,014	-	-	-	-	83,061,014
Choice Peers International Private Limited	14,489,595	-	-	-	-	14,489,595
Choice Portfolio Management Services Private Limited	363,165	-	-	-	-	363,165
Choice Retail Solutions Private Limited	700,000	-	-	-	-	700,000
Choice Techlab Solutions Private Limited	17,448,897	-	-	-	-	17,448,897
Choice Wealth Management Private Limited	18,225,000	-	-	-	-	18,225,000
Samank Consumer Products Private Limited	-	-	-	-	25,980,000	25,980,000
	160,839,605	-	-	-	25,980,000	186,819,605

* The Company has provided Line of Credit facility to Choice Equity Broking Private Limited of Rs. 250,000,000/- during the current period, the company has done gross transactions aggregating of Rs. 3,746,391,946 and of Rs. 3,663,330,932/-.

** The Company has provided Line of Credit facility to Choice Merchandise Broking Private Limited of Rs. 150,000,000 during the current period, the company has done gross transactions aggregating of Rs. 1,811,253,086/- and of Rs. 1,695,194,395/-.

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(ii): Details of Related Party transactions during the year ended March 31, 2017

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Transactions						
Equity investments in						
Choice Finserv Private Limited	600,000	-	-	-	-	600,000
Choice Techlab Solutions Private Limited	100,000	-	-	-	-	100,000
	700,000	-	-	-	-	700,000
Loan Taken from-						
Kamal Poddar	-	-	6,900,000	-	-	6,900,000
	-	-	6,900,000	-	-	6,900,000
Loan Repaid-						
Kamal Poddar	-	-	6,979,734	-	-	6,979,734
	-	-	6,979,734	-	-	6,979,734
Loan Given to-						
Choice Consultancy Services Private Limited	5,090,379	-	-	-	-	5,090,379
Choice Corporate Services Private Limited	3,273,622	-	-	-	-	3,273,622
Choice Capital Advisors Private Limited	507,329	-	-	-	-	507,329
Choice E-Commerce Private Limited	14,805,993	-	-	-	-	14,805,993
Choice Equity Broking Private Limited	127,945,247	-	-	-	-	127,945,247
Choice Merchandise Broking Private Limited	58,779,643	-	-	-	-	58,779,643
Choice Finserv Private Limited	325,000	-	-	-	-	325,000
Choice Peers International Private Limited	8,625,165	-	-	-	-	8,625,165
Choice Techlab Solutions Private Limited	9,032,737	-	-	-	-	9,032,737
Choice Wealth Management Private Limited	100,000	-	-	-	-	100,000
Wheresmypandit.com Private Limited	-	-	-	-	312,060	312,060
	228,485,115	-	-	-	312,060	228,797,176
Loan Repayment received from-						
Choice Consultancy Services Private Limited	3,989,343	-	-	-	-	3,989,343
Choice Corporate Services Private Limited	296,709	-	-	-	-	296,709
Choice Capital Advisors Private Limited	507,329	-	-	-	-	507,329
Choice E-Commerce Private Limited	8,276,549	-	-	-	-	8,276,549
Choice Equity Broking Private Limited	127,945,247	-	-	-	-	127,945,247
Choice Merchandise Broking Private Limited	52,616,776	-	-	-	-	52,616,776
Choice Finserv Private Limited	325,000	-	-	-	-	325,000
Choice Peers International Private Limited	1,430,570	-	-	-	-	1,430,570
Choice Techlab Solutions Private Limited	431,115	-	-	-	-	431,115
Choice Wealth Management Private Limited	100,000	-	-	-	-	100,000
Wheresmypandit.com Private Limited	-	-	-	-	990	990
	195,918,638	-	-	-	990	195,919,628
Revenue from Operations						
Income from Business Support Services-						
Choice Equity Broking Private Limited	14,700,000	-	-	-	-	14,700,000
Choice Merchandise Broking Private Limited	10,500,000	-	-	-	-	10,500,000
Choice Wealth Management Private Limited	120,000	-	-	-	-	120,000
Choice Capital Advisors Private Limited	9,428,701	-	-	-	-	9,428,701
Choice Consultancy Services Private Limited	16,811,112	-	-	-	-	16,811,112
Choice E-Commerce Private Limited	1,134,000	-	-	-	-	-
The Byke Hospitality Limited	-	-	-	-	8,400,000	8,400,000
S K Patodia & Associates	-	-	-	-	8,400,000	8,400,000
Wheresmypandit.com Private Limited	-	-	-	-	2,000,000	2,000,000
Aqua Pumps Infra Ventures Limited	-	2,100,000	-	-	-	2,100,000
	52,693,813	2,100,000	-	-	18,800,000	72,459,813
Interest on Loans						
Choice Equity Broking Private Limited	1,966,024	-	-	-	-	1,966,024
Choice Merchandise Broking Private Limited	488,163	-	-	-	-	488,163
Wheresmypandit.com Private Limited	-	-	-	-	346,729	346,729
	2,454,187	-	-	-	346,729	2,800,916

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Purchases						
Brokerage & DP Charges	88,307	-	-	-	-	88,307
	88,307	-	-	-	-	88,307
Employee Benefit Expenses						
Director remuneration	-	-	4,200,000	-	-	4,200,000
<u>Salary & allowances</u>						
Manoj Singhania	-	-	1,432,836	-	-	1,432,836
Karishma Shah	-	-	621,195	-	-	621,195
Savita Singhania	-	-	-	348,948	-	348,948
	-	-	6,254,031	348,948	-	6,602,979
Balances outstanding at the end of the year						
Trade receivables-						-
Choice Equity Broking Private Limited	1,343,918	-	-	-	-	1,343,918
Choice Merchandise Broking Private Limited	3,074,740	-	-	-	-	3,074,740
Choice Wealth Management Private Limited	-	-	-	-	-	-
Choice Capital Advisors Private Limited	1,151,534	-	-	-	-	1,151,534
Choice Consultancy Services Private Limited	3,129,029	-	-	-	-	3,129,029
Choice E-Commerce Private Limited	1,151,420	-	-	-	-	1,151,420
The Byke Hospitality Limited	-	-	-	-	33,041	33,041
	9,850,641	-	-	-	33,041	9,883,682
Trade Payables						
Kamal Poddar	-	-	4,146	-	-	4,146
Manoj Singhania	-	-	134,598	-	-	134,598
Karishma Shah	-	-	50,708	-	-	50,708
Savita Singhania	-	-	-	28,879	-	28,879
	-	-	189,452	28,879	-	218,331
Non Current Investments						
Choice Equity Broking Private Limited	291,400,000	-	-	-	-	291,400,000
Choice Capital Advisors Private Limited	50,500,000	-	-	-	-	50,500,000
Choice Merchandise Broking Private Limited	50,000,000	-	-	-	-	50,000,000
Choice Consultancy Services Private Limited	100,000	-	-	-	-	100,000
Choice Portfolio Management Services Private Limited	5,078,857	-	-	-	-	5,078,857
Choice Finserv Private Limited	600,000	-	-	-	-	600,000
Choice Peers International Private Limited	1,000,000	-	-	-	-	1,000,000
Choice Wealth Management Private Limited	100,000	-	-	-	-	100,000
Choice Techlab Solutions Private Limited	100,000	-	-	-	-	100,000
Choice Corporate Services Private Limited	75,394	-	-	-	-	75,394
Aqua Pumps Infra Ventures Limited		99,037,305	-	-	-	99,037,305
	398,954,251	99,037,305	-	-	-	497,991,556
Short Term Loans & Advances						
Choice Consultancy Services Private Limited	1,101,036	-	-	-	-	1,101,036
Choice Corporate Services Private Limited	4,076,913	-	-	-	-	4,076,913
Choice E-Commerce Private Limited	18,512,426	-	-	-	-	18,512,426
Choice Merchandise Broking Private Limited	6,162,867	-	-	-	-	6,162,867
Choice Peers International Private Limited	7,194,595	-	-	-	-	7,194,595
Choice Techlab Solutions Private Limited	8,601,622	-	-	-	-	8,601,622
	45,649,459	-	-	-	-	45,649,459

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

- 33** Choice Finserv Private Limited, a wholly owned subsidiary of the Company, received its Certificate of Registration (CoR) vide registration number N-13.02216 dated January 12, 2018 from the Reserve Bank of India on January 15, 2018 to carry on the activities as a Non-Deposit taking Non-Banking Finance Company. The Board of Directors' of the Company at their meeting held on February 12, 2018 have approved the proposal to conduct the NBFC business from Choice Finserv Private Limited and to surrender the company's NBFC license within six months from date of the CoR. On March 30, 2018, the shareholders of the Company have approved the same vide postal ballot.
- 34** The main Business of the Company is Non-Banking Finance activities. All other activities revolve around the main business. Further all activities are carried out within India. As such there are no separate reportable segments as per Accounting Standard (AS)-17 on "Segment Reporting" prescribed under Section 133 of the Companies Act, 2013.
- 35** The comparative financial information of the Company for the year ended March 31, 2017 was audited by the M/s Gupta Shyam & Co. (previous auditors of the Company).
- 36** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

TO THE MEMBERS OF CHOICE INTERNATIONAL LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of CHOICE INTERNATIONAL LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements") which includes one jointly controlled operation of the Group accounted on a proportionate basis.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled operation in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), other accounting principles generally accepted in India and Guidelines issued by the Reserve Bank of India, to the extent applicable.

The respective Board of Directors of the entities companies included in the Group and of its associate and joint controlled operation are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding

Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the jointly controlled operation, subsidiaries and associate referred to in the Other Matters paragraph below, the aforesaid consolidated 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 Standards and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

OTHER MATTERS

- We did not audit the financial statements of one jointly controlled operation included in the standalone financial statements of one of the company included in the Group whose financial statements reflect total assets of Rs.9,736,729 as at March 31, 2018 and total revenues of Rs.27,178,594 for the year ended on that date, as considered in the respective standalone financial statements of the company included in the Group. The financial statements of the jointly controlled operation have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this jointly controlled operation, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled operations is based solely on the report of such other auditor.
- We did not audit the financial statements of ten subsidiaries, whose financial statements reflect total assets of Rs.499,875,954 as at March 31, 2018, total revenues of Rs.320,740,693 and net cash inflows amounting to Rs.49,102,315 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.2,100,552 for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of jointly controlled operation, subsidiaries and associate referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.

- (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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate.
 - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries companies and associate incorporated in India.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Sd/-
Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 30, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Choice International Limited)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Choice International Limited ("the Holding Company"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 the respective 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India.

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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, 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, 2018, based on the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to ten subsidiary companies and one associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

A jointly controlled operation of the Company, which is not a Company incorporated in India, to whom reporting on internal financial controls system over financial reporting is not applicable and hence no reporting under the internal financial controls system over financial reporting has been made.

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

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Sd/-
Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 30, 2018

CHOICE INTERNATIONAL LIMITED CONSOLIDATED BALANCE SHEET

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	200,048,000	100,048,000
(b) Money received against share warrants	3	-	100,000,000
(c) Reserves and Surplus	4	1,461,792,196	597,717,906
		1,661,840,196	797,765,906
2. Non - Current Liabilities			
(a) Long - Term Borrowings	5	49,359,116	90,058,228
(b) Deferred Tax Liabilities (Net)	6	30,206,676	36,170,461
(c) Other Long Term Liabilities	7	14,324,702	3,592,304
(d) Long - Term Provisions	8	9,695,835	5,993,709
		103,586,329	135,814,702
3. Current Liabilities			
(a) Short - Term Borrowings	9	1,686,700,690	1,374,974,674
(b) Trade Payables		98,561,102	61,335,195
(c) Other Current Liabilities	10	699,653,650	481,537,535
(d) Short - Term Provisions	11	33,222,354	15,356,472
		2,518,137,796	1,933,203,876
TOTAL		4,283,564,321	2,866,784,484
II Assets			
1. Non - Current Assets			
(a) Property, Plant & Equipment	12		
(i) Tangible assets (Net)		764,217,608	353,691,217
(ii) Intangible assets (Net)		13,357,744	13,807,508
(iii) Capital work in progress		-	1,125,600
(iv) Intangible assets under development		41,970,517	9,583,691
		819,545,869	378,208,016
(b) Goodwill on Consolidation		295,266	295,266
(c) Non - Current Investments	13	466,422,638	263,586,764
(d) Deferred tax assets (Net)	14	4,013,762	119,831
(e) Long - Term Loans and Advances	15	83,213,604	69,909,340
(f) Other Non - Current Assets	16	3,023,963	-
		1,376,515,102	712,119,217
2. Current Assets			
(a) Inventories	17	174,660,044	92,931,779
(b) Trade Receivables (Net)	18	1,167,193,480	1,144,377,161
(c) Cash and Bank Balances	19	620,193,418	412,776,280
(d) Short - Term Loans and Advances	20	876,325,182	484,417,315
(e) Other Current Assets	21	68,677,095	20,162,732
		2,907,049,219	2,154,665,267
TOTAL		4,283,564,321	2,866,784,484

Notes 1 to 42 forms part of Consolidated Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Karishma Shah
Company Secretary

CONSOLIDATED FINANCIALS 2018

CHOICE INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from Operations	22	1,429,282,311	1,303,946,346
II Other Income	23	89,516,779	46,591,453
III Total Revenue (I + II)		1,518,799,090	1,350,537,799
IV Expenses			
Purchases	24	308,306,316	179,631,843
Changes in Inventories	25	(83,384,520)	(14,868,723)
Operating Expenses	26	297,727,700	452,990,476
Employee Benefits Expenses	27	401,599,184	276,390,924
Depreciation & Amortisation	12	27,702,718	22,284,937
Finance Costs	28	205,607,202	190,712,191
Other Expenses	29	203,664,111	140,626,386
Total Expenses		1,361,222,711	1,247,768,034
V Profit Before Tax (III-IV)		157,576,379	102,769,765
VI Tax Expense:			
(a) Current Tax Expense		54,814,125	36,204,457
(b) Earlier Years Tax Expense		4,382,612	906,080
(c) MAT Credit		(12,128,670)	-
(d) Deferred Tax		(9,829,937)	5,461,884
		37,238,130	42,572,421
VII Profit After Tax (V-VI)		120,338,249	60,197,344
VIII Share of Profit in Associates		2,100,552	2,703,918
IX Profit for the Year (VII+VIII)		122,438,801	62,901,262
X Earnings Per Equity Share (Face Value ₹ 10 Per Share):	30	6.54	6.02
(1) Basic (₹)		6.02	3.03
(2) Diluted (₹)			

Notes 1 to 42 forms part of Consolidated Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

CHOICE INTERNATIONAL LIMITED
CONSOLIDATED CASH FLOW STATEMENT

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	157,576,379	102,769,765
Adjustments for:		
Depreciation and Amortisation	27,702,718	22,284,937
Finance costs	205,607,202	190,712,191
Balances written off	1,476,290	-
Loss on sale of Property, Plant & Equipment	908	197,921
Provision for Standard loan assets	1,363,873	635,648
Provision for Gratuity	3,923,080	2,301,555
Profit on sale of Investments	-	-
Interest income	(20,263,945)	(30,479,415)
Dividend income	(10,047,937)	(1,301,250)
Operating profit before Working Capital changes	367,338,568	287,121,352
Changes in Working Capital		
- (Increase) in Trade Receivables	(40,427,045)	(274,414,172)
- (Increase) in loans & advances and assets (Current & Non Current)	(450,044,147)	(235,096,415)
- (Increase) in Inventories	(83,384,520)	(14,868,723)
- Increase/(Decrease) in Trade Payables & provisions (Current & Non Current)	54,900,721	(337,103,705)
- Increase in Other liabilities (Current & Non Current)	233,011,591	408,579,949
Cash generated from operations	81,395,168	(165,781,714)
Income tax paid (Net)	(40,780,832)	(30,711,409)
Net cash flow from/(used in) from Operating Activities	40,614,336	(196,493,123)
B. Cash flow from Investing Activities		
Interest received	20,353,621	39,092,193
Dividend Income	10,047,937	1,301,250
Purchase of Property, Plant & Equipment (including CWIP)	(54,578,187)	(59,726,675)
Sale of Property, Plant & Equipment	3,092	4,660,717
Investments in other companies	(200,735,322)	(37,455,137)
Movement in other bank balances (net) (Earmarked and Lien)	227,192	(53,869,065)
Net cash flow (used in) Investing Activities	(224,681,668)	(105,996,717)
C. Cash flow from Financing Activities		
Money received from share warrants	-	100,000,000
Securities Premium on Equity Shares	300,000,000	-
Finance costs paid	(195,721,714)	(191,136,191)
Dividend & dividend distribution tax paid	(1,019,182)	(12,072,845)
Movement in borrowings from related parties (Short-Term and Long-Term)	18,512,426	(79,734)
Movement in borrowings from others (Short-Term and Long-Term)	270,046,770	312,528,481
Net cash flow from Financing Activities	391,818,301	209,239,711
Net increase/(decrease) in Cash and Cash Equivalents	207,750,969	(93,250,129)
Opening Cash and Cash Equivalents	35,275,207	128,525,337
Add - On Purchase of Subsidiary	79,776	-
Less- On Sale of Subsidiary	186,415	-
Closing Cash and Cash Equivalents	242,919,536	35,275,207
Components of Cash and Bank Balances		
Cash in Hand	273,128	523,197
Cheques in Hand	-	12,922,664
Balance with Banks	242,646,408	21,829,346
Total(a)	242,919,536	35,275,207
Other Bank Balances		
In Term deposits (under Lien)	376,386,495	376,479,368
In Earmarked accounts	887,386	1,021,705
Total(b)	377,273,881	377,501,073
Cash and Bank Balances (Total(a)+Total(b))	620,193,418	412,776,280

Notes 1 to 42 forms part of Consolidated Financial Statements.
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)
Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)
Sd/-
Karishma Shah
Company Secretary

Sd/-
Shrenik Baid
Partner
Mem. No. :103884
Mumbai: May 30,2018

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Background

Choice International Limited ("CIL" / the "Company") is incorporated in India as a public limited company and registered with Reserve Bank of India as Non-Deposit Taking Non-Systemically Important Non-Banking Financial Services Company. The Company is engaged in financial services business comprising of lending, investments and advisory services.

Choice International Ltd. ("the holding company") , including its subsidiary companies and associate, provides services like Broking & Distribution, Investment Banking, Financial services to Business Advisory, Regulatory Compliances to Government authorities & other corporate entities, Retail Loan distribution, Mutual Fund distribution, technical services and other ancillary services.

A Basis of Consolidation

- (i) The consolidated financial statements relate to Choice International Ltd. ("the holding company") , its subsidiary companies and associate, which together constitute the group.
- (ii) The Consolidated Financial Statements (CFS) of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") and Guidelines issued by Reserve Bank of India. The CFS have been prepared on accrual basis under the historical cost conversion. The accounting policies adopted in the preparation of the financials Statements are consistent with those followed in the previous year except the following-
 - (a) Till the previous year the Broking Segment followed Settlement Date Accounting. In the current year the Segment has changed it's accounting policy to Trade Date Accounting. Had the company followed the earlier method, the impact on the Financial Statements would be:

Particulars		Amount lower by
Assets	Trade Receivable	103,327,535
Assets	Other Current Assets	3,875,847
Liability	Other Current Liabilities	105,521,058
Revenue	Brokerage Income	1,682,324

- (iii) The Group adopts the accrual concept in the preparation of the accounts. The preparation of CFS requires the Management to make estimates & assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of date of the CFS and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the CFS are prudent and reasonable. Actual results could differ from these estimates. Any changes in estimates is recognized prospectively in current and future period.

B Principles of consolidation

- (i) The financial statements of the Company and its Subsidiaries have been consolidated as a single economic entity to show the economic resources controlled by the Group and then on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and unrealised profit/(losses) on intra-group transactions and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements.
- (ii) The Accounting Policies of the Consolidation Entities (note 1C) have been adjusted as necessary so as to ensure consistent accounting within the Group.
- (iii) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- (iv) Investment in associate company has been accounted for by using the equity method, whereby an investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Group's share of net assets of the associate companies. The carrying amount of the investment in associate company is reduced to recognise any decline in value if any, is made for each investment individually. The unrealised profits/losses on transactions with associate company are eliminated by adjusting the carrying amount of investments.
- (v) The Group's interest in Jointly controlled operations are proportionately consolidated on line by line basis by adding together the book values of assets, liabilities, income & expenses, after eliminating the unrealised profits/losses on intra group transactions.
- (vi) The financial statements of the subsidiaries, jointly controlled operations and associate used in the consolidated Financial Statements are drawn up to the same reporting date as that of the Company .i.e. March 31, 2018.

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

C List of Consolidating Entities

- (i) The Consolidated Financial Statements consist of the Company and the following entities:

Name of the Entity	Country of	Ownership as on	
Subsidiaries	Incorporation	March 31, 2018	March 31, 2017
Choice Capital Advisors Pvt. Ltd.	India	100.00%	100.00%
Choice Equity Broking Pvt. Ltd.	India	100.00%	100.00%
Choice Merchandise Broking Pvt. Ltd.	India	100.00%	100.00%
Choice Consultancy Services Pvt. Ltd.	India	100.00%	100.00%
Choice Wealth Management Pvt. Ltd.	India	100.00%	100.00%
Choice Portfolio Management Services Pvt. Ltd.	India	100.00%	100.00%
Choice Corporate Services Pvt. Ltd.	India	100.00%	100.00%
Choice Peers International Pvt. Ltd.	India	100.00%	100.00%
Choice Finserv Private Limited	India	100.00%	100.00%
Choice Techlab Solutions Pvt Ltd	India	100.00%	100.00%
Choice E-Commerce Pvt Ltd (up to 26.03.2018)	India	-	100.00%
Choice Retail Solutions Pvt Ltd (wef.06.12.2017)	India	100.00%	-
Associates			
Aqua Pumps Infra Ventures Limited	India	39.35%	39.35%
Jointly Controlled Operations			
Thought Consultants Jaipur P L in JV with Choice Consultancy Services P L	India	50.00%	50.00%

D Cash and cash Equivalents

Cash comprise cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible in cash and which are subjected to insignificant risk of change in value.

E Cash flow statement

Cash flow are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions on non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on available information. For the purpose of Cash Flow Statement, cash and cash equivalents includes fixed deposits which are freely remissible but excludes interest accrued on fixed deposits.

F Inventories

Inventories of shares and securities are valued at cost (on FIFO basis) or the net realisable whichever is lower by taking the value of all the scripts of the shares cumulatively. Cost includes all incidental cost of acquisition.

G Revenue recognition

Revenue is recognized to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria must be met before revenue is recognized:

- (i) Interest and other dues on Lending is recognized on accrual basis, except in case of Non-Performing Assets (NPA's), wherein income is recognized on realisation of the same. NPA's are determined in accordance with the Guidelines issued by the Reserve Bank of India.
- (ii) Income on services provided in the nature of Business Support Services ("BSS") is recognized on an accrual basis on completion of services as enumerated in the BSS policy of the Company
- (iii) Profit or Loss on sale of investments is determined based on weighted average cost of investments and is recognized on trade date basis.
- (iv) Interest on fixed deposits and other income are recognized on accrual basis
- (v) Dividend income is recognized once the unconditional right to receive dividend is established .
- (vi) Brokerage income in relation to stock broking activity is recognised on trade date basis.
- (vii) Gain/Losses on dealing in securities are recognised on trade date basis.
- (viii) Income from services in the nature of Advisory services and other services fee based income is recognised on an accrual basis on completion of services as enumerated in the milestone specified in the relevant contracts entered with / work orders issued by the respective clients. Further, the services should be delivered before the period end for the revenue to be accounted as unbilled revenue.

H Employee benefits

- (i) **Short-term:** Short-term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company. These includes Salary, Compensated leave encashment, Bonus, etc.
- (ii) **Long-term:** The Company has both defined-contribution and defined-benefit plans. The defined contribution plans are financed by the company and in the case of some defined contribution plans by the Company along with its employees.

- Defined-contribution Plans

These are plans in which a company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund and Family Pension Fund. The Company's payments to the defined contribution plans are reported as expenses in the period in which the employees perform the services that the payment covers.

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- Defined-benefit Plans

Expenses for defined-benefit plans are calculated as at the balance sheet date by independent actuary. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss.

I Finance Cost

Interest cost is recognised as expenses in the period in which the cost is incurred. Other finance Charges includes origination fees and other ancillary costs with respect to funds mobilised by the Company which are amortised over the tenure of such borrowings

J Earnings per share

Basic earnings per share is calculated by dividing the Net Profit / (Loss) for the period attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period.
Diluted earnings per share is calculated by dividing the Net Profits / (Loss) for the period attributable to equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

K Depreciation and amortization

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. In respect of computer software which are amortized over a period of five years in accordance with the Accounting Standard 26 "Accounting for Intangible Assets". Depreciation on addition to fixed assets is provided on a pro-rata basis from the date of addition. The estimated useful life of intangible assets and the amortization period are reviewed at the end of each financial year and amortization method is revised to reflect the changed pattern.

L Property, Plant & Equipment

Tangible assets

Property, Plant & Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant & Equipment includes interest on borrowings attributable to acquisition of qualifying Property, Plant & Equipment up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Revaluation of Assets:

Land is accounted for using revaluation model as per Revised Accounting Standard - 10. The fair value of the Company's freehold land as at March 31, 2018 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Company with appropriate qualifications and relevant experience in the valuation of land at relevant locations. The Fair value was determined based on a Sales Comparison Method. Revaluation Surplus is credited to revaluation surplus in Shareholder's equity. Subsequently, such Land will be carried at fair value based on periodic valuations by an independent registered appraiser. During the current year, pursuant to the revaluation model adopted as aforesaid, the land of the Company has increased by Rs.417,022,090 and correspondingly the Reserves & Surplus have also increased by that amount.

M Accounting for Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

N Provision and Contingencies

A Provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of resources. Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 - "Provisions, Contingent Liabilities and Contingent Assets" is made. Contingent Assets are neither recognised nor disclosed in the Standalone Financial Statements.

O Provisioning under Prudential Norms

- (i) NPAs are identified and categorised according to the Guidelines issued by the Reserve Bank of India (RBI). Provisions are made against sub-standard, doubtful and loss assets at the rates prescribed in the RBI guidelines, unless an accelerated provision / write-off is warranted on a case to case basis where additional risks are identified by the Management
- "(ii) Provisioning for NPAs is dependent upon, inter alia, whether the NPA is secured or unsecured. Loans are considered as secured, where the Company has valid recourse to assets / recovery by Pledge of shares, units, other securities."
- (iii) Provision for Standard Assets is made at 0.25% on the outstanding standard assets in accordance with RBI guidelines.
- (iv) Impairment in the investment portfolio is provided, as per the Guidelines issued by the RBI, unless an accelerated provision / write-off is warranted on a case to case basis.

P Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments, all other investments are classified as non-current investments. Investments are valued in accordance with the RBI guidelines and Accounting Standard-13 on "Accounting for investments".

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Quoted current investments are valued at lower of cost and market value of investments on a category basis. Unquoted current investments are valued at lower of cost and breakup value/fair value of investments in accordance with RBI Guidelines"

Q Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

R Foreign Currency Transactions

(i) Foreign currency transactions and balances

Initial Recognition

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions.

Conversion

Foreign Currency monetary items are restated using the exchange rate prevailing at the reporting date. Foreign Currency non-monetary items, which are measured in terms of historical cost, are reported using the exchange rate at the date of the transaction."

(ii) Exchange Differences

Foreign Currency Short-Term Monetary Items

The exchange difference on foreign currency short-term monetary items are recognised as income or as expenses in the period in which they arise.

Foreign Currency Long-Term Monetary Items

The group has exercised the option of amortising / capitalising the exchange difference arising on long-term foreign currency monetary items as given Ministry of Corporate Affairs (MCA) Notification No. G.S.R 914(E) dated December 29, 2011"

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
2 SHARE CAPITAL		
(a) Details of authorised, issued and subscribed share capital		
Authorised Capital		
20,100,000 (PY 20,100,000) Equity Shares of ₹10/- each	201,000,000	201,000,000
Issued Capital		
20,004,800 (PY 10,004,800) Equity Shares of ₹10/- each	200,048,000	100,048,000
Subscribed and Paid up Capital		
20,004,800 (PY 10,004,800) Equity Shares of ₹10/- each fully paid-up	200,048,000	100,048,000
	200,048,000	100,048,000

Rights, preferences and restrictions attached to each class of shares -

The Company has only one class of share capital, i.e., equity shares having face value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. The Shareholders are entitled to interim dividend if proposed by the Board of Directors. The Final dividend is subject to approval of the shareholders in the Annual General Meeting.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

No. of shares at the beginning of the year	10,004,800	10,004,800
Add : shares issued during the year	10,000,000	-
No. of shares at the end of the year	20,004,800	10,004,800

(c) Shareholders holding more than 5% of equity shares as at the end of the year

Kamal Poddar	Promoter	2,500,011 12.50%	887,600 8.87%
Arun Kumar Poddar	Promoter	2,100,000 10.50%	- -
Vinita Sunil Patodia	Promoter	1,575,000 7.87%	1,278,927 12.78%
Archana Anil Patodia	Promoter	1,575,000 7.87%	- -
Sonu Poddar	Promoter	1,250,000 6.25%	- -
Sunil Kumar Patodia	Promoter	1,100,000 5.50%	- -
Anil C Patodia	Promoter	1,100,000 5.50%	- -
Azura Projects Private Limited		1,285,026 6.42%	- -
Florence Securities Pvt. Ltd.		935,684 4.68%	750,000 7.50%
Mansavi Consultancy Pvt Ltd		-	816,850 8.16%

3 MONEY RECEIVED AGAINST SHARE WARRANTS

During the previous year the Company has received application money of ₹10/- each against preferential issue of 10,000,000 share warrants. These warrants were converted into 10,000,000 Equity shares of ₹ 10/- each face value with ₹ 30/- per share as securities premium. The proceeds were utilised for the purpose it was raised other than temporary deployment.

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
4 RESERVES AND SURPLUS		
Statutory reserve -		
Opening Balance	30,457,000	25,281,000
Add : Transferred from statement of profit & loss	4,756,100	5,176,000
Closing Balance	35,213,100	30,457,000
General reserve -		
Opening Balance	952,000	952,000
Add : Transferred from statement of profit & loss	-	-
Closing Balance	952,000	952,000
Capital reserve -		
Opening Balance	869,500	869,500
Add : Transferred from statement of profit & loss	-	-
Closing Balance	869,500	869,500
Securities premium reserve -		
Opening Balance	339,217,300	339,217,300
Less : on disposal of subsidiary	-	-
Add : Received on shares issued during the year	300,000,000	-
Closing Balance	639,217,300	339,217,300
Revaluation Reserve -		
Opening Balance	-	-
Add : Addition during the year**	417,022,090	-
Closing Balance	417,022,090	-
Surplus in statement of profit & loss -		
Opening Balance	226,222,106	168,496,844
Add : Profit for the year	122,438,801	62,901,262
Less :Pre acquisition loss of subsidiary	943,464	-
Add : Reversal of loss due to cessation of subsidiary	25,556,863	-
Less : Transfer to statutory reserve	4,756,100	5,176,000
Closing Balance	368,518,206	226,222,106
	1,461,792,196	597,717,906

*The Management has created a statutory reserve of ₹ 4,756,100/- (PY- ₹ 5,176,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

**Pursuant to the Revised AS 10 "Accounting for Fixed Assets", the Company has revalued freehold lands at fair market value, under revaluation model. Pursuant to the foregoing, during the current year, property, plant & equipment increased by Rs. 417,022,090/- and Reserves & Surplus increased by Rs. 417,022,090/.

5 LONG TERM BORROWINGS

Secured loans		
Non Convertible Debentures*		
310 (PY- 335) Index linked non convertible, redeemable debentures of Rs. 100,000 each (Note -1)	31,000,000	33,500,000
Less : Current maturities of long term borrowings	(31,000,000)	-
Term loan from bank (Note-2)	55,762,194	60,898,614
Less : Current maturities of long term borrowings	(6,403,078)	(4,340,386)
	49,359,116	90,058,228

Note-1: Non Convertible Debentures referred above are issued on private placement basis which are secured against loans & advances. The debentures are index linked.

Note-2

(i) The outstanding amount loan of ₹ 1,746,680 (PY- ₹ 2,852,303) was taken from ICICI Bank Limited and is secured by way of first charge on Vehicle at Mumbai. The said loan carries interest at 10.14% p.a. and it is payable in Equated Monthly Installments ("EMI") of ₹ 112,053 till July 2019 and last installment of ₹ 88,209 payable in August 2019.

(ii) The outstanding amount loan of ₹ 30,238,579 (PY- ₹ 32,647,788) was taken from Axis Bank Limited (PY- ICICI Bank Limited) and is secured by way of first charge on office premises at Mumbai. The said loan carries interest @ 1 Year MCLR +1.75% (presently at 10%). The loan is repayable monthly ending in October 2026.

(iii) The outstanding amount of loan of ₹ 1,889,046/- (PY- ₹ 2,430,144) was taken from ICICI Bank and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal installments and interest, ending in February, 2021.

(iv) The outstanding amount of loan of ₹ 21,887,889/- (PY- ₹ 22,968,379) was taken from ICICI Bank and is secured by way of first charge on Office Premises at Delhi. The loan is repayable in monthly principal installments and interest, ending in May, 2030.

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

Particulars	As at March 31, 2017	Movement for the year	As at March 31, 2018
Deferred tax liability - On difference between book balance & tax balance of Property, Plant & Equipment	37,944,902	2,862,687	35,082,215
Deferred tax asset - Provision for Employee benefit expenses	(1,774,441)	648,098	(2,422,539)
Provision for Doubtful debts	-	912,000	(912,000)
Provision for Expenses	-	922,000	(922,000)
Provision for Standard Loan Assets	-	619,000	(619,000)
	36,170,461	5,963,785	30,206,676

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
7 OTHER LONG TERM LIABILITIES		
Franchisee & DP Deposits	11,309,702	3,592,304
Other Security Deposits	3,015,000	-
	14,324,702	3,592,304
8 LONG-TERM PROVISIONS		
Provision for employee benefit expenses	9,695,835	5,993,709
	9,695,835	5,993,709
9 SHORT TERM BORROWINGS		
Secured loans		
Loans taken from financial institutions*	1,105,887,269	592,383,244
Bank Overdraft **	569,818,494	756,857,509
Unsecured loans		
Loans taken from others	10,014,794	25,733,921
Loans taken from related parties (Refer Note No.40)	980,133	-
	1,686,700,690	1,374,974,674

*Loans taken from Financial Institutions are secured against shares & securities placed as collateral by customers.

**Bank Overdraft is secured against hypothecation of receivables, term deposits, shares & securities.

10 OTHER CURRENT LIABILITIES

Current Maturities of long term borrowings	37,403,078	4,340,386
Interest accrued but not due	9,885,488	-
Advances from customers	510,579,495	444,201,328
Statutory dues	38,033,544	24,811,645
Other liabilities	72,528,905	6,704,077
Equity Stock Option Premium	80,100	80,100
Margin money deposit	1,500,000	1,400,000
Payable towards partly paid investment	29,643,040	-
	699,653,650	481,537,535

11 SHORT TERM PROVISIONS

Provision for tax (net of taxes paid)	27,121,956	10,747,134
Provision for interest on debentures	3,566,190	3,497,052
Provision on standard assets	2,301,677	937,804
Provision for employee benefit expenses	232,531	174,482
	33,222,354	15,356,472

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 PROPERTY, PLANT & EQUIPMENT

Current Year

(Amount in ₹)

Description	Gross Block				Depreciation & Amortisation					Net Block	
	As at April 1, 2017	Additions	Deductions	Deduction on disposal of subsidiary	As at March 31, 2018	As at April 31, 2017	Charged For the year	Deductions	Deduction on disposal of subsidiary	As at March 31, 2018	As at March 31, 2017
(i) Tangible Assets:											
Freehold Land	27,977,910	417,022,090	-	-	445,000,000	-	-	-	-	445,000,000	27,977,910
Building owned	282,379,737	-	-	-	282,379,737	25,713,141	4,464,787	-	-	30,177,928	256,666,596
Water Pumps & Borewell	175,363	-	-	-	175,363	35,011	33,227	-	-	68,238	140,352
Computer Hardwares	34,206,020	7,532,231	-	565,782	41,172,470	20,414,290	7,926,749	-	336,145	28,004,894	13,791,730
Server & Network	21,289,663	3,500,928	-	-	24,790,591	4,593,590	3,636,370	-	-	8,229,960	16,696,073
Electric Installation	3,835,109	-	-	-	3,835,109	1,817,057	404,488	-	-	2,221,545	2,018,052
Furniture & Fixtures	15,553,895	735,804	5,000	-	16,284,699	5,879,167	1,675,261	92	-	7,554,336	9,674,728
Solar Plant	-	1,404,425	-	-	1,404,425	-	49,421	-	-	49,421	1,355,004
Motar Car	23,571,479	618,129	-	1,651,567	22,538,041	5,986,862	2,902,049	-	387,293	8,501,618	17,584,617
Motar Cycle	80,000	44,780	-	-	124,780	32,005	9,756	-	-	41,761	47,995
Office Equipments	17,291,477	4,778,710	-	-	22,070,187	8,198,313	2,509,779	-	-	10,708,092	9,093,164
Total	426,360,653	435,637,097	5,000	2,217,349	859,775,401	72,669,436	23,611,887	92	723,438	95,557,793	353,691,217
(ii) Intangible Assets:											
Computer Softwares	44,737,648	3,641,067	-	-	48,378,715	30,930,140	4,090,831	-	-	35,020,971	13,807,508
Total	44,737,648	3,641,067	-	-	48,378,715	30,930,140	4,090,831	-	-	35,020,971	13,807,508
(iii) Capital Work in Progress	1,125,600	278,825	1,404,425	-	-	-	-	-	-	-	1,125,600
(iv) Intangible assets under development	9,583,691	32,386,826	-	-	41,970,517	-	-	-	-	-	9,583,691
Grand Total (i+ii+iii+iv)	481,807,592	471,943,814	1,409,425	2,217,349	950,124,633	103,599,576	27,702,718	92	723,438	130,578,764	378,208,016

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Previous Year

(Amount in ₹)

Description	Gross Block			Depreciation & Amortisation			Net Block	
	As at April 1, 2016	Additions	Deductions	Deduction on disposal of subsidiary	As at March 31, 2017	As at April 1, 2016	Charged For the year	Deductions
(i) Tangible Assets:								
Freehold Land	27,977,910	-	-	-	27,977,910	-	-	-
Building owned	282,379,737	-	-	-	282,379,737	21,248,354	4,464,787	-
Computer Hardwares	22,008,687	12,287,684	95,324	-	34,201,047	15,551,130	4,862,454	4,267
Server & Network	6,315,976	14,973,687	-	-	21,289,663	2,630,147	1,963,443	-
Furniture & Fixtures	16,598,696	2,790,308	-	-	19,389,004	5,846,154	1,850,070	-
Motar Car	22,133,483	2,461,516	1,023,520	-	23,571,479	3,545,224	2,897,227	455,589
Motar Cycle	80,000	-	-	-	80,000	24,404	7,601	-
Office Equipments	10,764,400	6,702,440	-	-	17,466,840	5,770,621	2,462,703	-
Total	388,258,889	39,215,635	1,118,844	-	426,355,680	54,616,034	18,508,285	459,856
(ii) Intangible Assets:								
Computer Softwares	35,378,432	9,359,216	-	-	44,737,648	27,153,488	3,776,652	-
Total	35,378,432	9,359,216	-	-	44,737,648	27,153,488	3,776,652	-
(iii) Capital Work in Progress	-	1,125,600	-	-	1,125,600	-	-	-
(iv) Intangible assets under development	3,757,117	10,026,224	4,199,650	-	9,583,691	-	-	-
Grand Total (i+ii+iii+iv)	427,394,438	59,726,675	5,318,494	-	481,802,619	81,769,522	22,284,937	459,856

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
13 NON-CURRENT INVESTMENTS		
(a) Other investments in quoted equity shares fully paid-up		
Associate company -		
5,952,850 (PY - 5,952,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited	177,937,923	175,837,371
Other company -		
1,000,000 (PY - 1,000,000) shares of ₹10/- each of The Byke Hospitality Limited	50,096,906	50,096,906
22,023 (PY - 22,023) shares of ₹10/- each of Lawreshwar Polymers Limited	191,610	191,610
980 (PY - 980) shares of ₹10/- each of GSL Securities Limited.	5,740	5,740
150,000 (PY-225,000) shares of ₹1/- each of Vakrangee Limited	4,178,419	37,455,137
450,000 (PY- Nil) shares of ₹10/- each of Kisan Mouldings Limited*	53,505,000	-
Other investments in unquoted equity shares fully paid-up		
523,980 (PY- Nil) shares of ₹10/- each Jaatvedas Construction Company Private Limited**	129,947,040	-
400,000 (PY - Nil) shares of ₹10/- each of Gini & Jony Limited***	50,560,000	-
Total	466,422,638	263,586,764
Less : Provision for diminution in the value of investments	-	-
	466,422,638	263,586,764
(b) Aggregate book value of -		
Quoted fully paid-up investments	256,769,980	236,473,568
Aggregate market value of -		
Quoted fully paid-up investments	396,442,590	333,234,718

* During the year the company has made investment in Kisan Mouldings Limited in 450,000 equity shares of Rs. 118.90/- per share on October 17,2017.

** The company has purchased 604,960 equity shares of Jaatvedas Construction Company Private Limited on November 28, 2017 @ Rs.248/- per share & subsequently sold 80,980 shares at the same price on March 27, 2018.

***During the year the company has made investment in Gini & Jony Limited in 400,000 equity shares @ Rs.116.40/- per share on August 07,2017.

14 DEFERRED TAXASSETS (NET)

(Amount in ₹)

Particulars	As at March 31, 2017	Movement	As at March 31, 2018
The major components of deferred tax liabilities / assets (net) as recognised in the financial statements is as follows:			
Deferred tax asset			
Employee benefits	131,532	(63,832)	67,700
Business loss & unabsorbed depreciation	-	4,108,404	4,108,404
Deferred tax liability			
Depreciation and amortisation	(11,701)	(150,641)	(162,342)
	119,831	3,893,931	4,013,762

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
15 LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Security deposits	32,773,696	36,442,677
Advance taxes (net of provisions)	32,422,925	24,831,303
MAT Credit Entitlement	16,509,277	7,930,360
Loans & advances to others	705,000	705,000
Prepaid Expenses	802,706	-
	83,213,604	69,909,340
16 OTHER NON-CURRENT ASSETS		
Fixed Deposits (under lien with maturity more than 12 months)	3,023,963	-
	3,023,963	-

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
17 INVENTORIES		
Stock-in-trade		
Shares & securities	174,660,044	92,931,779
	174,660,044	92,931,779
18 TRADE RECEIVABLES		
Secured, considered good*		
Outstanding for a period exceeding six months	7,177,953	45,928,601
Others	1,026,990,129	938,986,155
Unsecured, considered good		
Outstanding for a period exceeding six months	27,346,925	8,611,466
Others	105,678,473	150,850,938
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from due date	4,668,524	-
Others	-	-
Less- Provision for doubtful debts	(4,668,524)	-
	1,167,193,480	1,144,377,161
* Secured against securities given as collateral by the customers.		
19 CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Cash on Hand	273,128	523,197
Cheques in hand	-	12,922,664
Bank Balances -		
In current accounts	242,646,408	21,829,346
	242,919,536	35,275,207
Cash & Cash Equivalents (as per "AS-3 Cash Flow Statements")		
Other Bank Balances		
Term deposits held against bank guarantees	376,386,495	376,479,368
In earmarked accounts	887,386	1,021,705
	620,193,418	412,776,280
Cash & Bank Balances		
* Fixed Deposits are under Lien with Banks for Bank Guarantees (with maturity of more than of 3 Months but less than 12 Months)		
20 SHORT-TERM LOANS AND ADVANCES		
Secured, considered good		
Loans against shares & securities	506,283,364	286,074,562
Unsecured, considered good		
Loans given to related parties (Refer Note No.40)	-	3,086,632
Loans & Advances to others	288,570,744	72,006,070
Capital Advances	-	734,591
Advances to employees	4,775,452	3,663,785
Balance with revenue authorities	4,196,777	1,638,430
Other Advances	9,557,872	2,324,819
Prepaid expenses	22,354,687	14,953,153
Security deposit	39,077,613	99,935,274
MAT Credit Entitlement	1,508,670	-
	876,325,182	484,417,315
21 OTHER CURRENT ASSETS		
Margin money	184,867	917,562
Accrued interests on deposits	-	89,676
Unbilled Revenue	46,197,865	-
Receivables from Exchanges	6,014,262	4,269,274
Retention money	4,689,709	-
Other Current assets	11,590,392	14,886,220
	68,677,095	20,162,732

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
22 REVENUE FROM OPERATIONS		
Sales of Shares & Securities	262,418,010	182,330,410
Others		
Interest income	102,077,768	57,416,136
Income from lease and support services	25,540,366	21,978,500
Brokerage income	335,569,792	290,360,391
Delay Payment Charges	162,390,910	108,970,949
Professional fees	438,526,932	618,019,656
Service Charges	77,556,470	-
Other operating revenues	25,202,063	24,870,304
	1,429,282,311	1,303,946,346
23 OTHER INCOME		
Dividend Income	10,047,937	1,301,250
Rent Income	240,000	1,260,000
Interest Income on deposits	20,263,945	30,479,415
Interest on Loans	-	-
Miscellaneous income	2,347,281	203,734
Profit on sale of investment	56,414,450	-
Sundry balance written back	203,166	-
Excess provision of Interest on Debentures written back	-	13,347,055
	89,516,779	46,591,453
24 PURCHASES		
Shares & Securities	306,702,916	179,631,843
Solar Plant	1,603,400	-
	308,306,316	179,631,843
25 CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	92,931,779	78,063,056
Less : At the end of the period	176,316,299	92,931,779
	(83,384,520)	(14,868,723)
26 OPERATING EXPENSES		
Professional Service charges	191,227,919	381,047,130
Computer & software expenses	13,521,743	8,660,988
Depository Charges	2,171,555	-
Membership & subscription fees	1,065,454	509,123
Sub-brokerage / Referral fees	85,277,417	56,925,469
Lease line expenses	1,337,973	2,440,680
Other operating expenses	3,125,639	3,407,086
	297,727,700	452,990,476
27 EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	391,025,951	269,849,170
Staff welfare expenses	2,173,327	3,387,388
Contribution to Provident & other funds	8,399,906	3,154,366
Contribution to ESIC	-	-
	401,599,184	276,390,924
28 FINANCE COST		
Interest on Borrowings from-		
Bank	43,249,049	83,386,850
Financial Institutions	118,333,098	86,286,559
Others	6,455,187	-
Other borrowing costs	37,569,867	21,038,782
	205,607,202	190,712,191

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
29 OTHER EXPENSES		
Travelling & Conveyance expenses	36,284,492	18,888,779
Legal and professional	26,373,714	22,888,979
Marketing & advertisement expenses	11,546,255	12,867,446
Business promotion expenses	25,060,784	7,393,365
Communication expenses	16,747,133	9,822,100
Rent including lease rentals	15,130,444	7,071,251
Repairs & maintenance	11,863,750	7,113,551
Electricity Charges	8,409,673	6,739,029
Claims & dispute expenses	7,273,194	1,178,359
Printing and stationery	5,286,103	3,637,057
Provision for doubtful debts	4,668,524	-
Canteen Expenses	3,758,059	5,145,859
Rates & taxes	2,927,918	5,181,152
Bad Debts	2,431,150	1,685,343
Provision on standard loan assets	1,363,873	635,648
CSR expenses	1,161,661	48,149
Bank charges	1,082,657	551,475
Computer Software expenses	500,717	17,501,940
Commission & Brokerage	540,411	231,993
Insurance charges	21,253,601	12,044,910
Miscellaneous expenses*		
	203,664,111	140,626,386
* Miscellaneous expenses includes Auditor's remuneration as below:		
As auditors	4,842,700	511,500
Taxation matters	65,000	135,000
Other matters	-	106,998
30 EARNINGS PER EQUITY SHARE		
Profit attributable to equity shareholders	120,338,249	60,197,344
Weighted average number of equity shares	18,388,362	10,004,800
Basic Earnings Per Share	6.54	6.02
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	120,338,249	60,197,344
Weighted average number of equity share after	20,004,800	19,895,211
Dilutive Earnings per Share	6.02	3.03

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

31 Contingent Liabilities not provided for:		(Amount in ₹)		
Particulars	As at March 31, 2018	As at March 31, 2017		
(i) Income tax demand contested by the Company	1,934,494	1,934,494		
(ii) Cases filed by client with the exchange*	545,000	-		
	2,479,494	1,934,494		
*The Company does not expect any outflow of economic resources in respect of the above.		(Amount in ₹)		
Particulars	As at March 31, 2018	As at March 31, 2017		
Bank Guarantees issued to -				
Corporate guarantees issued to Banks & Financial Institutions on behalf of subsidiaries-	1,253,873,165	1,491,427,960		
32 Break up of Investment in Associate is as under:-		(Amount in ₹)		
Name of Company	Cost of Acquisition	Goodwill included in cost of Acquisition	Share in Profit of Associates	Carrying Amount of Investment
Aqua Pumps Infra Ventures Ltd.	173,133,454	20,055,597	2,703,918	175,837,372
33 Expenditure in Foreign Currency		(Amount in ₹)		
Particulars	As on March 31, 2018	As on March 31, 2017		
Foreign Travelling	1,926,783	2,358,797		
Professional fees	-	71,341		
Total	1,926,783	2,430,138		

34 Employee benefit plans:
The Company has classified the various benefits provided to employees as under:
1. Defined Contribution Plan
During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

	(Amount in ₹)	
Particulars	As on March 31, 2018	As on March 31, 2017
Employers' Contribution to Provident Fund	3,926,099	2,005,985
Employers' Contribution to ESIC	3,711,160	1,148,381
Total	7,637,259	3,154,366

Defined benefit plans

The Company offers the gratuity as employee benefit schemes to its employees:

The following table sets out the funded status of the Gratuity and the amount recognised in the financial statements:

	(Amount in ₹)	
Particulars	As on March 31, 2018	As on March 31, 2017
Components of employer expense		
Current service cost	3,639,999	1,917,404
Interest on obligation	438,633	298,599
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Recognised Past Service cost vested	609,751	228,430
Actuarial losses/(gains)	(97,298)	394,507
Total expense recognised in the Statement of Profit & Loss	4,591,085	2,838,940

	(Amount in ₹)	
Net asset recognised in the Balance Sheet	As on March 31, 2018	As on March 31, 2017
Opening Net Liability	10,416,238	6,005,287
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(10,155,900)	(5,748,557)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	10,416,238	6,005,287

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Table showing change in fair value of defined benefits obligation :	As on March 31, 2018	As on March 31, 2017
Opening fair value of defined benefit obligation	6,005,286	3,803,120
Net Transfer In (out) Obligation	(265,492)	10,516
Service cost	3,639,999	1,938,241
Interest cost	438,633	299,577
Actuarial (gain) / loss	(97,298)	386,886
Past Service Costs	1,287,614	228,745
Benefits paid	(468,807)	(661,798)
Closing defined benefit obligation	10,539,935	6,005,287

(Amount in ₹)

Experience Adjustments	As at March 31,2015	As at March 31,2014
Experience adjustments on plan liabilities	(270,765)	271,784
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	274,399	(277,680)
Experience adjustments on plan assets	-	-
Net Actuarial loss/(gain) for the year	3,634	(5,896)

(Amount in ₹)

Experience Adjustments	As at March 31,2018	As at March 31,2017	As at March 31,2016
Experience adjustments on plan liabilities	314,798	(63,434)	10,034
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	(412,093)	450,320	111,740
Experience adjustments on plan assets	-	-	-
Net Actuarial loss/(gain) for the year	(97,295)	386,886	121,774

Actuarial assumptions	As on31.03.2018	As on31.03.2017
Discount rate	7.40%	7.40%
Salary escalation	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

Note:-The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.The above information is certified by the actuaries and relied upon by auditors.

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 Segment information :

The Company has identified Business segments as its primary segment. Business segments are primarily NBFC & Other services, Investment Banking services, Broking & Distribution services , Consulting & Outsourcing services and E-Commerce Services. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Property, Plant & Equipment used in the company's business or liabilities have not been identified to any reportable segment, as the Property, Plant & Equipment are used interchangeably between segments. It is not possible to furnish segment disclosure relating to total assets and liabilities of the company.

(Amount in ₹)

Particulars	For the year ended 31 March, 2018						
	Names of Related Parties					Other Unallocable	Total (Enterprise)
	NBFC & Other services	Broking & Distribution	Investment Banking	Consulting & Outsourcing	E-Commerce & Technical services		
Segment Revenue							
Sales / Income	294,190,867	775,530,773	84,735,684	373,579,134	109,624,086	29,913,071	1,667,573,615
	(196,259,666)	(536,966,258)	(70,537,834)	(538,670,070)	(27,057,774)	-	(1,369,491,602)
Less: Inter-segment Sales / Income	98,248,798	1,072,285	4,620,000	4,308,620	33,764,728	6,760,094	148,774,525
	(65,153,000)	(88,307)	-	-	(303,949)	-	(65,545,256)
Total Revenue External	195,942,069	774,458,488	80,115,684	369,270,514	75,859,358	23,152,977	1,518,799,089
	(131,106,666)	(536,877,951)	(70,537,834)	(538,670,070)	(26,753,825)	-	(1,303,946,346)
Total revenue of each segment as a percentage of total revenue of all segments	12.90%	50.99%	5.27%	24.31%	4.99%	1.52%	
	10.05%	41.17%	5.41%	41.31%	2.05%	-	
Segment Result: Profit / (Loss) before interest and taxes	11,861,161	88,649,672	19,598,810	54,151,778	(2,065,566)	(14,619,477)	157,576,379
	(30,774,358)	72,352,172	2,704,381	65,842,262	(7,354,692)		(102,769,765)
Profit before tax							157,576,379
							(102,769,765)
Less: Tax expense							37,238,130
							(42,572,421)
Net profit after tax							120,338,249
							(60,197,344)
Share of Profit in Associates							2,100,552
							(2,703,918)
Net Profit for the Year							122,438,802
							(62,901,262)
* Previous year figures are in brackets							

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 Disclosure as per Schedule III of Companies Act, 2013 related to Consolidated Financial Statements

Name of Company	Net Assets i.e. Total Assets Less Total Liabilities		Share in Profit or (Loss)	
	Amount (in ₹)	As % of Consolidated Net Assets	As % of Consolidated Profit/(Loss)	Amount (in ₹)
Choice International Limited (Standalone)	1,371,006,034	82.50%	18.80%	23,012,579
SUBSIDIARIES				
Choice Equity Broking Pvt. Ltd.	515,111,621	31.00%	30.06%	36,803,408
Choice Merchandise Broking Pvt. Ltd.	124,172,902	7.47%	56.77%	69,514,132
Choice Wealth Management Pvt. Ltd.	(20,376,497)	-1.23%	-16.52%	(20,221,271)
Choice Portfolio Management Services Pvt. Ltd.	20,656,644	1.24%	0.26%	312,291
Choice Capital Advisors Pvt. Ltd.	75,438,157	4.54%	9.33%	11,423,552
Choice Corporate Services Pvt. Ltd.	(3,034,015)	-0.18%	0.65%	792,432
Choice Techlab Solutions Pvt Ltd	3,944,549	0.24%	6.65%	8,137,550
Choice Retail Solutions Pvt Ltd	(1,183,975)	-0.07%	-0.20%	(240,611)
Choice Peers International Pvt. Ltd.	(9,840,189)	-0.59%	-3.94%	(4,824,083)
Choice Consultancy Services Pvt. Ltd.	101,315,272	6.10%	8.41%	10,299,136
Choice Fiserv Private Limited	21,028,535	1.27%	0.63%	765,355
Choice E-Commerce Private Limited	-	-	-7.78%	(9,521,674)
Associate (as per equity method)				
Aqua Pumps Infra Ventures Limited	-	-	1.72%	2,100,552
Joint Ventures (as per Consolidation Method)				
Thought Consultant Jaipur P L in JV with CCSPL	726,734	0.04%	1.72%	2,100,552
Total	2,198,965,771	132.32%	106.55%	130,453,900
Consolidated Adjustements and Eliminations	537,125,575	32.32%	6.55%	8,015,099
Consolidated Net Assets/ Profit After Tax	1,661,840,196	100.00%	100.00%	122,438,801

37 The financial position and results of the Companies which became subsidiary/ ceased to be subsidiary during the year are as follows:

(a) Entity which became Subsidiary during the year:

Name of Company	Total Liabilities	Total Assets	Total Income	Total Expenses
Choice Retail Solutions Private Limited	1,784,459	600,484	167,874	408,485

(a) Entity which ceased to be Subsidiary during the year:

Name of Company	Total Liabilities	Total Assets	Total Income	Total Expenses
Choice E-Commerce Private Limited	33,104,139	8,547,278	11,088,021	20,609,695

38 The aggregate amount of assets, liabilities, income and expenditure of the Jointly Controlled Operations included in CFS is as follows :

Particulars	March 31,2018	March 31,2017
Liabilities	4,141,631	447,447
Assets	4,868,364	788,488
Income	13,589,297	3,861,300
Expenditure	12,998,029	3,367,752

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 Statement containing salient features of the financial Statement / Associate Companies / Joint Ventures (Pursuant to section 129(3) of the Companies Act, 2013)

S. No. of the Subsidiary	Reporting period of the subsidiary concerned, if different from the Holding company's reporting period	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	(Amount in ₹)	
										Profit After Taxation	% of Share Holding
1	Choice Equity Broking Pvt. Ltd.	66,500,000	448,611,621	1,865,250,116	1,350,138,495	197,350	743,706,524	61,642,021	24,838,613	36,803,408	100
2	Choice Merchandise Broking Pvt. Ltd.	14,000,000	110,172,902	287,452,559	163,279,657	4,178,419	116,875,873	72,041,453	2,527,321	69,514,132	100
3	Choice Wealth Management Pvt. Ltd.	100,000	(20,476,497)	5,582,464	25,958,962	-	4,218,642	(20,067,650)	153,621	(20,221,271)	100
4	Choice Portfolio Management Services Pvt. Ltd.	21,100,000	(443,356)	22,992,952	2,336,307	-	1,493,212	420,591	108,300	312,291	100
5	Choice Capital Advisors Pvt. Ltd.	50,500,000	24,938,157	110,779,213	35,341,056	50,096,906	64,594,912	11,972,499	548,947	11,423,552	100
6	Choice Corporate Services Pvt. Ltd.	100,000	(3,134,015)	5,987,336	9,021,351	-	22,075,213	760,645	(31,787)	792,432	100
7	Choice Techlab Solutions Pvt Ltd	100,000	3,844,549	30,814,388	26,869,839	-	98,561,236	9,343,101	1,205,551	8,137,550	100
8	Choice Retail Solutions Pvt Ltd	100,000	(1,283,975)	600,484	1,784,459	-	167,874	(240,611)	-	(240,611)	100
9	Choice Peers International Pvt. Ltd.	1,000,000	(10,840,189)	5,492,950	15,333,139	-	241,448	(8,723,942)	(3,899,859)	(4,824,083)	100
10	Choice Consultancy Services Pvt. Ltd.(Note 1)	50,000,000	51,315,272	213,182,286	111,867,014	-	361,290,380	14,656,244	4,357,108	10,299,136	100
11	Choice Fiserv Private Limited	20,600,000	428,535	21,626,333	597,798	-	1,424,262	914,949	149,594	765,355	100

Notes: 1) Choice Consultancy Services Private Limited includes share of Jointly Controlled Operations
2) Choice E-Commerce Private Limited ceased to be a subsidiary from March 26,2018.

S. No.	Name of the Associates/ Joint Controlled Entity	Latest Audited Balance Sheet Date	Shares of Associates/ Joint Ventures held by the Company on the year end		Description of how there is significant influence	Reason why the associate/ Joint Controlled Entity is not Consolidated	Net Worth Attributable to Shareholding as per latest audited Balance Sheet (Amount in ₹)	Profit/Loss for the year	
			Numbers	Amount of Investment in Associate/ Joint Venture (Amount in ₹)				(I) Considered in Consolidation (Amount in ₹)	(ii) Not Considered in Consolidation (Amount in ₹)
1	Aqua Pumps Infra Ventures Limited	March 31, 2018	5,952,850	148,792,305	39.35%	Significant influence is exercised through shareholding	135,421,912	2,100,552	-
2	Thought Consultants Jaipur P L in JV with Choice Consultancy Services P L	March 31, 2018	-	-	50.00%	Jointly Controlled Operation of CCSPL	726,733	385,692	-

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 Related Party Disclosure:

(i) Details of Related Parties -

(Amount in ₹)

[illegible]

CHOICE INTERNATIONAL LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 (ii): Details of Related Party transactions during the year ended March 31, 2018

(Amount in ₹)

Particulars	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Loan/Advance taken from					
Kamal Poddar	-	98,846,290	-	-	98,846,290
Arun Poddar	-	300,000	-	-	300,000
	-	99,146,290	-	-	99,146,290
Loan repaid					
Kamal Poddar	-	98,846,290	-	-	98,846,290
	-	98,846,290	-	-	98,846,290
Loan Given to					
Samank Consumer Products Private Limited	-	-	-	65,980,000	65,980,000
	-	-	-	65,980,000	65,980,000
Loan repayment received from					
Samank Consumer Products Private Limited	-	-	-	40,000,000	40,000,000
	-	-	-	40,000,000	40,000,000
Revenue from Operations					
<u>Professional Service Charges</u>					
SK Patodia & Associates	-	-	-	15,000,000	15,000,000
Gravotix Technology Private Limited				638,065	638,065
<u>Income from Business Support Service</u>					
The Byke Hospitality Limited	-	-	-	8,530,954	8,530,954
SK Patodia & Associates	-	-	-	17,009,412	17,009,412
<u>Interest on Loans</u>					
Samank Consumer Products Private Limited	-	-	-	5,110,537	5,110,537
<u>Income form Brokerage</u>					
Ajay Kejriwal	-	7,153	-	-	7,153
Malti Rajendra Kejriwal	-	-	1,807	-	1,807
Babita Ajay Kejriwal	-	-	3,398	-	3,398
Vijay Rajendra Kejriwal	-	-	2,682	-	2,682
Rajendrakumar Kejriwal	-	-	21,888	-	21,888
Ajay R Kejriwal Huf	-	-	-	4,824	4,824
Kamal Poddar	-	81,428	-	-	81,428
Arunkumar Poddar	-	-	590	-	590
Hemlata Kamal Poddar	-	-	4,795	-	4,795
Santosh Kumar Poddar	-	-	230	-	230
Manju Poddar	-	-	230	-	230
Meenu Poddar	-	-	981	-	981
Kamal Poddar HUF	-	-	-	472	472
	-	88,581	36,601	46,294,264	46,419,446
Other Income					
Rent Income					
Choice Insurance Broking India Private Limited	-	-	-	120,000	120,000
Dividend Income					
The Byke Hospitality Limited	-	-	-	1,000,000	1,000,000
	-	-	-	1,120,000	1,120,000
Employee Benefit Expenses					
<u>Director Remuneration</u>					
Kamal Poddar	-	4,500,000	-	-	4,500,000
<u>Salaries & Allowances</u>					
Manoj Singhania	-	1,453,231	-	-	1,453,231
Karishma Shah	-	776,909	-	-	776,909
Ajay Kejriwal	-	1,430,200	-	-	1,430,200
Sonu Poddar	-	-	77,229	-	77,229
Savita Singhania	-	-	365,176	-	365,176
Babita Kejriwal	-	-	967,740	-	967,740
Vijay Kejriwal	-	-	720,000	-	720,000
	-	8,160,340	2,130,145	-	10,290,485
Other Expenses					
Mehek Kejriwal	-	-	60,000	-	60,000
Harsh Kejriwal	-	-	60,000	-	60,000
	-	-	120,000	-	120,000

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Balance outstanding at the end of year					
Other Long Term Liabilities					
Choice Insurance Broking India Private Limited	-	-	-	3,000,000	3,000,000
	-	-	-	3,000,000	3,000,000
Short Term Borrowings					
Arun Poddar	-	980,133	-	-	980,133
	-	980,133	-	-	980,133
Trade Payables					
Kamal Poddar	-	582,350	-	-	582,350
Manoj Singhania	-	118,587	-	-	118,587
Karishma Shah	-	55,290	-	-	55,290
Vijay Kejriwal	-	-	55,731	-	55,731
Ajay Kejriwal	-	134,284	-	-	134,284
Harsh Kejriwal	-	-	5,000	-	5,000
Mehak Kejriwal	-	-	5,000	-	5,000
SK Patodia & Associates	-	-	-	80,250	80,250
	-	890,511	65,731	80,250	1,036,492
Short Term Loans & Advances					
Samank Consumer Products Private Limited	-	-	-	25,980,000	25,980,000
	-	-	-	25,980,000	25,980,000
Trade Receivables					
The Byke Hospitality Limited	-	-	-	11,724	11,724
SK Patodia & Associates	-	-	-	96,946	96,946
Hemlata Kamal Poddar	-	-	519	-	519
Arun Poddar	-	1,933	-	-	1,933
	-	1,933	519	108,670	111,123
Other Current Liabilities					
Santosh Kumar Poddar	-	-	1,420	-	1,420
Vijay Rajendra Kejriwal	-	-	71	-	71
Rajendrakumar Kejriwal	-	-	372	-	372
Ajay R Kejriwal Huf	-	-	-	12	12
	-	-	1,863	12	1,875

CHOICE INTERNATIONAL LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Details of Related Party transactions during the year ended March 31, 2017

(Amount in ₹)

Particulars	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Loan/Advance taken from					
Kamal Poddar	-	6,900,000	-	-	6,900,000
	-	6,900,000	-	-	6,900,000
Loan/Advance repaid to					
Kamal Poddar	-	6,979,734	-	-	6,979,734
	-	6,979,734	-	-	6,979,734
Loan/Advance given to					
Wheresmypandit.com Private Limited	-	-	-	312,060	312,060
	-	-	-	312,060	312,060
Loan/Advance repayment recd from					
Wheresmypandit.com Private Limited	-	-	-	990	990
	-	-	-	990	990
Revenue from operations					
Aqua Pumps Infra Ventures Limited	2,100,000	-	-	-	2,100,000
The Byke Hospitality Limited	-	-	-	8,400,000	8,400,000
S K Patodia & Associates	-	-	-	8,400,000	8,400,000
Wheresmypandit.com Private Limited	-	-	-	2,000,000	2,000,000
Wheresmypandit.com Private Limited	-	-	-	346,729	346,729
	2,100,000	-	-	19,146,729	21,246,729
Employee Benefit Expenses					
Director remuneration					
Kamal Poddar	-	4,200,000	-	-	4,200,000
Salary & Perquisites					
Manoj Singhania	-	1,432,836	-	-	1,432,836
Karishma Shah	-	621,195	-	-	621,195
Savita Singhania	-	-	348,948	-	348,948
	-	6,254,031	348,948	-	6,602,979
Balances outstanding at the end of the year					
Short term loans & advances					
Wheresmypandit.com Private Limited	-	-	-	3,086,632	3,086,632
	-	-	-	3,086,632	3,086,632
Trade Payables					
Kamal Poddar	-	4,146	-	-	4,146
Manoj Singhania	-	134,598	-	-	134,598
Karishma Shah	-	50,708	-	-	50,708
Savita Singhania	-	-	28,879	-	28,879
	-	189,452	28,879	-	218,331

41 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

42 The comparative financial information of the Company for the year ended March 31, 2017 was audited by the M/s Gupta Shyam & Co. (previous auditors of the Company).

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: May 30, 2018

Sd/-
Karishma Shah
Company Secretary

AGM NOTICE

2017 - 2018



CHOICE INTERNATIONAL LIMITED

CHOICE HOUSE, SHREE SHAKAMBHARI CORPORATE PARK, PLOT NO 156-158,
J. B. NAGAR, ANDHERI (EAST), MUMBAI - 400099
Tel No: +91-22-6707-9999; Fax: +91-22-6707-9959
Email Id: info@choiceindia.com;
CIN No: L67190MH1993PLC071117

Notice is hereby given that 25th Annual General Meeting (AGM) of the members of Choice International Limited will be held on Thursday, September 27, 2018 at 11.00 A.M. at Hotel Radisson, X -22 MIDC Central Park, Hanuman Nagar, Andheri (East), Mumbai - 400093 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Hemlata Poddar (DIN No: 02931322), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Registration No.: 117366W/W 100018) as the Statutory Auditor of the Company, to hold office until the conclusion of the 29th Annual General Meeting of the company to be held in the year 2022 at such remuneration plus taxes as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

Place: Mumbai
Date: August 09, 2018

By Order of the Board of Directors
Sd/-
(Karishma Shah)
Company Secretary

Registered Office:

Choice House, Shree Shakambhari Corporate Park,
Plot No., 156-158, J.B. Nagar,
Andheri (East),
Mumbai - 400 099
Email Id: info@choiceindia.com

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights. A member holding more than ten percent 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.
2. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than Forty Eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. Must be supported by an appropriate resolution/authority, as applicable.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of the Notice. The Profile of the Directors seeking reappointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.
5. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with identity Proof.
6. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules the Copy of the Annual Report comprising of Financial Statements, Board's Report etc. and the Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the Registrar and Share Transfer Agents of the Company, unless any member has requested for a physical copy of the Annual Report, you may send your request to info@choiceindia.com mentioning your Folio/ DP & Client ID.
7. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic(India) Private Limited or to their depository participants in case shares are held in depository form, so as to enable us to dispatch the future communications at the correct addresses.
8. All documents referred to in the notice are open for inspection at the registered office of companies during the working days and office working hours.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from September 21, 2018 to September 27, 2018 (both days inclusive).
10. **To support the 'Green Initiative', the Members who have not registered their e-mail addresses are hereby requested to register the same with Registrars/ Depositories 'and to enable us to send the communications/ informations/ Annual Reports to the shareholders thus making the process much faster.** In order to receive copies of Notice of Annual General Meeting and other communication through e-mail, Members are requested to register their e-mail addresses with the Company by sending an e-mail to info@choiceindia.com.
11. Members may note that the Company's website is www.choiceindia.com

12. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the General Meeting by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on September 24, 2018 at 9.00 am and ends on September 26, 2018 at 6.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 20, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two character of the name in Capital letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA000000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details OR Date	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. <ul style="list-style-type: none"> 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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach '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 other 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Choice International Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non- Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the

accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) 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.
- (xix) 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.

Other Instructions:

- (i) Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 20, 2018
- (iii) M/S R. M. Mimani & Associates LLP, Company, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
- (v) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.choiceindia.com and communicated to the stock exchanges.
- (i) Members who do not have access to e-voting facility may send duly completed Ballot Form enclosed with the Notice so as to reach the Scrutinizer appointed by the Board of Directors of the Company, M/S R.M. Mimani & Associates LLP, Practising Company Secretary, at the Registered Office of the Company not later than September 26, 2018 (6.00 p.m.). Ballot Form received after this date will be treated as invalid.

Details of Directors seeking appointment/ re appointment at the Annual General Meeting scheduled to be held on September 27, 2018 (Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015.

Name of the Director	Hemlata Kamal Poddar (Reappointment)
Date of Birth Age	March 08, 1982
Date of Appointment	January 30, 2010
Relationship with Directors & Key Managerial Personnel	Non - Executive Director
Expertise in specific Functional area	Management Practices
Qualification	Post Graduate degree in Political Science
Board Membership of other Listed Companies	NIL
Chairman/ Member of the Committee of the Board of Director	Yes
a) Audit Committee	NIL
b) Nomination & Remuneration Committee	Member
c) Stakeholder Relationship Committee	Chairman
No. of Shares held in the Company	8,50,000

Note:

- Detailed profile of the above Director is given as part of the Annual Report. The Directorship, Committee Memberships and Chairmanships does not include positions in foreign companies, unlisted companies and private companies, position as an advisory board member and position in companies under section 8 of the Companies Act, 2013. Information pertaining to remuneration paid to the Director who is being re-appointed and number of Board Meetings attended by them during the year 2017- 18 are provided in Corporate Governance Report.
- The proposal for appointment/ re-appointment and revision in terms of remuneration of Directors has been approved by the Board pursuant to the recommendation of the Nomination & Remuneration Committee considering their skills, experience and knowledge and positive outcome of performance evaluation.



Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L67190MH1993PLC071117
Name of the Company	Choice International Limited
Registered Office	Choice House ,Shree Shakambhari Corporate Park, Plot No. 156-158, J.B. Nagar, Andheri (E), Mumbai - 400 099

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 above named company, hereby appoint

Name _____
 Address _____
 E-mail ID _____ Signature _____

OR FAILING HIM;

Name _____
Address _____
E-mail ID _____ Signature _____

OR FAILING HIM;

Name _____
Address _____
E-mail ID _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held on Thursday, September 27, 2018 at 11:00 A.M. at Hotel Radisson, X-22, Central Park, Hanuman Nagar, Andheri (East), Mumbai - 400093 and at any adjournment thereof in respect of such resolutions as are indicated herein:

Item no.	Resolution	For	Against
ORDINARY BUSINESS			
1	To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Hemlata Poddar (DIN No: 02931322), who retires by rotation and, being eligible, offers himself for re-appointment.		
3	To ratify the appointment of statutory Auditors .		

Signed this day of 2018

Signature of shareholder: _____ Signature of Proxy holder(s) _____

Notes:

- i. 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.
- ii. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/depository participant.
- iii. A Proxy need not be a Member.
- iv. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights.
- v. A member holding more than ten percent 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.

[illegible]

CHOICE INTERNATIONAL LIMITED

Registered Office: Choice House Shree Shakambhari Corporate Park, Plot No. 156-158, J.B. Nagar, Andheri (East), Mumbai-400099
Tel No.: +91-22-6707 9999 Fax: +91-22-6707 9959, Website: www.choiceindia.com,
Email ID: info@choiceindia.com CIN: L67190MH1993PLC071117

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Folio No./DPID-Client ID No.: _____

No. of Shares held: _____

Name of the Member/ Proxy (IN BLOCK LETTERS): _____

Address of the Member:

Email ID: _____

I/We hereby record my/our presence at the 25th ANNUAL GENERAL MEETING of Choice International Limited
At Hotel Radisson, X- 22 , MIDC , Central Park, Hanuman Nagar, Andheri (East), Mumbai - 400093 on Thursday, September 27, 2018
at 11.00 a.m.

Signature(s) of the Member or Proxy

NOTES: You are requested to bring your copy of the Annual Report to the Meeting.

E-MAIL ID REGISTRATION REQUEST

In compliance with provisions of Rule 18(3) prescribed in Chapter 18 of the Companies Act, 2013, all the Members of the Company who have not registered their email id so far with the Company/RTA and those Members who have registered their email but wish to update their email-ids, are requested to fill the below details to register or update their email-ids.

Email Id: _____

(Signature of Member)

**ROUT MAP OF 25TH AGM OF CHOICE
INTERNATIONAL LIMITED TO HELD ON
SEPTEMBER 27, 2018**

