

INDEPENDENT AUDITOR'S REPORT

To The Members of Choice Consultancy Services Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Choice Consultancy Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information and which includes Jointly Controlled Operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and jointly controlled operations referred to in the Other Matters section below, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity 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, of the state of affairs of the Company as at March 31, 2019, and its profit, its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. The Board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and jointly controlled operations to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the financial statements of which we are the independent auditors. For the other entities or business activities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements of a jointly controlled operations included in the financial statements of the Company whose financial statements reflect (in proportion to group's share) total assets of Rs. 3,012,531/- as at March 31, 2019 and total revenue of Rs.924,440/- for the year ended on that date, as considered in the financial statements. The financial statements and joint operations 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 joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operations, is based solely on the report of such other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements jointly controlled operations, referred to in the Other Matters section 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.
 - b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operation companies so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.

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**Deloitte
Haskins & Sells LLP**

- h) 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:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. 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 & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 29, 2019

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**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 Consultancy Services Private Limited for the year ended March 31, 2019)**

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 Consultancy Services Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 and according to the explanations given to us, 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, 2019, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

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 on the internal financial controls system over financial reporting is not modified in respect of this matter.

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



Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 29, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

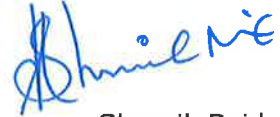
(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Choice Consultancy Services Private Limited for the year ended March 31, 2019)

- (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 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 amounts overdue for more than 90 days at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as 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, Employees' State Insurance, Income-tax, Service Tax and 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, 2019 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Service Tax and Goods and Service Tax as on March 31, 2019 on account of disputes.
- (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 and banks. Further, the Company does not have any loans or borrowings from government; and dues to debenture holders.
- (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) The Company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) The Company is a private company and hence the provisions of Section 177 and Section 188 of the Companies Act, 2013 are not applicable to the Company. In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (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 not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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



Shrenik Baid
Partner
(Membership No. 103884)

Place: Mumbai
Date: May 29, 2019

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Choice Consultancy Services Private Limited


Balance Sheet

(Amount in ₹)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	50,000,000	50,000,000
(b) Reserves and Surplus	3	57,373,929	52,042,006
		107,373,929	102,042,006
2. Non - Current Liabilities			
(a) Long -Term Borrowings	4	23,844,059	27,306,023
(b) Deferred Tax Liabilities (Net)	5	2,850,000	2,183,000
(c) Other Long Term Liabilities	6	3,000,000	3,000,000
(d) Long - Term Provisions	7	1,333,695	2,335,992
		31,027,754	34,825,015
3. Current Liabilities			
(a) Short - Term Borrowings	8	45,621,156	20,344,319
(b) Trade Payables	9		
(i) Micro, Small and Medium Enterprises		572,226	410,508
(ii) Others		27,594,413	45,278,628
(c) Other Current Liabilities	10	18,031,911	12,562,055
(d) Short - Term Provisions	11	1,805,653	37,075
		93,625,359	78,632,585
TOTAL		232,027,042	215,499,606
II Assets			
1. Non - Current Assets			
(a) Property, Plant & Equipments	12		
(i) Tangible Assets		48,866,341	51,884,145
(ii) Intangible Assets		1,073,073	2,235,422
(b) Long Term Loans & Advances	13	14,586,360	11,801,302
		64,525,774	65,920,869
2. Current Assets			
(a) Trade Receivables	14	39,529,772	54,360,146
(b) Cash & Bank Balances	15	22,556,976	30,751,344
(c) Short - Term Loans and Advances	16	64,754,799	15,624,513
(d) Other Current Assets	17	40,659,721	48,842,734
		167,501,268	149,578,737
TOTAL		232,027,042	215,499,606

Notes 1 to 32 forms part of the Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018


Shrenik Baid
Partner
Mem. No. : 103884

Mumbai, May 29, 2019

For and on behalf of Board of Directors


Kamal Poddar
Director
DIN :- 01518700


Arun Poddar
Director
DIN :- 02819581


Amit Soni
Company Secretary

Mumbai, May 29, 2019



Choice Consultancy Services Private Limited

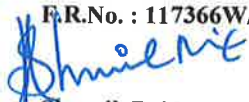
Statement of Profit and Loss

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2019		For the year ended March 31, 2018
I Revenue from Operations	18	266,857,022	368,865,352	
II Other Income	19	2,875,032	1,705,705	
III Total Revenue (I + II)		269,732,054	370,571,057	
IV Expenses				
Operating Expenses	20	56,668,987	135,847,558	
Employee Benefits Expenses	21	127,233,991	128,510,437	
Finance Costs	22	9,569,518	7,450,633	
Depreciation & Amortisation Expenses	12	5,908,126	5,549,465	
Other Expenses	23	62,012,216	77,965,451	
Total Expenses		261,392,838	355,323,544	
V Profit Before Tax (III-IV)		8,339,216	15,247,513	
VI Tax Expense:				
(a) Current Tax Expense		3,060,975	6,722,705	
(b) Earlier Year Tax Expense		(720,682)	26,667	
(c) Deferred Tax		667,000	(2,186,687)	
		3,007,293	4,562,685	
VII Profit for the Year (V-VI)		5,331,923	10,684,828	
VIII Earnings Per Equity Share (Face Value ₹ 10 Per Share):	24			
(1) Basic (₹)		1.07	2.38	
(2) Diluted (₹)		1.07	2.38	

Notes 1 to 32 forms part of the Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 F.R.No. : 117366W/W-100018



Shrenik Baid

Partner

Mem. No. :103884

Mumbai, May 29, 2019

For and on behalf of Board of Directors



Kamal Poddar

Director

DIN :- 01518700



Arun Poddar

Director

DIN :- 02819581



Amit Soni

Company Secretary

Mumbai, May 29, 2019



Choice Consultancy Services Private Limited

Cash Flow Statement

(Amount in ₹)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
A. Cash flow from Operating Activities		
Profit before tax	8,339,216	15,247,513
<u>Adjustments for:</u>		
Depreciation & amortisation expenses	5,908,126	5,549,465
Provision for employee benefits	766,281	1,756,300
Provision for bad & doubtful debts	28,374	1,478,059
Sundry balances written back	(635,306)	(203,166)
(Profit)/Loss on sale of Property, Plant & Equipment	(500)	908
Finance Costs	9,569,518	7,450,633
Interest Income	(1,979,226)	(1,132,539)
Operating profit before Working Capital changes	21,996,483	30,147,173
<u>Changes in Working Capital</u>		
Decrease/(Increase) in Trade receivables	14,802,001	(46,210,897)
Decrease/(Increase) in loans and advances (Short-term & Long-term)	(350,647)	26,501,905
Decrease/(Increase) in Other current assets (Current)	8,183,013	(35,076,419)
(Decrease)/Increase in Trade payables & other liabilities (Long-term & Short-term)	(10,894,573)	22,446,383
<u>Cash (used in)/from operations</u>	33,736,277	(2,191,855)
- Income Tax Paid	(4,720,169)	(11,758,600)
Net cash flow (used in)/generated from Operating Activities	29,016,108	(13,950,454)
B. Cash flow from Investing Activities		
Interest received	1,227,077	178,151
Fixed deposits (lien) placed	(17,412,880)	(14,542,681)
Fixed deposits (lien) matured	17,623,720	2,401,400
Purchase of Property, Plant & Equipment	(1,727,973)	(4,889,471)
Proceeds from Sale of Property, Plant & Equipment	500	4,000
Net cash flow (used in) Investing Activities	(289,556)	(16,848,601)
C. Cash flow from Financing Activities		
Finance costs paid	(9,569,518)	(7,450,633)
Proceeds from issue of share capital	-	30,000,000
Movement in long term borrowings from bank	(3,984,726)	(3,514,832)
Money borrowed from bank (short term)	323,321,084	73,565,083
Money repaid to bank (short term)	(277,897,212)	(73,367,799)
Money lent to related party (short term)	(59,262,139)	-
Repayment received from related party (short term)	10,077,318	-
Money borrowed from related party	100,778,002	94,200,798
Money (repaid) to related party	(120,925,037)	(75,154,799)
Net cash flow generated from/(used in) Financing Activities	(37,462,228)	38,277,818
Net increase/(decrease) in Cash and Cash Equivalents	(8,735,676)	7,478,762
Opening Cash and Cash Equivalents	10,361,699	2,882,937
Closing Cash and Cash Equivalents	1,626,023	10,361,699



Choice Consultancy Services Private Limited

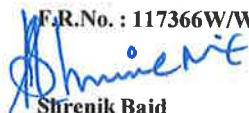
Cash Flow Statement

(Amount in ₹)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Components of Cash and Bank Balances		
Cash on Hand	-	9,304
Balance with Banks	1,626,023	10,352,395
	1,626,023	10,361,699
Fixed Deposits	20,930,953	20,389,645
Cash and Bank Balances (Refer note 15)	22,556,976	30,751,344

Notes:- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements notified under the Companies (Accounting Standards) Rules, 2006.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.No. : 117366W/W-100018



Shrenik Baid
Partner
Mem. No. :103884

Mumbai, May 29, 2019

For and on behalf of Board of Directors



Kamal Poddar
Director
DIN :- 01518700



Arun Poddar
Director
DIN :- 02819581



Amit Soni
Company Secretary

Mumbai, May 29, 2019



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

BACKGROUND

Choice Consultancy Services Private Limited ("CCSPL" / the "Company") is incorporated in India as a private limited company. The Company is engaged in the business of providing Financial Services of Business Advisory, Regulatory Compliances to Government authority and other Coporate entities.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A Basis of accounting and preparation of financial statements

The 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"). The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

B Use of estimates

The preparation of 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 Financial Statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the 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 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 are subjected to insignificant risk of change in value.

D 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.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

E 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 carried at cost less accumulated amortisation 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.

F 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) 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.
- ii) Revenue on time and material contracts are recognized as related services are performed and revenue from the end of the last billing to the Balance sheet date is recognized as unbilled revenue
- iii) Interest on fixed deposits are recognised on accrual basis

G Depreciation and amortisation

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.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

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 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.

• Defined-benefit Plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

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 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 realisability.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

L 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.

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 Financial Statements.

N Interests in Joint operations

The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Jointly controlled operations which are accounted on the basis of the audited accounts of the Joint ventures on line-by-line basis with similar items in the Company’s accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
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2 SHARE CAPITAL

(a) Details of authorised, issued and subscribed share capital

Authorised Capital		
50,00,000 (PY 50,00,000) Equity Shares of ₹ 10/- each	50,000,000	50,000,000
Issued Capital		
50,00,000 (PY 50,00,000) Equity Shares of ₹ 10/- each	50,000,000	50,000,000
Subscribed and Paid up Capital		
50,00,000 (PY 50,00,000) Equity Shares of ₹ 10/- each fully paid-up	50,000,000	50,000,000

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	5,000,000	10,000
Add : Bonus shares issued during the year	-	1,990,000
Add : Right shares issued during the year	-	3,000,000
No. of shares at the end of the year	5,000,000	5,000,000

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

Choice International Ltd. & its nominee	Holding Company	5,000,000 100%	5,000,000 100%
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(d) During the previous year the company has issued 1,990,000 bonus shares on April 11, 2017 to its Holding Company. Further, the Company has issued 3,000,000 right shares on June 06, 2017 @ Rs.10 per share to its Holding Company.

3 RESERVES AND SURPLUS

Surplus in Statement of Profit and Loss -

Opening Balance	52,042,006	61,257,178
Less- Bonus shares issued	-	(19,900,000)
Add : Profit for the year	5,331,923	10,684,828
	57,373,929	52,042,006



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Particulars	As at 31st March, 2019	(Amount in ₹) As at 31st March, 2018
4 LONG TERM BORROWINGS		
Secured loans		
Term loan from Bank*	28,000,533	31,985,259
Less: Current maturity of long term borrowings	4,156,475	4,679,236
	23,844,059	27,306,023
<p>*The outstanding amount loan of Rs. 523,464 (PY-Rs.1,746,680) 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 Instalments ("EMI") of Rs.112,053 till July 2019 and last instalment of Rs.88,209 payable in August 2019.</p> <p>*The outstanding amount loan of Rs.26,473,110 (PY- Rs.30,238,579) was taken from Axis 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.</p> <p>*The outstanding amount loan of Rs.1,003,959 (PY- Rs.Nil) was taken from HDFC Bank and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in Equated Monthly Installments ("EMI") of Rs. 21,759/-ending in December 2023.</p>		
6 LONG-TERM LIABILITIES		
Unsecured Considered Good Rent Deposit	3,000,000	3,000,000
	3,000,000	3,000,000
7 LONG-TERM PROVISIONS		
Provision for employee benefits Provision for Gratuity	1,333,695	2,335,992
	1,333,695	2,335,992
8 SHORT TERM BORROWINGS		
Secured Loans		
Bank Overdraft*	45,621,156	197,284
Unsecured Loans		
Loan from Holding Company**	-	20,147,035
	45,621,156	20,344,319

* The bank overdraft facility taken from Axis Bank Limited is secured by way of hypothecation of current assets.

**The loan taken from holding company was interest free and repayable on demand in the previous year. During the current year Choice Consultancy Services Private Limited and Choice International Limited (Holding Company) have entered into an agreement to grant and obtain loan from each other @ 14% p.a., (Refer to Note No.29)



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-18	Movement During the year	As at 31-Mar-19
5 DEFERRED TAX LIABILITIES (NET)			
The major component of deffered tax liabilities/seets as recognized in the financial statements is as follows:			
Deferred tax liability -			
On difference between book balance & tax balance of Property, Plant & Equipment	4,176,000	(52,000)	4,124,000
Deferred tax asset -			
Provision for employee benefit expenses	(660,000)	(213,000)	(873,000)
Provision for doubtful assets	(411,000)	403,000	(8,000)
Provision for expenses	(922,000)	529,000	(393,000)
	2,183,000	667,000	2,850,000



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
9 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises*	572,226	410,508
Other than Micro, Small and Medium Enterprises	27,594,413	45,278,628
	28,166,639	45,689,136

Based on information received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 and relied upon by the auditors; details of amount due to such vendors is as below:

S.No.	Particulars		
(i)	Principal Amount Outstanding	572,226	410,508
(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	4,156,475	4,679,236
Other liabilities & statutory dues	13,477,647	7,383,273
Advance received from customers	397,789	499,546
	18,031,911	12,562,055

11 SHORT TERM PROVISIONS

Provision for employee benefits		
Provision for Gratuity	1,805,653	37,075
	1,805,653	37,075

13 LONG TERM LOANS & ADVANCES

Unsecured, Considered Good		
Security Deposits	1,383,802	978,620
Advance taxes (net of provisions)*	13,202,558	10,822,682
	14,586,360	11,801,302

*The above advance tax is net off provision of Rs. 30,60,975/- for assessment year 2019-20.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

12 Property, Plant & Equipments

Current Year

Description	Gross Block				Depreciation & Amortisation			Net Block	
	As at April 1, 2018	Additions	Deductions / Adjustments	As at March 31, 2019	Charged For the Year	Deductions / Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Tangible Assets:									
Office Premises	40,618,169	-	-	40,618,169	642,936	-	3,537,556	37,080,613	37,723,549
Computer Hardwares	11,067,096	518,957	29,400	11,556,653	2,064,053	29,400	9,126,884	2,429,769	3,974,865
Server & Network	212,490	-	-	212,490	33,644	-	113,124	99,366	133,010
Furniture & Fittings	1,090,990	-	-	1,090,990	103,644	-	302,618	788,372	892,016
Motor Car	11,954,746	1,170,743	-	13,125,489	1,456,043	-	5,753,042	7,372,447	7,657,747
Motor Cycle	44,780	-	-	44,780	4,039	-	6,195	38,585	42,624
Office Equipments	2,290,168	38,273	-	2,328,441	441,418	-	1,271,252	1,057,189	1,460,334
TOTAL -	67,278,438	1,727,973	29,400	68,977,011	4,745,777	29,400	20,110,671	48,866,341	51,884,144
Intangible Assets:									
Computer Softwares	6,961,778	-	-	6,961,778	1,162,349	-	5,888,705	1,073,073	2,235,422
TOTAL -	6,961,778	-	-	6,961,778	1,162,349	-	5,888,705	1,073,073	2,235,422
GRAND TOTAL	74,240,216	1,727,973	29,400	75,938,789	5,908,126	29,400	25,999,376	49,939,414	54,119,566



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Previous Year	Gross Block			Depreciation & Amortisation			Net Block		
	As at April 1, 2017	Additions	Deductions / Adjustments	As at March 31, 2018	As at April 1, 2017	Charged For the Year	Deductions / Adjustments	As at March 31, 2018	As at March 31, 2017
Tangible Assets:									
Office Premises	40,618,169	-	-	40,618,169	2,251,684	642,936	-	37,723,549	38,366,485
Computer Hardwares	7,605,208	3,461,888	-	11,067,096	5,301,828	1,790,403	-	3,974,865	2,303,380
Server & Network	212,490	-	-	212,490	45,836	33,644	-	133,010	166,654
Furniture & Fittings	854,901	241,089	5,000	1,090,990	101,362	97,704	92	892,016	753,539
Motor Car	11,336,617	618,129	-	11,954,746	2,885,270	1,411,729	-	7,657,747	8,451,347
Motor Cycle	-	44,780	-	44,780	-	2,156	-	42,624	-
Office Equipments	1,766,582	523,586	-	2,290,168	421,288	408,546	-	1,460,334	1,345,294
TOTAL -	62,393,967	4,889,471	5,000	67,278,438	11,007,268	4,387,118	92	51,884,145	51,386,699
Intangible Assets:									
Computer Softwares	6,961,778	-	-	6,961,778	3,564,009	1,162,347	-	2,235,422	3,397,769
TOTAL -	6,961,778	-	-	6,961,778	3,564,009	1,162,347	-	2,235,422	3,397,769
GRAND TOTAL	69,355,745	4,889,471	5,000	74,240,216	14,571,277	5,549,465	92	54,119,567	54,784,468



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
14 TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months from due date	5,328,401	14,513,907
Others	34,201,371	39,846,239
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from due date	1,506,433	1,478,059
Others	-	-
Less- Provision for doubtful debts	(1,506,433)	(1,478,059)
	39,529,772	54,360,146
15 CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Cash on Hand	-	9,304
Bank Balances -		
In current accounts	1,626,023	10,352,395
	1,626,023	10,361,699
Cash & Cash Equivalents (as per "AS-3 Cash Flow Statements")		
	1,626,023	10,361,699
Other Bank Balances		
Fixed Deposits (lien)*	20,930,953	20,389,645
	22,556,976	30,751,344
Cash and Bank Balances		
	22,556,976	30,751,344
* Fixed Deposits are under Lien with Banks for Bank Guarantees (with maturity of more than of 3 Months but less than 12 Months)		
16 SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loan to related party	49,184,821	-
Security Deposits	7,491,723	9,983,723
Loans to employees	2,861,589	1,858,027
Advances to others	3,450,372	3,091,901
Prepaid Expenses	790,520	355,956
Balance with revenue authorities	975,774	334,906
	64,754,799	15,624,513
17 OTHER CURRENT ASSETS		
Unbilled Revenue	38,239,140	44,153,025
Retention money receivable	2,420,581	4,683,709
	40,659,721	48,842,734



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

	(Amount in ₹)	
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
18 REVENUE FROM OPERATIONS		
Income from services rendered	266,857,022	366,963,352
Sales	-	1,902,000
	266,857,022	368,865,352
19 OTHER INCOME		
Interest Income	1,979,226	1,132,539
Rental Income	260,000	360,000
Sundry balance written back	635,306	203,166
Profit on sale of fixed assets	500	
Miscellaneous Income	-	10,000
	2,875,032	1,705,705
20 OPERATING EXPENSES		
Professional Fees /Sub Contract Charges	56,668,987	134,244,158
Purchases	-	1,603,400
	56,668,987	135,847,558
21 EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	122,842,272	124,385,412
Contribution to Provident & other funds	3,220,618	3,058,599
Staff Welfare Exp	1,171,101	1,066,426
	127,233,991	128,510,437
22 FINANCE COSTS		
Interest on borrowings from-		
Banks	6,638,392	6,038,815
Related parties	2,356,532	-
Other borrowing costs	574,594	1,411,818
	9,569,518	7,450,633



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
23 OTHER EXPENSES		
Rent including lease rentals	11,357,300	10,659,871
Business Support Expenses	6,084,600	26,461,489
Travelling & Conveyance Expenses	20,434,953	18,891,464
Business promotion expenses	5,771,437	3,410,380
Legal and professional fees	2,940,829	1,868,706
Repairs & maintenance charges	2,116,571	2,571,844
Printing and stationery	1,778,954	3,373,474
Bank charges	1,063,936	1,009,049
Bad debts written off	25,179	-
Insurance Expenses	1,049,842	391,639
Communication expenses	237,144	212,408
Donation	50,000	-
Rates & taxes	23,697	351,886
Provision for Doubtful debts	28,374	1,478,059
Miscellaneous expenses*	9,049,400	7,285,182
	62,012,216	77,965,451
* Miscellaneous expenses includes :		
Auditor's remuneration-		
As auditors	900,000	800,000
Taxation matter	-	-
Other matters	-	-
	900,000	800,000
24 EARNINGS PER EQUITY SHARE		
Profit attributable to Equity shareholders	5,331,923	10,684,828
Weighted average number of equity shares outstanding*	5,000,000	4,498,630
Basic/Diluted Earnings Per Share after effect of right shares	1.07	2.38
Face value per Share	10	10

* As adjusted for right issue in accordance with AS-20 Earning Per Share



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
25 Contingent Liabilities-	Nil	Nil
26 Capital Commitments -	Nil	Nil

27 Employee benefits

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:

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
Employers' Contribution to Provident Fund	1,592,316	1,467,364
Employers' Contribution to Employees State Insurance Scheme	1,624,090	1,585,799
Total	3,216,406	3,053,163

Defined benefit plans

The Company offers the gratuity as employee benefit schemes to its employees. The Company operates funded post retirement defined plans for Gratuity. The plan is funded with LIC under New Group Cash Accumulation Plan. Details for which was as follows:

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
Components of employer expense		
Current service cost	1,839,545	871,558
Interest on Obligation	195,035	45,583
Expected return on plan assets	-	-
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Recognised Past Service cost vested	44,599	44,802
Actuarial losses/(gains)	(1,163,910)	566,800
Total expense recognised in the Statement of Profit and Loss	915,269	1,528,743

Change in fair value of defined benefits obligation representing reconciliation of the opening and closing balances thereof are as follows:	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
Opening Defined Benefit Obligation	2,551,463	616,768
Net Transfer Out Obligation	(8,544)	282,942
Current Service cost	1,839,545	871,558
Interest cost	195,035	45,583
Actuarial (gain) /loss	(1,207,294)	566,800
Past Service Cost	-	223,197
Benefits paid	-	(55,385)
Closing Defined Benefit Obligation	3,370,205	2,551,463

Funded status of the plan assets	(Amount in ₹)	
	As at 31st March, 2019	As at 31st March, 2018
Present value of unfunded obligation	-	2,551,463
Present value of funded obligation	3,370,205	-
Fair value of plan assets	(97,060)	-
Unrecognised past service costs	(133,796)	(178,395)
Net liability recognised in the Balance Sheet	3,139,349	2,373,068



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Reconciliation of Plan Asset	As at 31st March, 2019	As at 31st March, 2018
Opening Value of Plan Assets	-	-
Actuarial gain/(loss)	(43,384)	-
Contribution by employer	140,444	-
Benefits paid	-	-
Closing Value of plan assets	97,060	-

Experience Adjustments	As at March 31,				
	2019	2018	2017	2016	2015
Experience adjustments on plan liabilities	(1,233,154)	694,841	(8,883)	(10,988)	(142,499)
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	25,860	(128,041)	57,341	55,674	47,519
Experience adjustments on plan assets	43,384	-	-	-	-
Net Actuarial loss/(gain) for the year	(1,163,910)	566,800	48,458	44,686	(94,980)

Actuarial assumptions	As on 31.03.2019	As on 31.03.2018
Discount rate	7.65% p.a.	7.70% p.a.
Expected return on plan assets	7.65% p.a.	Not Applicable
Salary escalation	6.00%	6.00% p.a.
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.

- 28 In Respect of Joint Controlled Operations, the Company's share of assets, liabilities, income and expenditure of the joint venture entity is as follows-

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(i) Assets		
Long Term Loans & Advances	1,091,549	1,346,631
Trade Receivables	797,866	2,373,729
Cash and Bank Balances	27,457	34,028
Short Term Loans & Advances	1,095,659	173,522
Other Current Assets	-	940,455
(ii) Liabilities		
Trade Payables	1,911,930	3,961,070
Other Current Liabilities	-	180,562
(iii) Income	924,440	13,589,297
(iv) Expenses	341,189	12,998,029



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

29 Related Party Disclosure

(i) Details of related parties

Description of Relationship	Names of Related Parties	As at 31st March, 2019	As at 31st March, 2018
a. Holding Company	Choice International Limited	✓	✓
b. Fellow Subsidiaries	Choice Capital Advisors Private Limited	✓	✓
	Choice Corporate Services Private Limited	✓	✓
	Choice Merchandise Broking Private Limited (merged with CEBPL)	✓	✓
	Choice Portfolio Management Services Private Limited (Formerly known as Choice Stock Trade Private Limited)	✓	✓
	Choice Equity Broking Private Limited	✓	✓
	Choice Wealth Management Private Limited	✓	✓
	Choice E-Commerce Private Limited (till March 26,2018)	-	✓
	Choice Peers International Private Limited	✓	✓
	Choice Finserv Private Limited	✓	✓
	Choice Techlab Solutions Private Limited	✓	✓
	Choice Retail Solutions Private Limited	✓	-
c. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Director)	✓	✓
	Santosh Poddar (Relative of KMP)	✓	✓
	Manju Poddar (Relative of KMP)	✓	✓
	Arun Poddar (Director)	✓	✓
	Sonu Poddar (Relative of Director)	✓	✓
	Hemlata Poddar (Relative of KMP))	✓	✓
	Meenu Bajaj (Relative of KMP)	✓	✓
	Amit Soni (Company Secretary)	✓	-
	Rajendra Soni (Relative of KMP)	✓	-
	Sumneshandini Soni (Relative of KMP)	✓	-
d. Enterprises over which KMP exercises significant influence	Samank Consumer Products Private Limited	✓	✓
	Samank Apperals Private Limited	✓	✓
	Choice Insurance Broking India Private Limited	✓	✓
	Farmer's Evolvement Foundation	✓	✓
	Gravotix Technology Private Limited	✓	✓
	Wheresmypandit.Com Private Limited	✓	✓
	Motormistri.Com Private Limited	-	✓
	Rupang Properties Private Limited	✓	-
	SK Patodia & Associates	✓	✓
	Choice Strategic Advisors LLP	✓	-
	Lions Mumbai Choice Foundation	✓	✓
	Lions Club of Mumbai Choice	✓	✓
	Kamal Poddar HUF	✓	✓
	Arun Poddar HUF	✓	✓



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Details of Related Party transactions -(Current year)

(Amount in ₹)

Particulars	Holding Company	Fellow Subsidiaries	Relative of KMP	Enterprises over which KMP exercises significant influences	Total
Transactions					
Loans taken from					
Choice International Limited	65,565,079	-	-	-	65,565,079
Choice Finserv Private Limited*	-	35,212,923	-	-	35,212,923
Loan repaid to					
Choice International Limited	85,712,114	-	-	-	85,712,114
Choice Finserv Private Limited*	-	35,212,923	-	-	35,212,923
Loan Given					
Choice International Limited	10,052,965	-	-	-	10,052,965
Choice Finserv Private Limited*	-	49,209,174	-	-	49,209,174
Repayment received					
Choice International Limited	10,052,965	-	-	-	10,052,965
Choice Finserv Private Limited*	-	24,353	-	-	24,353
Income from Services rendered					
Choice Peers International Private Limited	-	7,500,000	-	-	7,500,000
SK Patodia & Associates	-	-	-	7,540,000	7,540,000
Rent including lease rentals					
Choice International Limited	8,400,000	-	-	-	8,400,000
Business Support Service					
Choice International Limited	6,084,600	-	-	-	6,084,600
Computer Software Expenses					
Choice Techlab Solutions Private Limited	-	803,950	-	-	803,950
Professional Fees					
Choice Capital Advisors Private Limited	-	500,000	-	-	500,000
Interest on Loan					
Choice International Limited	1,533,469	-	-	-	1,533,469
Choice Finserv Private Limited	-	823,063	-	-	823,063
Rental Income					
Choice Equity Broking Private Limited	-	120,000	-	-	120,000
Choice Insurance Broking India Private Limited	-	-	-	120,000	120,000
Other Expenses					
S K Patodia & Associates	-	-	-	125,000	125,000
Lions Mumbai Choice Foundation	-	-	-	2,730,000	2,730,000



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	Holding Company	Fellow Subsidiaries	Relative of KMP	Enterprises over which KMP exercises significant influences	Total
Balances outstanding at the end of the year					
Short Term Loans & Advances					
Choice Finserv Private Limited	-	49,184,821	-	-	49,184,821
Trade Receivables					
Choice Equity Broking Private Limited	-	11,800	-	-	11,800
Choice Insurance Broking India Private Limited	-	-	-	11,800	11,800
Trade Payable					
Choice International Limited	1,969,938	-	-	-	1,969,938
Choice Techlab Solutions Private Limited	-	130,198	-	-	130,198
SK Patodia & Associates	-	-	-	125,000	125,000
Other Current Liabilities					
Choice Equity Broking Private Limited	-	8,544	-	-	8,544
Long Term Liabilities					
Choice Insurance Broking India Private Limited	-	-	-	3,000,000	3,000,000

* Choice Consultancy Services Private Limited and Choice Finserv Private Limited have entered into an agreement to grant & obtain loan from each other up to amount of Rs. 60,000,000/- @ 12% p.a. During the current period, the company has done gross transaction aggregating of Rs. 127,950,000/- towards payment and Rs. 78,765,179/- towards receipts.



Choice Consultancy Services Private Limited

Accompanying notes to the financial statements

Details of Related Party transactions - (Previous Year)

(Amount in ₹)

Particulars	Holding Company	Fellow Subsidiaries	Relative of KMP	Enterprises over which KMP exercises significant influences	Total
Transactions					
Loans taken from					
Choice International Limited	94,200,798	-	-	-	94,200,798
Loan repaid to					
Loan repaid to	75,154,799	-	-	-	75,154,799
Income from Services rendered					
SK Patodia & Associates	-	-	-	15,000,000	15,000,000
Rent including lease rentals					
Choice International Limited	8,400,000	-	-	-	8,400,000
Business Support Service					
Choice International Limited	26,461,489	-	-	-	26,461,489
Computer Software Expenses					
Choice Techlab Solutions Private Limited	-	975,355	-	-	975,355
Salary and perquisites					
Sonu Poddar	-	-	77,229	-	77,229
Rental Income					
Choice Equity Broking Private Limited	-	120,000	-	-	120,000
Choice Insurance Broking India Private Limited	-	-	-	120,000	120,000
Balances outstanding at the end of the year					
Short Term Borrowings					
Choice International Limited	20,147,035	-	-	-	20,147,035
Trade Payable					
Choice International Limited	5,981,491	-	-	-	5,981,491
Choice Techlab Solutions Private Limited	-	80,361	-	-	80,361
Trade Receivable					
Choice Equity Broking Private Limited	-	1,567	-	-	1,567
Long Term Liabilities					
Choice Insurance Broking India Private Limited	-	-	-	3,000,000	3,000,000

30 The main Business of the Company is providing management consultancy services. 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.

31 With regard to the Supreme Court judgement dated February 28, 2019 to consider all emoluments (universally, necessarily and ordinarily) as basic wages for the purpose of contribution to Provident fund (PF), the Company has been legally advised that the judgement will be applicable prospective from March 2019 and accordingly the Company has made additional provision of PF liability in the books of Accounts.

32 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


Kamal Poddar
Director
DIN :- 01518700


Arun Poddar
Director
DIN :- 02819581


Amit Soni
Company Secretary
DIN :- 02819581

Mumbai, May 29, 2019

