

Choice Corporate Services Private Limited



Annual Report 2018-2019

INDEPENDENT AUDITOR'S REPORT

To the Members of **CHOICE CORPORATE SERVICES PRIVATE LIMITED**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of



accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019 its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2019 and 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 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any pending litigations which can have any impact on its financial position in its financial statements to the financial statements;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A S B S & CO
Chartered Accountants
ICAI Firm Registration Number: 135952W

per Sushil Goyal
Partner
Membership Number: 154193
Place of Signature: Mumbai
Date: May 23th, 2019



**ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON
THE FINANCIALS STATEMENTS CHOICE CORPORATE SERVICES PRIVATE
LIMITED**

- (i) The Company does not have any fixed Assets on that basis the provisions of Clause 3 (i) of the said Order are not applicable to the Company.
- (ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- (iii) The Company has not granted loan to any Company covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon.

In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given by the management, the Company does not have any dues outstanding to any financial institution, bank, debenture holders or government.



- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For A S B S & CO
Chartered Accountants
ICAI Firm Registration Number: 135952W

per Sushil Goyal
Partner
Membership Number: 154193
Place of Signature: Mumbai
Date: May 23th, 2019



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CHOICE CORPORATE SERVICES PRIVATE LIMITED

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 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, 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A S B S & CO
Chartered Accountants
ICAI Firm Registration Number: 135952W

per Sushil Goyal
Partner
Membership Number: 154193
Place of Signature: Mumbai
Date: May 23th, 2019



Choice Corporate 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	100,000	100,000
(b) Reserves and Surplus	3	<u>(2,645,169)</u>	<u>(3,134,015)</u>
		(2,545,169)	(3,034,015)
2. Non - Current Liabilities			
(a) Long - Term Provisions	4	<u>32,755</u>	<u>152,304</u>
		32,755	152,304
3. Current Liabilities			
(a) Short - Term Borrowings	5	9,308,256	6,404,899
(b) Trade Payables	6		
(i) Dues to Micro, Small and Medium Enterprises		-	-
(ii) Other than Micro, Small and Medium Enterprises		831,646	1,020,529
(c) Other Current Liabilities	7	1,130,717	1,443,217
(d) Short - Term Provisions	8	<u>108,544</u>	<u>402</u>
		<u>11,379,163</u>	<u>8,869,047</u>
TOTAL		<u>8,866,749</u>	<u>5,987,336</u>
II Assets			
1. Non - Current Assets			
(a) Property, Plant & Equipment	9		
Tangible assets		131,753	211,556
Intangible assets under development		420,000	420,000
(b) Deffered Tax Assets (Net)	10	30,800	32,770
(c) Long - Term Loans and Advances	11	104,000	60,000
(d) Other Non Current Assets	12	<u>-</u>	<u>523,963</u>
		686,553	1,248,289
2. Current Assets			
(a) Trade Receivables	13	5,190,407	2,086,684
(b) Cash and Cash Equivalents	14	395,984	776,968
(c) Short - Term Loans and Advances	15	<u>2,593,805</u>	<u>1,875,394</u>
		<u>8,180,196</u>	<u>4,739,047</u>
TOTAL		<u>8,866,749</u>	<u>5,987,336</u>

The accompanying notes are an integral part of the financial statements

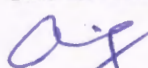
Significant Accounting Policies 1
Notes forming part of financial statements 2-23

In terms of our report of even date

For ASBS & Co.

Chartered Accountants

F.R.No. : 135952W


Sushil Goyal


Partner

Mem. No. : 154193

Mumbai, May 23, 2019



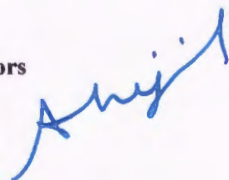
For and on behalf of Board of Directors


Kamal Poddar
Director

DIN :- 01518700

Mumbai, May 23, 2019




Ajay Rajendra Kejriwal
Director

DIN :- 03051841

Mumbai, May 23, 2019

Choice Corporate 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	16	23,276,475	22,040,970
II Other Income	17	3,809	34,243
III Total Revenue (I + II)		23,280,284	22,075,213
IV Expenses			
Operating Expenses	18	9,937,422	7,055,829
Employee Benefits Expense	19	10,931,482	12,954,587
Depreciation	9	105,650	72,839
Finance Costs	20	9,173	-
Other Expense	21	1,805,740	1,231,313
Total Expense		22,789,467	21,314,568
V Profit Before Tax (III-IV)		490,817	760,645
VI Tax Expense:			
(a) Current Tax Expense		92,470	143,000
(b) Mat Tax Expense		(92,470)	(133,260)
(c) Deferred Tax		1,970	(41,527)
		1,970	(31,787)
VII Profit for the Period (V-VI)		488,847	792,432
VIII Earnings Per Equity Share (Face Value ₹ 10 Per Share):	22		
(1) Basic (₹)		48.88	79.24
(2) Diluted (₹)		48.88	79.24

The accompanying notes are an integral part of the financial statements

Significant Accounting Policies 1
Notes forming part of financial statements 2-23

In terms of our report of even date

For ASBS & Co.

Chartered Accountants

F.R.No. : 135952W

Sushil Goyal

Partner

Mem. No. : 154193

Mumbai, May 23, 2019



For and on behalf of Board of Directors

Kamal Poddar

Director

DIN :- 01518700

Mumbai, May 23, 2019



Ajay Rajendra Kejriwal

Director

DIN :- 03051841

Mumbai, May 23, 2019

Choice Corporate Services Private Limited

Cash Flow Statement for the year ended March 31, 2019

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	490,817	760,645
<u>Adjustments for:</u>		
Depreciation	105,650	72,839
Provision for Gratuity	(11,407)	128,432
<i>Operating profit before Working Capital changes</i>	<u>585,060</u>	<u>961,916</u>
<u>Changes in Working Capital</u>		
- Trade Receivable	(3,103,723)	(1,853,533)
- Trade Payables	(188,883)	155,944
- Other Current Liabilities	(312,500)	1,280,684
<i>Cash generated from operations</i>	<u>(3,020,046)</u>	<u>545,011</u>
Income tax paid	-	(9,740)
Net cash flow from/(used in) from Operating Activities	<u><u>(3,020,046)</u></u>	<u><u>535,271</u></u>
B. Cash flow from Investing Activities		
Deposits, Loans & advances (given)/realised		
- Others	(238,448)	(2,117,810)
Purchase of Property, Plant & Equipment	(25,847)	(265,200)
Net cash flow from/(used in) Investing Activities	<u><u>(264,295)</u></u>	<u><u>(2,383,010)</u></u>
C. Cash flow from Financing Activities		
-Money borrowed from related parties	2,903,357	2,327,986
Net cash flow from/(used in) Financing Activities	<u><u>2,903,357</u></u>	<u><u>2,327,986</u></u>
<i>Net increase/(decrease) in Cash and Cash Equivalents</i>	(380,984)	480,247
<i>Opening Cash and Cash Equivalents</i>	776,968	296,722
<i>Closing Cash and Cash Equivalents</i>	395,984	776,968

In terms of our report of even date

For ASBS & Co.

Chartered Accountants

F.R.No. : 135952W



Sushil Goyal

Partner

Mem. No. :154193



Mumbai, May 23, 2019

For and on behalf of Board of Directors



Kamal Poddar
Director

DIN :- 01518700

Mumbai, May 23, 2019




Ajay Rajendra Kejriwal
Director

DIN :- 03051841

Mumbai, May 23, 2019

Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A Basis of accounting and preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared in compliance with all material aspects of the accounting standards notified under section 133 and the other relevant provisions of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Act.

B Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

C Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

D Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the 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 Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

E 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 softwares which are amortised over a period of five years in accordance with the Accounting Standard 26 "Accounting for Intangible Assets". Depreciation on addition to Property, Plant & Equipments is provided on a pro-rata basis from the date of addition.

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

F Revenue recognition

Revenue and cost are generally accounted on accrual basis as they are earned/incurred, except in case significant uncertainties.

Interest and other income is accounted on accrual basis.

G Property, Plant & Equipments

Tangible assets

Property, Plant & Equipments are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant & Equipments includes interest on borrowings attributable to acquisition of qualifying Property, Plant & Equipments 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.

H Employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salary, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.



Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

Provident Fund

The Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The company has a defined benefit plan viz. gratuity, for all its employees which is unfunded. Liability for the defined benefit plan of gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using the Projected Unit Credit Method. Actuarial gains / losses, which comprise experience adjustment and the effect of changes in actuarial assumptions, are recognised in the statement of profit and loss.

I Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

J 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 recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.



Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

Deferred tax is recognised 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 recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised 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 the end of the financial year for their realisability.

K Provision and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

L GST input credit

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
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2 SHARE CAPITAL

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

Authorised Capital		
10,000 (PY 10,000) Equity Shares of ₹ 10/- each	<u>100,000</u>	100,000
Issued Capital		
10,000 (PY 10000) Equity Shares of ₹ 10/- each	<u>100,000</u>	100,000
Subscribed and Paid up Capital		
10,000 (PY 10000) Equity Shares of ₹ 10/- each	100,000	100,000
	<u><u>100,000</u></u>	<u><u>100,000</u></u>

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.

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

No. of shares at the beginning of the period	10,000	10,000
Add : shares issued during the period	-	-
No. of shares at the end of the period	<u>10,000</u>	<u>10,000</u>

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

Choice International Limited	Holding Company	10,000	10,000
ans its nominee		100.00%	100.00%

3 RESERVES AND SURPLUS

Surplus in Statement of Profit and Loss

Opening Balance	(3,134,015)	(3,926,447)
Add : profit/(loss) for the period	488,847	792,432
	<u>(2,645,169)</u>	<u>(3,134,015)</u>



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
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4 LONG-TERM PROVISIONS

Provision for Employee benefits		
Provision for gratuity	32,755	152,304
	<u>32,755</u>	<u>152,304</u>

5 SHORT TERM BORROWINGS

Unsecured Considered goods		
Loan taken from related parties*	9,308,256	6,404,899
	<u>9,308,256</u>	<u>6,404,899</u>

*The loan taken from related parties are interest free and repayable on demand, refer to Note No.23(E) "Related Party Disclosure".

6 TRADE PAYBLES

Dues to Micro, Small and Medium Enterprises*	-	-
Other than Micro, Small and Medium Enterprises	831,646	1,020,529
	<u>831,646</u>	<u>1,020,529</u>

*There are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

9 Property, Plant & Equipment

(Amount in ₹)

Description	Gross Block			Depreciation Block				Net Block		
	As at April 1, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at April 1, 2018	Charged For the year	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
(i) Tangible Assets:										
Computer Hardware	294,601	25,847	-	320,448	83,045	105,650	-	188,695	131,753	211,556
(ii) Intangible Assets under development										
Intangible Assets under development	420,000	-	-	420,000	-	-	-	-	420,000	420,000
Total	714,601	25,847	-	740,448	83,045	105,650	-	188,695	551,753	631,556
Previous Year	-	449,401	-	449,401	-	10,206	-	10,206	439,195	-



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
7 OTHER CURRENT LIABILITIES		
Statutory dues & Other Liabilities	1,130,717	1,401,967
Advance from trade receivable	-	41,250
	1,130,717	1,443,217
8 SHORT TERM PROVISIONS		
Provision for Employee Benefits	108,544	402
Provision for gratuity		
	108,544	402
10 DEFFERED TAX ASSETS (Net)		
Deferred tax assets		
Employee benefits	36,700	47,186
Deferred tax liability		
Depreciation and amortisation	5,900	14,416
	30,800	32,770
11 LONG TERM LOANS & ADVANCES		
Unsecured Considered goods		
Security Deposit	104,000	60,000
	104,000	60,000
12 NON CURRENT ASSETS		
Unsecured Considered goods		
Fixed Deposits	-	523,963
	-	523,963



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
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13 TRADE RECEIVABLES

Unsecured, considered good		
Outstanding for a period exceeding six months	18,873	35,351
Others	5,171,534	2,051,333
	5,190,407	2,086,684

14 CASH AND BANK BALANCES

Cash & Cash Equivalents		
Cash on Hand	63,028	71,658
Bank Balances:		
In current account	332,956	705,310
	395,984	776,968

15 SHORT TERM LOANS & ADVANCES

Unsecured, considered good		
Balance with statutory/revenue authorities		
- Direct Taxes	2,105,965	1,155,009
- Indirect Taxes	10	13,569
Advance to employees	169,100	488,952
Advance to vendors	93,000	56,100
Other Advances	-	28,504
MAT credit entitlement	225,730	133,260
	2,593,805	1,875,394

16 REVENUE FROM OPERATIONS

Income from services rendered	23,276,475	22,040,970
	23,276,475	22,040,970



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
17 OTHER INCOME		
Interest Income	3,809	34,243
	<u>3,809</u>	<u>34,243</u>
18 OPERATING EXPENSES		
Commission Expenses	9,937,422	7,055,829
	<u>9,937,422</u>	<u>7,055,829</u>
19 EMPLOYEE BENEFIT EXPENSES		
Salaries and incentives	10,609,056	12,420,250
Staff Welfare	67,640	74,630
Gratuity	2,642	99,928
Contribution to Provident & Other Funds	252,144	359,779
	<u>10,931,482</u>	<u>12,954,587</u>
20 FINANCE COSTS		
Interest expenses on borrowings from - related parties	9,173	-
	<u>9,173</u>	<u>-</u>



Choice Corporate Services Private Limited

Accompanying notes to the financial statements

(Amount in ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
21 OTHER EXPENSES		
Rates & Taxes	12,106	26,698
Bank Charges	2,184	642
Bad debts	40,578	-
Balance written off	97,939	-
Business Promotion	23,963	85,000
Business Support Expenses	617,900	-
Communication	23,266	63,351
Computer & Software Exp	2,600	111,858
Office Rent	128,000	-
Payment to Auditors		
Statutory Audit Fees	10,000	10,000
Tax Audit Fees	10,000	10,000
Other Certification Fees	1,000	-
Legal & Professional Fees	96,428	259,861
Printing & Stationary	100,502	139,267
Repair & Maintenance	88,390	-
Sundry Expenses	82,571	48,879
Conveyance & Travelling	468,314	475,757
	1,805,740	1,231,313

22 EARNINGS PER EQUITY SHARE

Profit attributable to equity shareholders	488,847	792,432
Weighted average number of equity shares	10,000	10,000
Basic Earnings Per Share	48.88	79.24
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	488,847	792,432
Weighted average number of equity share after considering potential equity shares	10,000	10,000
Dilutive Earnings per Share	48.88	79.24



Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

NOTE 23 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

A In the opinion of the Board, all the assets other than Property, Plant & Equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The Provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

B Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

C 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	As on 31.03.2019	As on 31.03.2018
Employers' Contribution to Provident Fund	120,490	177,479
Employers' Contribution to ESIC	131,654	182,300
Total	252,144	359,779

2. Defined benefit plans

The Company offers the Gratuity as employee benefit schemes to its employees. Following table sets out status of the Gratuity and the amount recognised in the financial statements:

Particulars	As on 31.03.2019	As on 31.03.2018
Components of employer expense		
Current service cost	194,305	50,627
Interest on Obligation	13,255	1,793
Expected return on plan assets	-	-
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Recognised Past service cost-vested	19,636	-
Actuarial losses/(gains)	(224,554)	47,508
Total expense recognised in the Statement of Profit and Loss	2,642	99,928

(Amount in ₹)



Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

Funded status of the plan assets	As on 31.03.2019	As on 31.03.2018
Present value of unfunded obligation	-	172,342
Present value of funded obligation	152,674	
Fair value of plan assets	(11,375)	-
Unrecognised past service costs	-	(19,636)
Net liability/ (Asset)	141,299	152,706

Change in fair value of defined benefits obligation representing reconciliation of the opening and closing balances thereof are as follows:	As on 31.03.2019	As on 31.03.2018
Opening Defined Benefit Obligation	172,342	24,274
Net Transfer In Obligation	(979)	28,504
Current Service cost	194,305	50,627
Interest cost	13,255	1,793
Actuarial (gain) /loss	(226,249)	47,508
Past Service Cost	-	19,636
Benefits paid	-	-
Closing Defined Benefit Obligation	152,674	172,342

Reconciliation of plan assets	As on 31.03.2019	As on 31.03.2018
Opening Value of plan assets	-	-
Actuarial gain /(loss)	(1,695)	-
Contribution by employer	13,070	19,636
Benefits paid	-	-
Closing Defined Benefit Obligation	11,375	19,636

As at 31 March			
Experience Adjustments	2019	2018	2017
Experience adjustments on plan liabilities	(227,507)	56,290	(79,349)
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	1,258	(8,782)	2,298
Experience adjustments on plan assets	1,695	-	-
Net Actuarial loss/(gain) for the year	(224,554)	47,508	(77,051)

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% p.a.	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.



Choice Corporate Services Private Limited

Accompanying notes to the financial statements as at March 31, 2019

D Related Party Disclosure

Details of Related Parties

Description of Relationship	Names of Related Parties
a. Holding Company	Choice International Limited
b. Fellow Subsidiaries	Choice Capital Advisors Private Limited Choice Consultancy Services Private Limited Choice Merchandise Broking Private Limited 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 Peers International Private Limited Choice Finserv Private Limited Choice Tech Lab Solutions Private Limited Choice Retail Solutions Private Limited
c. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Director) Ajay Kejriwal (Director wef. 22.02.2019) Vikash Agarwal (Director till 22.02.2019)
d. Enterprises over which KMP exercise significant influence	Thought Consultants Jaipur P L in JV with Choice Consultacny Service P L VSC Consulting Private JV with Choice Consultacny Services Private Limited Infra Dev Consultants in JV with Choice Consultancy Services Pvt Ltd Samank Consmer Products Private Limited Samank Apparels Private Limited Choice Insurance Broking India Private Limited Farmer's Evolvment Foundation The Byke Hospitalty Limited Rupang Properties Private Limited Credo Strategic Advisors LLP (till 22.02.2019) Eustoma Advisors Private Limited (till 22.02.2019) Choice Strategic Advisors LLP Lions Mumbai Choice Foundation De Starvings Couriers LLP



Choice Corporate Services Private Limited

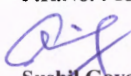
Accompanying notes to the financial statements as at March 31, 2019

Details of Related Party transactions -

Particulars	Holding Company	Fellow Subsidiaries	Total
Loans taken from	14,395,713 (13,568,882)	9,308,256 -	23,703,969 (13,568,882)
Loan repaid to	20,800,612 (11,240,575)	- -	20,800,612 (11,240,575)
Payment for Intangible assets in Process	- -	- (180,000)	- (180,000)
Revenue from operations	- -	- (4,620,000)	- (4,620,000)
Interest on Loan	- -	9,173 -	9,173 -
Business Support Service	617,900 -	- -	617,900 -
Commission Expenses	- -	48,126 -	48,126 -
Computer Software Expenses	- -	- (111,858)	- (111,858)
Balance at the end of year			
Short term borrowings	- (6,404,899)	9,308,256 -	9,308,256 (6,404,899)
Trade Payable	136,764 -	22,432 -	159,196 -
Other Current Liabilities	- -	979 -	979 -
Other Advance	- -	- (28,504)	- (28,504)
Intangible assets under development	- -	- (420,000)	- (420,000)

* Previous year figures are in brackets

In terms of our report of even date
For ASBS & Co.
Chartered Accountants
F.R.No. : 135952W


Sushil Goyal
Partner
Mem. No. : 154193

Mumbai, May 23, 2019



For and on behalf of Board of Directors


Kamal Poddar
Director
DIN :- 01518700

Mumbai, May 23, 2019


Rajendra Kejriwal
Director
DIN :- 03051841

Mumbai, May 23, 2019

