

Choice Equity Broking Private Limited



Annual Report 2019-20

Choice Equity Broking Private Limited

Balance Sheet as at March 31, 2020

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I Equity and Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	80,178,000	80,178,000
(b) Reserves and Surplus	3	653,630,614	581,212,058
		733,808,614	661,390,058
2. Non - Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	3,244,000	6,855,000
(b) Other Long -Term Liabilities	5	21,836,373	21,856,438
(c) Long - Term Provisions	6	13,205,595	11,461,848
		38,285,968	40,173,286
3. Current Liabilities			
(a) Short - Term Borrowings	7	511,418,110	714,649,263
(b) Trade Payables	8		
(i) Dues to micro enterprises and small enterprises;		-	-
(ii) others		45,938,724	53,963,695
(c) Other Current Liabilities	9	1,215,698,023	1,114,372,642
(d) Short - Term Provisions	10	5,351,132	4,827,050
		1,778,405,989	1,887,812,650
TOTAL		2,550,500,571	2,589,375,994
II Assets			
1. Non - Current Assets			
(a) Property, Plant and Equipment	11		
(i) Tangible Assets		21,851,610	120,796,610
(ii) Intangible Assets		115,722,798	129,162,661
(iii) Intangible Assets under Development		-	3,033,665
(b) Non - Current Investments	12	121,447,355	64,375,769
(c) Long - Term Loans and Advances	13	40,028,614	51,790,802
(d) Other Non-Current Assets	14	2,946,460	2,743,054
		301,996,837	371,902,561
2. Current Assets			
(a) Inventories	15	130,117,298	249,524,673
(b) Trade Receivables	16	734,139,333	541,780,049
(c) Cash and Bank Balances	17	449,081,614	157,207,200
(d) Short - Term Loans and Advances	18	881,844,054	1,025,280,602
(e) Other Current Assets	19	53,321,435	243,680,909
		2,248,503,734	2,217,473,433
TOTAL		2,550,500,571	2,589,375,994

Notes 1 to 35 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

G. K. Subramaniam
G. K. Subramaniam
Partner
Mem. No. : 109839
Mumbai: August 04, 2020

For and on behalf of Board of Directors

Kamal Poddar
Kamal Poddar
Director
(DIN-01518700)



Ajay Kejriwal
Ajay Kejriwal
Director
(DIN-03051841)

Pawan Kumar Dha
Pawan Kumar Dha
Company Secretary
Mem No. :- A 50137

Mumbai: August 04, 2020

Mumbai: August 04, 2020

Choice Equity Broking Private Limited

Statement of Profit and Loss

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue			
Revenue from Operations	20	901,674,631	708,183,702
Other Income	21	57,869,323	71,792,617
Total Revenue		959,543,954	779,976,319
ii Expenses			
Purchases	22	61,187,149	270,400,208
Changes in Inventories	23	119,407,375	(74,864,629)
Operating Expenses	24	211,269,147	137,927,653
Employee Benefits Expense	25	269,019,911	219,791,052
Finance Costs	26	70,433,410	97,792,736
Depreciation & Amortisation	11	33,693,542	18,242,890
Other Expenses	27	103,775,605	85,521,348
Total Expense		868,786,139	754,811,258
iii Profit Before Tax (I-II)		90,757,816	25,165,061
IV Tax Expense / (Benefit):			
(a) Current Tax		23,409,420	5,170,000
(b) (Excess) / Short Provision of Earlier Year Tax		(1,459,160)	(9,558,274)
(c) MAT Tax		-	1,595,700
(d) Deferred Tax		(3,611,000)	5,852,100
		18,339,260	3,059,526
V Profit for the Year (III-IV)		72,418,556	22,105,535
VI Earnings Per Equity Share (Face Value Rs 10 Per Share):	28		
(1) Basic (in Rs.)		9.03	2.76
(2) Diluted (in Rs.)		9.03	2.76

Notes 1 to 35 forms part of the Financial Statements

In terms of our report attached

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

G. K. Subramaniam
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Partner
Mem. No. : 109839
Mumbai: August 04, 2020

For and on behalf of Board of Directors

Kamal Poddar
Kamal Poddar
Director
(DIN-01518700)



Ajay Kejriwal
Ajay Kejriwal
Director
(DIN-03051841)

Pawan Kumar Jha
Pawan Kumar Jha
Company Secretary
Mem No.: -A 50137
Mumbai: August 04, 2020

Mumbai: August 04, 2020

Choice Equity Broking Private Limited

Cash Flow Statement

(Amount in Rs.)

Particulars	For the Year March 31, 2020	For the Year March 31, 2019
A. Cash flow from Operating Activities		
Profit Before Tax	90,757,816	25,165,061
<u>Adjustments for:</u>		
Depreciation and Amortisation	33,693,542	18,242,890
Interest income	(51,891,225)	(70,928,518)
Dividend income	-	(37,500)
Finance costs	70,433,410	97,792,736
Profit on Sale of Long Term Investment	(5,563,541)	-
Profit on Sale of Property, Plant and Equipment	(285,100)	(57,350)
Balances written off	1,042,188	555,468
Provision for Doubtful Trade Receivables	6,457,812	645,000
Operating Profit before Working Capital changes	144,644,901	71,377,787
<u>Changes in Working Capital</u>		
- (Increase) in Inventories	119,407,375	(74,864,629)
- (Increase) in Trade receivables	(199,859,284)	564,746,942
- Decrease/(Increase) in Loans and Advances (Current and Non-Current)	155,315,530	(879,940,836)
- (Increase)/Decrease in Other Current Assets	196,788,385	(222,875,703)
- Increase in Trade payables	(8,024,971)	5,840,540
- Increase in Other Liabilities (Current and Non-Current)	98,360,177	491,392,603
- increase in Provisions (Current and Non-Current)	2,015,893	11,008,713
	508,648,007	(33,314,578)
<u>Cash generated from operations</u>		
- Income Tax Paid (Net)	(21,815,118)	(24,927,526)
Net cash flow (used in) / from Operating Activities (A)	486,832,889	(58,242,104)
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipments (including CWIP)	(13,586,357)	(162,713,247)
Proceeds from Sale of Property, Plant and Equipments	95,596,445	69,130
Proceeds from Sale of Investments	9,741,960	-
Purchase of Long Term Investments	(61,250,005)	(60,000,000)
Movement in Other Bank Balances (Net) (Note 1)	(28,210,860)	271,488,803
Dividend received	-	37,500
Interest received	45,258,908	70,772,694
	47,550,092	118,654,881
Net cash flow from Investing Activities (B)		
C. Cash flow from Financing Activities		
Net Repayment of Short Term Borrowings from Banks and Financial Institutions (Net) (Note 2)	(162,156,945)	(65,193,398)
Net Proceeds from Short Term Borrowings from Holding Company (Net) (Note 3)	(41,074,208)	(41,986,806)
Finance costs paid	(67,488,272)	(97,792,736)
Net cash flow (used in) Financing Activities (C)	(270,719,425)	(204,972,930)
D. Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	263,663,554	(144,560,154)
Opening Cash and Cash Equivalents	72,786,383	208,484,009
Add:- Cash and Cash Equivalents of CMBPL on account of Merger	-	8,862,528
Closing Cash and Cash Equivalents	336,449,937	72,786,383



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Choice Equity Broking Private Limited

Cash Flow Statement

(Amount in Rs.)

Particulars	For the Year March 31, 2020	For the Year March 31, 2019
Components of Cash and Bank Balances (Note No. 17)		
Cash on Hand	8,723	8,288
Balances in Current Accounts	336,441,214	72,778,095
Cash and Cash Equivalents	336,449,937	72,786,383
Fixed Deposits with Banks (under Lien)	112,631,677	94,420,817
Cash and Bank Balances	449,081,614	157,207,200

Note 1 : During the year ended March 31, 2020, the Company has created / renewed fixed deposits with banks aggregating Rs. 107,241,686 /- (PY : Rs. 781,966,086/-) and placed in lien against Bank Guarantee and received repayment of fixed deposits aggregating Rs. 85,074,831/- (PY: Rs. 948,133,412/-)

Note 2 : During the year ended March 31, 2020, the Company has taken loan from Banks and Financial Institutions aggregating Rs.18,961,105,744/- (PY : Rs.11,113,848,105/-) and repaid loans aggregating Rs.19,123,262,689 /- (PY : Rs. 11,179,041,493/-) , thereby net cash outflow of Rs. 162,156,945/- (PY:Rs. 65,193,388/-) shown above.

Note 3 : During the year ended March 31, 2019, the Company has taken loan aggregating of Rs. Nil /- (PY : Rs. 6,221,936,978/-) and repaid loan aggregating of Rs. Nil (PY : Rs. 62,633,923,784/-) to related party thereby net cash outflow of Rs. Nil /- (PY:Rs. 41,986,806/-) is shown above.

Note 4 : During the Previous year CMBPL merged with the Company with effect from 1st April 2017, and the book value of Assets and liabilities were takenover for a consideration of Rs.100,136,638/-, for consideration other then cash, by way of issue of 1,367,800 fully paid Equity shares of Rs. 10 each at a premium of Rs. 63.21 per share.

Notes 1 to 35 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

G. K. Subramaniam

G. K. Subramaniam
Partner
Mem. No. :109839

Mumbai: August 04, 2020

For and on behalf of Board of Directors

Kamal Poddar
Kamal Poddar
Director
(DIN-01518700)



Mumbai: August 04, 2020

Ajay Kejriwal
Ajay Kejriwal
Director
(DIN-03051841)

Hanuman Patel
Hanuman Patel
Company Secretary
Mem No.: A 50137
Mumbai: August 04, 2020

Choice Equity Broking Private Limited

Accompanying notes to the financial statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Background

Choice Equity Broking Private Limited ("CEBPL" / the "Company") is a wholly owned subsidiary of Choice International Limited. The Company is incorporated in India as a private limited company. The Company is engaged in providing Broking and other ancillary services. The Company holds licenses to trade on the stock exchanges.

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 (IGAAP) under the historical cost convention on accrual basis. These financial statements have been prepared in compliance with all material aspects of the accounting standards Specified under Section 133 and the other relevant provisions of the Companies Act, 2013 ("The Act"). All assets and liabilities have been classified as current or non-current as per the criteria setout in Schedule III to the Act. 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 the financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of financial statements 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. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized 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 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 Equity Broking Private Limited

Accompanying notes to the financial statements

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. Software developed and used in business is being amortised over a period of ten years. Computer software and Goodwill arising on acquisition of Business from other entities are being amortised over a period of five years.

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, if any.

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.

Brokerage income in relation to stock broking activity is recognised on trade date basis.

Gain/Losses on dealing in securities are recognised on trade date basis.

Interest and other income is accounted on accrual basis.

Dividend is accounted when the right to receive payment is established.

G Property, Plant & Equipments

Tangible

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 Investments

Investments are valued in accordance with accounting standard 13 on "Accounting for investments". Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Quoted current investments are valued at lower of cost and market value of investments on a category basis.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

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 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

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.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

K 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.

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 each Balance Sheet date for their realisability.

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 recognised, 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 recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

M Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognised when there is a present legal or constructive obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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 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.

O Inventories

Inventories are valued at cost (on FIFO basis) or the net realisable whichever is lower on a category basis. Cost includes all incidental cost of acquisition.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
2 SHARE CAPITAL		
(a) Details of authorised, issued and subscribed equity share capital		
Authorised Capital		
9,500,000 (PY:-9,500,000) Equity Shares of Rs.10/- each	95,000,000	95,000,000
Issued Capital		
8,017,800 (PY:-8,017,800) Equity Shares of Rs.10/- each	80,178,000	80,178,000
Subscribed and Paid up Capital		
8,017,800 (PY:- 8,017,800) Equity Shares of Rs.10/- each fully paid-up	80,178,000	80,178,000
	80,178,000	80,178,000

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 Rs. 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 shareholder in the Annual General Meeting.

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

Number of equity shares at the beginning of the year	8,017,800	6,650,000
Add : Equity shares issued during the year	-	1,367,800
Number of equity shares at the end of the year	8,017,800	8,017,800

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

Choice International Ltd. and its nominee	Holding Company	8,017,800 100.00%	8,017,800 100.00%
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3 RESERVES AND SURPLUS

General Reserve		
Opening Balance	397,000	397,000
Add : Transferred from statement of profit & loss	-	-
Closing Balance	397,000	397,000
Securities Premium -		
Opening Balance	411,358,638	324,960,000
Add: Received on equity shares issued during the year	-	86,458,638
Closing Balance	411,358,638	411,358,638
Surplus in Statement of Profit and Loss -		
Opening Balance	169,456,420	123,314,621
Add : Profit for the year	72,418,556	22,105,535
Add: On account of Merger	-	24,036,264
Closing Balance	241,874,976	169,456,420
	653,630,614	551,212,058



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at March 31, 2019	Movement for the year	As at March 31, 2020
4 DEFERRED TAX LIABILITIES (NET)			
Details of major component of deferred tax liabilities arising on account of timing difference as recognised in the financial statements is as follows:			
Deferred Tax Assets			
Provision for Gratuity	(2,119,000)	(2,835,000)	(4,954,000)
Provision for Doubtful Debts	(670,000)	(1,417,000)	(2,087,000)
Deferred tax liability -			
On difference between book & tax depreciation of Property, Plant & Equipments	9,644,000	641,000	10,285,000
	6,855,000	(3,611,000)	3,244,000



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

Particulars	(Amount in Rs.)	
	As at March 31, 2020	As at March 31, 2019
5 OTHER LONG TERM LIABILITIES		
Franchisee and other deposits	21,836,373	21,856,438
	<u>21,836,373</u>	<u>21,856,438</u>
6 LONG-TERM PROVISIONS		
Provision for employee benefits - Provision for Gratuity	13,205,595	11,461,848
	<u>13,205,595</u>	<u>11,461,848</u>
7 SHORT TERM BORROWINGS		
Secured loans		
Bank Overdraft *	511,418,110	371,134,322
Loan from Financial Institutions **		302,440,733
Unsecured loans		
Loans taken from Related Party		41,074,208
	<u>511,418,110</u>	<u>714,649,263</u>

*Bank overdraft facility taken from Indusind Bank for which cover against hypothecation of receivables.

**Loans taken from Financial Institutions are secured against shares & securities placed as collateral by customers to whom loans has been given.

** Bank overdraft facility taken from Punjab Natioanl Bank which is secured by way of mortgage on property of parent company.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
8 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises*	-	-
Others	45,938,724	53,963,695
	<u>45,938,724</u>	<u>53,963,695</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.

On the basis of the information and records available with the management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure:

Principal amount remaining unpaid to any supplier as at the year	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil

9 OTHER CURRENT LIABILITIES

(a) Advance received from customers (Note 1)	1,101,564,020	1,044,553,364
(b) Payables towards capital assets	-	39,600,000
(c) Franchisee and other deposits	7,000,000	6,100,000
(d) Others	-	-
1) Statutory dues	14,688,629	15,226,603
2) Payable to Exchange	70,847,736	3,998,005
3) Other liabilities	21,597,630	4,894,665
	<u>1,215,698,023</u>	<u>1,114,372,642</u>

Note 1: The above includes amounts payable to customers aggregating Rs.-48,168,824 (PY: Rs. 204,938,015) on account of their sales made which are due for receipt after March 31, 2020 from the exchanges, based on settlement falling due post balance sheet date.

10 SHORT TERM PROVISIONS

Provision for employee benefits	497,082	409,319
- Provision for compensated absence	4,601,421	4,417,731
- Provision for Gratuity (Refer Note No. 30)	252,629	-
Provision for Tax (net of advances - 15,572,521)	-	-
	<u>5,351,132</u>	<u>4,827,050</u>



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

11. Property, Plant & Equipment

Description	Current Year						Depreciation & Amortisation			Net Block	
	As at April 1, 2019	Additions	Deductions	Acquisitions through business combinations	As at March 31, 2020	As at April 1, 2019	Charged for the year	Deductions	Acquisitions through business combinations	As at March 31, 2020	As at March 31, 2019
Tangible Assets:											
Buildings	95,310,600	-	95,310,600	-	-	173,648	(173,648)	-	-	-	95,136,952
Computer Hardwares	51,561,520	604,316	-	-	52,165,836	47,430,268	3,215,820	(84,963)	-	50,731,051	4,131,252
Server & Network	18,208,912	4,580,001	-	-	22,788,913	7,607,821	3,520,907	-	-	11,128,528	10,601,291
Furniture & Fixtures	28,409,013	-	745	-	28,408,268	24,497,384	771,896	83,000	-	25,186,280	3,911,629
Office Equipment	25,198,163	1,001,159	-	-	26,199,322	18,717,529	2,243,057	-	-	20,960,586	6,480,634
Motor Car	1,890,892	-	-	-	1,880,892	1,378,832	231,536	-	-	1,610,368	502,060
Motor Cycle	80,000	-	-	-	80,000	47,202	7,600	-	-	54,808	32,792
TOTAL	220,649,059	6,185,477	95,311,345	-	131,523,231	99,852,490	9,817,170	(1,963)	-	109,671,621	120,796,610
Intangible Assets:											
Computer Software	148,051,323	10,434,545	-	-	158,485,868	97,221,995	7,276,371	1,963	-	104,596,403	50,829,328
Goodwill	82,500,000	-	-	-	82,500,000	4,166,667	16,500,000	-	-	20,666,667	78,333,333
TOTAL	230,551,323	10,434,545	-	-	240,985,868	101,388,662	23,876,371	1,963	-	125,263,070	129,162,661
Intangible Assets under development	3,033,665	-	3,033,665	-	-	-	-	-	-	-	3,033,665
GRAND TOTAL	454,234,087	16,620,022	98,345,010	-	372,569,299	261,241,151	33,693,542	-	-	234,934,691	252,992,336



Choice Equity Broking Private Limited
 Accompanying notes to the financial statements

11 Property, Plant & Equipment

(Amount in Rs.)

Description	Gross Block				Depreciation & Amortization				Net Block			
	As at April 1, 2018	Additions	Deductions	Acquisitions through business combinations	As at March 31, 2019	As at April 1, 2018	Charged For the year	Deductions	Acquisitions through business combinations	As at March 31 2019	As at March 31, 2019	As at March 31, 2018
Tangible Assets:												
Buildings (Note 1)	-	95,310,600	-	-	95,310,600	-	173,348	-	-	173,640	55,136,952	-
Computer Hardware	19,746,491	511,604	3,381,803	34,685,228	51,561,520	13,848,050	3,864,108	3,370,023	33,058,013	47,423,268	4,731,252	5,868,441
Server & Network	17,478,123	900,414	729,450	69,825	18,208,912	4,900,388	2,363,063	239,450	43,130	7,607,621	10,001,291	12,577,235
Furniture & Fixtures	1,807,767	9,500	-	26,591,746	28,409,213	475,501	374,937	-	23,596,946	24,437,384	3,911,623	1,332,288
Office Equipment	7,185,911	875,812	-	17,156,820	25,198,163	1,518,986	1,546,312	-	15,152,231	18,717,529	6,480,134	5,245,543
Motor Car	1,880,892	-	-	-	1,880,892	1,147,294	231,538	-	-	1,378,832	502,360	725,988
Motor Cycle	66,000	-	-	-	80,000	39,606	7,602	-	-	47,295	32,742	40,394
TOTAL	48,538,804	97,607,930	3,691,253	78,503,619	220,649,130	22,330,329	9,191,296	3,609,473	71,350,350	92,852,490	120,796,610	25,628,478
Intangible Assets:												
Computer Software	12,762,974	48,637,089	-	86,401,260	148,051,323	6,210,065	4,854,935	-	96,116,995	97,221,995	99,529,328	6,592,001
Goodwill	-	82,500,000	-	-	82,500,000	-	4,166,067	-	-	4,166,857	78,333,325	-
TOTAL	12,762,974	131,387,089	-	86,401,260	230,551,323	6,210,065	9,021,002	-	96,116,995	101,388,852	129,162,653	6,592,001
Intangible Assets under development	40,901,754	989,000	39,857,089	-	3,023,665	-	-	-	-	-	3,613,665	43,901,754
GRA-ID TOTAL	101,823,532	229,964,019	42,478,342	164,904,879	454,234,038	28,540,394	18,242,598	3,609,473	158,067,345	201,241,192	257,959,263	73,221,152

Note-1: Property has been hypothecated with Punjab national bank for overdraft facility taken by Choice international limited (Holding company)



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
12 NON-CURRENT INVESTMENTS		
Investments in quoted equity shares fully paid-up		
(a) 980 (PY : 980) equity shares of Rs. 10/- each of GSL Securities Limited	5,740	5,740
(b) 22,023 (PY : 22,023) equity shares of Rs. 10/- each of Lawreshwar Polymers Limited	191,610	191,610
(c) Nil (PY:1,50,000) equity shares of Rs.1/- each of Vakrangee Ltd	-	4,178,419
Total (A)	197,350	4,375,769
Investments in unquoted equity shares fully paid-up		
(d) 25,00,000 (PY : 25,00,000) equity shares of Rs 10/- each of Choice Finserv Private Limited.	50,000,000	50,000,000
(e) 10,00,000 (PY : 10,00,000) equity shares of Rs 10/- each of Choice Portfolio Management Services Private Limited.	10,000,000	10,000,000
(f) 6,41,579 (PY : NIL) equity shares of Rs 10/- each of Choice Wealth Management Private Limited.	60,950,005	-
(g) 10,000 (PY : NIL) equity shares of Rs 10/- each of Choice Techlab Solution Private Limited.	100,000	-
(h) 10,000 (PY : NIL) equity shares of Rs 10/- each of Choice Corporate Services Private Limited.	100,000	-
(i) 10,000 (PY : NIL) equity shares of Rs 10/- each of Choice Retail Private Limited.	100,000	-
Total (B)	121,250,005	60,000,000
Total (A+B)	121,447,355	64,375,769
Aggregate book value of - Quoted fully paid-up investments	197,350	4,375,769
Aggregate market value of - Quoted fully paid-up investments	363,784	8,213,735
13 LONG-TERM LOANS AND ADVANCES		
Unsecured Advances considered good	27,225,834	31,820,001
Security deposits to stock exchange	8,684,644	8,397,835
Other Security deposits	160,186	147,540
Prepaid Expenses	1,440,030	9,024,300
MAT credit entitlement	2,517,920	2,401,126
Advance Tax (net of Provisions ` 31,761,726)	40,028,614	51,790,802
14 OTHER NON-CURRENT ASSETS		
Fixed deposit (with Maturity of more than 12 Months)*	2,500,000	2,500,000
Interest Accrued on deposits	446,460	243,054
	2,946,460	2,743,054

*Note:- The above Fixed Deposit Receipt is under Lien with ICICI Bank Limited for the purpose of Bank Guarantee



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
15 INVENTORIES		
<u>Stock-in-trade</u>	130,117,298	249,524,673
Shares and Securities		
	<u>130,117,298</u>	<u>249,524,673</u>

16 TRADE RECEIVABLES

<u>Secured, considered good*</u>	65,438,874	4,763,713
(a) Outstanding for a period exceeding six months from the date they are due for payments		
(b) Others**	605,793,724	474,369,830
<u>Unsecured, considered good</u>	29,153,288	27,996,347
(a) Outstanding for a period exceeding six months from the date they are due for payments	33,743,447	24,790,159
(b) Others		
<u>Unsecured, considered Doubtful</u>	6,457,812	2,408,336
Outstanding for a period exceeding six months from the date they are due for payments	(6,457,812)	(2,408,836)
Less:- Provision for Doubtful debts		
	<u>734,139,333</u>	<u>541,780,049</u>
Debtors		

* Secured against Securities given as collateral by the customers

**Note: The above includes amounts receivable from customers aggregating Rs. 8,810,275 (PY: Rs.23,672,386) on account of their purchases made which are due for payment after March 31, 2020, based on settlement date as per the clearing process of stock exchanges.

17 CASH AND BANK BALANCES

<u>Cash & Cash Equivalents</u>	8,723	8,288
Cash on Hand		
Bank Balances -		
In current accounts	336,441,214	72,778,095
Cash & Cash equivalents (as per AS-3 "Cash Flow Statements")	<u>336,449,937</u>	<u>72,786,383</u>
<u>Other Bank Balances</u>	112,631,677	84,420,317
Fixed Deposits with Banks under Lien*		
Cash and Bank Balances	<u>449,081,614</u>	<u>157,207,200</u>

* Fixed Deposits are under Lien with Banks for Bank Guarantees (with maturity of more than of 3 Months but less than equal to 12 Months)

18 SHORT-TERM LOANS AND ADVANCES

Unsecured Advances considered good	852,500,000	1,003,759,195
Margin Money	1,938,679	3,113,809
Loans and Advances to employees	6,330,430	3,833,419
Advance to vendors / Remeshire	16,093,334	14,574,180
Prepaid Expenses	4,931,611	
Loans given to Related Party (Refer Note 29)	<u>881,844,054</u>	<u>1,025,280,602</u>



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
19 OTHER CURRENT ASSETS		
Receivables from Exchanges (Note 1)	18,082,694	191,337,835
Unbilled Revenue	1,244,531	2,627,156
Other assets	21,390,035	43,340,855
Interest accrued on margin deposit	12,603,974	6,175,063
	<u>53,321,434</u>	<u>243,680,909</u>

Note 1: The above includes amounts receivable from stock exchanges aggregating Rs. 11,464,295 (PY : Rs. 136,814,361) on account of sales made by customers which are due for payment after March 31, 2020, based on settlement falling due post balance sheet date.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
20 REVENUE FROM OPERATIONS		
Brokerage Income	606,037,579	352,983,349
Sale of Shares and Securities	161,967,636	208,013,356
Delayed Payment Charges	114,200,624	130,350,845
Other Fees and Charges	19,468,792	16,836,152
	<u>901,674,631</u>	<u>708,183,702</u>
* Note: The above includes Brokerage Income from Clients aggregating Rs. 2,188,730 (PY : Rs. 2,961,114) on account of purchases and sales made by them which are due for payment after March 31, 2020, based on settlement falling due post March 31, 2020.		
21 OTHER INCOME		
Interest Income	51,891,225	70,928,518
Dividend Income	-	37,500
Profit on sale of Current Investments	5,563,541	-
Other Non operating Income	414,557	826,559
	<u>57,869,323</u>	<u>71,792,617</u>
22 PURCHASES		
Shares and Securities	61,187,149	270,400,208
	<u>61,187,149</u>	<u>270,400,208</u>
23 CHANGES IN THE INVENTORIES		
Shares and Securities		
At the beginning of the year	249,524,673	174,660,044
Less : At the end of the year	130,117,293	249,524,673
	<u>119,407,375</u>	<u>(74,864,629)</u>
24 OPERATING EXPENSES		
Sub-brokerage and Referral fees	164,408,190	100,167,370
Computer and Software Expenses	29,838,027	19,428,206
Professional Charges	4,046	3,161,033
Depository Charges	5,150,844	5,660,796
Membership and Subscription Charges	1,462,304	1,778,439
Lease Line Expenses	4,719,881	3,988,624
Exchange Charges	212,930	303,156
Other Operating Expenses	5,432,925	3,349,979
	<u>211,259,147</u>	<u>137,927,653</u>



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
25 EMPLOYEE BENEFIT EXPENSES		
Salaries Bonus and allowances	252,855,006	211,021,760
Gratuity Expense	5,421,850	2,951,985
Contribution to provident fund and other Funds	10,933,055	5,811,307
Staff Welfare Expenses	-	6,000
	<u>269,019,911</u>	<u>219,791,052</u>
26 FINANCE COST		
(a) Interest on Borrowings from		
Banks	43,355,398	48,882,019
Financial Institutions	18,258,015	22,254,581
(b) Other borrowing costs	8,819,997	26,656,136
	<u>70,433,410</u>	<u>97,792,736</u>
27 OTHER EXPENSES		
Business Support Charges	8,007,395	9,955,900
Rent Expenses	32,287,193	24,992,253
Marketing and Advertisement Expenses	8,522,940	12,713,995
Claims and Dispute Expenses	3,347,014	4,970,945
Communication expenses	7,252,625	8,978,716
Travelling and Conveyance Expenses	4,309,007	4,046,126
Repairs and Maintenances	3,684,782	3,594,242
Legal and professional fees	8,458,616	2,799,534
Bad Debts written Off	3,451,024	-
Less: Provision for doubtful debts	(2,408,936)	-
Provision for Doubtful debts	8,157,812	645,000
Printing and stationery	1,798,443	2,321,149
Electricity Charges	5,577,259	2,303,452
Rates and taxes	5,337,067	239,530
Miscellaneous Expenses*	7,693,264	7,960,476
	<u>103,775,605</u>	<u>85,521,348</u>
* Miscellaneous expenses includes :		
Payment made to statutory auditors	2,300,000	2,300,000
- For audit	<u>2,300,000</u>	<u>2,300,000</u>
28 EARNINGS PER EQUITY SHARE		
Profit attributable to Equity shareholders	72,418,556	22,105,535
Weighted average number of equity shares	8,017,200	8,017,800
Basic/Dilutive Earnings Per Share	<u>9.03</u>	<u>2.76</u>
Face value per Share	10	10



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

29 Related Party Transactions

(a) As per Accounting Standard - 18 on Related Party Disclosure, the Related Parties are as follows :

Related Party Disclosure	Name of Related Parties	March 31, 2020	March 31, 2019
Details of Related Parties -			
Description of Relationship			
a. Holding Company	Choice International Limited	✓	✓
b. Wholly Owned Subsidiaries	Choice Corporate Services Pvt. Limited	✓	-
	Choice Wealth Management Pvt. Limited	✓	-
	Choice Tech Lab Solutions Private Limited	✓	-
	Choice Retail Solutions Private Limited (w.e.f. December 06,2017) (Formerly known as Choice Start up Pvt. Ltd.)	✓	-
c. Fellow Subsidiary Companies	Choice Capital Advisors Pvt. Limited	✓	✓
	Choice Corporate Services Pvt. Limited	-	✓
	Choice Merchandise Broking Pvt. Limited	-	Amalgamated with the Company
	Choice Consultancy Services Pvt. Limited	✓	✓
	Choice Wealth Management Pvt. Limited	-	✓
	Choice Portfolio Management Services Private Limited (Formerly known as Choice Stock Trade Pvt. Ltd.)	✓	✓
	Choice Peers International Private Limited	-	✓
	Choice Finserv Private Limited	✓	✓
	Choice Tech Lab Solutions Private Limited	-	✓
	Choice Retail Solutions Private Limited (w.e.f. December 06,2017) (Formerly known as Choice Start up Pvt. Ltd.)	-	✓
	d. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Director)	✓
Santosh Poddar (Relative of KMP)		✓	✓
Manju Poddar (Relative of KMP)		✓	✓
Arun Poddar (Relative of KMP)		✓	✓
Meenu Bajaj (Relative of KMP)		✓	✓
Hemlata Poddar (Relative of KMP)		✓	✓
Shreyam Poddar (Relative of KMP)		✓	✓
Ajay Kejriwal (Director)		✓	✓
Babita Kejriwal (Relative of KMP)		✓	✓
Rajendra Kejriwal (Relative of KMP)		✓	✓
Maltidevi Kejriwal (Relative of KMP)		✓	✓
Harsh Kejriwal (Relative of KMP)		✓	✓
Mehak Kejriwal (Relative of KMP)		✓	✓
Vijay Kejriwal (Relative of KMP)		✓	✓
Manisha Dattani (Relative of KMP)		✓	✓
Ramratan Chirania (Director)		✓	✓
Sangita Ramratan Chirania (Relative of KMP)		✓	✓
Makhanlal Chirania (Relative of KMP)		✓	✓
Daulat Ram Chirania (Relative of KMP)		✓	✓
Sua Devi Chirania (Relative of KMP)		✓	✓
Rukmani Chirania (Relative of KMP)		✓	✓
Jhabarmal ji Hamathka (Relative of KMP)		✓	✓
Sonali Chirania (Relative of KMP)		✓	✓
Parmanand Chirania (Relative of KMP)		✓	✓
Ramesh Chirania (Relative of KMP)		✓	✓
Surgyan Chirania (Relative of KMP)		✓	✓
Praveen Chirania (Relative of KMP)		✓	✓
Govind Chirania (Relative of KMP)		✓	✓



	Vimla Sarawagi (Relative of KMP)	✓	✓
	Phushpa Parmanandka (Relative of KMP)	✓	✓
	Nishita Chirania (Relative of KMP)	✓	✓
	Devkaran Chirania (Relative of KMP)	✓	✓
	Narendra Chirania (Relative of KMP)	✓	✓
	Sunil Bagaria (Director)	✓	✓
	Poonam Bagaria (Relative of KMP)	✓	✓
	Aushtosh Bagaria (Relative of KMP)	✓	✓
	Yashvi Bagaria (Relative of KMP)	✓	✓
	Snehalata Bagaria (Relative of KMP)	✓	✓
	Anju Patodia (Relative of KMP)	✓	✓
	Manju Patodia (Relative of KMP)	✓	✓
	Nisha Sarawgi (Relative of KMP)	✓	✓
	Hanuman Patel (Company Secretary)	-	✓
	Pawan Kumar Jha (Company Secretary)	✓	-
e. Enterprises over which (c) are able to exercise significant influence	S. K. Patodia & Associates	✓	✓
	Samank Consumer Products Private Limited	✓	✓
	Samank Apparels Private Limited	✓	✓
	Choice Insurance Broking India Private Limited	✓	✓
	Lions Mumbai Choice Foundation	✓	✓
	Farmer's Evolvment Foundation	✓	✓
	Choice Strategic Advisors LLP	✓	✓
	Choice Peers International Private Limited	✓	-
	DE Starwing Courier's LLP	✓	✓
	The Byke Hospitality Limited	✓	✓
	Ajay R. Kejriwal HUF	✓	✓
	Ramratan Chirania HUF	✓	✓
	Kamal Poddar HUF	✓	✓
	Sunil Bagaria HUF	✓	✓
	Choice Peers International Private Limited	✓	-
	Rupang Properties Private Limited	✓	-
	Kanaiya Properties Private Limited	✓	-
	Optimo Investment Adviser Private Limited	✓	-



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

29 (b) Details of Related Party transactions during the year ended March 31, 2020

(Amount in Rs.)

Particulars	Holding	Wholly Owned Subsidiaries	Fellow Subsidiaries	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Loan Given to- Choice Finserv Private Limited	-	-	786,537,012	-	-	-	786,537,012
Total	-	-	786,537,012	-	-	-	786,537,012
Loan Repayment received from- Choice Finserv Private Limited	-	-	781,555,401	-	-	-	781,555,401
Total	-	-	781,555,401	-	-	-	781,555,401
Intangible Assets Choice Techlab Solutions Pvt Ltd	-	7,400,880	-	-	-	-	7,400,880
Total	-	7,400,880	-	-	-	-	7,400,880
Purchase of Equity investment in following companies from Choice International Ltd Choice Corporate Services Private Limited Choice Retail Solutions Private Limited Choice Techlab Solutions Private Limited Choice Wealth Management Private Limited	1,250,000	-	-	-	-	-	1,250,000
Investment in Equity of Choice Wealth Management pvt ltd	-	60,000,005	-	-	-	-	60,000,005
Total	1,250,000	60,000,005	-	-	-	-	61,250,005
Revenue from Operations Income from Brokerage & Other Charges Choice International Limited	1,534	-	1,180	-	-	-	1,534
Choice Capital Advisors Private Limited	-	-	-	15,053	-	275	15,053
Ramratan Chirania	-	-	-	-	-	-	275
Ramratan Chirania (HUF)	-	-	-	-	107,803	-	107,803
Sangita Ramratan Chirania	-	-	-	-	2,074	-	2,074
Dev Karan M Chirania	-	-	-	-	226,964	-	226,964
Nishita Ramratan Chirania	-	-	-	-	25,638	-	25,638
Narendra Kumar Makhanlal Chirania	-	-	-	2,736	-	-	2,736
Ajay Rajendra Kejriwal	-	-	-	-	-	3,131	3,131
Ajay R. Kejriwal (HUF)	-	-	-	-	1,521	-	1,521
Maiti Rajendra Kejriwal	-	-	-	-	236	-	236
Babita Ajay Kejriwal	-	-	-	-	1,754	-	1,754
Vijay Rajendra Kejriwal	-	-	-	-	9,053	-	9,053
Rajendrakumar Kejriwal	-	-	-	1,323,995	-	-	1,323,995
Kamal Poddar	-	-	-	-	-	13,690	13,690
Kamal Poddar (HUF)	-	-	-	-	2,768,403	-	2,768,403
Arunkumar Poddar	-	-	-	-	39,196	-	39,196
Hemlata Kamal Poddar	-	-	-	-	22,413	-	22,413
Santosh Kumar Poddar	-	-	-	-	9,799	-	9,799
Mahnju Poddar	-	-	-	-	20,845	-	20,845
Meenu Poddar	-	-	-	55,264	-	-	55,264
Sunil Bagaria	-	-	-	-	-	57,963	57,963
Sunil Bagaria (HUF)	-	-	-	-	29,145	-	29,145
Snehlata Bagaria	-	-	-	-	35,329	-	35,329
Poonam Bagaria	-	-	-	-	11,541	-	11,541
Vijay R Kejriwal Huf	-	-	-	-	7,287	-	7,287
Santosh Kumar Poddar Huf	1,534	-	1,180	1,402,048	3,319,602	75,005	4,798,769
Total	1,534	-	1,180	1,402,048	3,319,602	75,005	4,798,769
Interest Income Choice Finserv Private Limited	-	-	6,716,221	-	-	-	6,716,221
Sale of Share The Byke Hospitality Ltd	-	-	-	-	-	336,418	336,418
Total	-	-	6,716,221	-	-	336,418	7,052,639



Particulars	Holding	Wholly Owned Subsidiaries	Fellow Subsidiaries	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Administrative and Other Expenses							
Business Support Services-							
Choice International Limited	7,851,400		-			155,995	7,851,400
S.K. Patodia & Associates							155,995
Professional Fees							
Choice Techlab Solutions Pvt Ltd		6,871,237	-				6,871,237
Choice Capital Advisors Pvt Ltd			1,875,000				1,875,000
Rent							-
Choice International Limited	17,850,000					155,995	17,850,000
Total	25,701,400	6,871,237	1,875,000	-	-	155,995	34,603,632
Employee Benefit Expenses							
Salary & allowances							
Ajay Kejriwal				2,099,996			2,099,996
Ramratan Chirania				1,800,001			1,800,001
Sunil Bagaria				1,800,000			1,800,000
Vijay Kejriwal					1,620,000		1,620,000
Narendra Kumar Chirania					362,841		362,841
Pawan Kumar Jha				366,357			366,357
Total	-	-	-	6,066,354	1,382,841	-	7,449,195
Balances outstanding at the end of the year							
Trade receivables-							
Santosh Kumar Poddar					1,372,965		1,372,965
Hemlata Kamal Poddar					11		11
Meenu Poddar					1,702,459		1,702,459
Manju Poddar					783,581		783,581
Sunil Bagaria				1,191,735			1,191,735
Kamal Poddar				71			71
Sunil Bagaria HUF						1,639	1,639
Ajay Rajendra Kejriwal				236			236
Ajay Rajendra Kejriwal HUF						280	280
Babita Kejriwal					471		471
Arunkumar Poddar					12		12
Ramratan Chirania (HUF)						235	235
Choice International Limited	1,534						1,534
Choice Capital Advisors Private Limited			1,189				1,189
Narendra Kumar Makhenlal Chirania					650		650
Total	1,534	-	1,189	1,192,042	3,860,150	2,150	5,057,061
Other Current Liabilities							
Ramratan Chirania			2,025,000				2,025,000
Choice Capital Advisors Pvt Ltd						109,871	109,871
S K Patodia & Associates						39,349	39,349
Choice Insurance Broking Pvt Ltd		6,788					6,788
Choice Retail Private Ltd							9,264,237
Choice International Ltd	9,264,237						9,264,237
Choice Techlab Solutions Pvt Ltd		1,054,324					1,054,324
Total	9,264,237	1,061,112	2,025,000	-	-	149,220	12,399,568
Trade Payables							
Sangita Ramratan Chirania					1,133,863		1,133,863
Dev Karan M Chirania					193		193
Santosh Kumar Poddar HUF					688		688
Nishita Ramratan Chirania					1,226,817		1,226,817
Vijay Rajendra Kejriwal					856		856
Rajendrakumar Kejriwal					5,578		5,578
Poonam Bagaria					4,892		4,892
Kamal Poddar (HUF)						26	26
Total	-	-	-	-	2,372,586	26	2,372,912
Other Current Assets							
Choice Corporate Services Pvt Ltd		92,963					92,963
Choice Consultancy Services Pvt Ltd			14,909				14,909
The Byke Hospitality Ltd						336,418	336,418
Ajay Rajendra Kejriwal				32,272			32,272
Choice Wealth Management Pvt Ltd		824,514					824,514
Total	-	917,477	14,909	32,272	-	336,418	1,301,076
Loans- Current							
Choice Finserv Pvt Ltd				4,981,611			4,981,611
Total	-	-	-	4,981,611	-	-	4,981,611



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

29 (b) Details of Related Party transactions during the year ended March 31, 2019

(Amount in Rs.)

Particulars	Holding	Fellow Subsidiaries	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Loan Given to-						
Choice International Limited	433,770,635	-	-	-	-	433,770,635
Choice Finserv Private Limited	-	497,599,112	-	-	-	497,599,112
Total	433,770,635	497,599,112	-	-	-	931,369,747
Loan Repayment received from-						
Choice International Limited	460,605,445	-	-	-	-	460,605,445
Choice Finserv Private Limited	-	497,599,112	-	-	-	497,599,112
Total	460,605,445	497,599,112	-	-	-	958,204,557
Loan Taken from-						
Choice International Limited*	97,115,190	-	-	-	-	97,115,190
Choice Finserv Private Limited	-	70,920,888	-	-	-	70,920,888
Total	97,115,190	70,920,888	-	-	-	168,036,078
Loan Repaid-						
Choice International Limited*	97,115,190	-	-	-	-	97,115,190
Choice Finserv Private Limited	-	29,846,680	-	-	-	29,846,680
Total	97,115,190	29,846,680	-	-	-	123,951,870
Intangible Assets under Development						
Choice Techlab Solutions Pvt Ltd	-	10,000,000	-	-	-	10,000,000
Total	-	10,000,000	-	-	-	10,000,000
Revenue from Operations						
Income from Brokerage & Other Charges						
Ramratan Chirania	-	-	7,000	-	-	7,000
Ramratan Chirania (HUF)	-	-	-	-	1,214	1,214
Sangita Ramratan Chirania	-	-	-	79,323	-	79,323
Dev Karan M Chirania	-	-	-	2,148	-	2,148
Nishita Ramratan Chirania	-	-	-	79,966	-	79,966
Narainra Kumar Makhanlal Chirania	-	-	-	36,859	-	36,859
Ajay Rajendra Kejriwal	-	-	538	-	-	538
Ajay R Kejriwal (HUF)	-	-	-	-	3,657	3,657
Malti Rajendra Kejriwal	-	-	-	1,160	-	1,160
Babita Ajay Kejriwal	-	-	-	308	-	308
Vijay Rajendra Kejriwal	-	-	-	3,304	-	3,304
Rajendrakumar Kejriwal	-	-	-	3,473	-	3,473
Kamal Poddar	-	-	707,341	-	-	707,341
Kamal Poddar (HUF)	-	-	-	-	472	472
Arunkumar Poddar	-	-	-	592	-	592
Hemlata Kamal Poddar	-	-	-	496	-	496
Santosh Kumar Poddar	-	-	-	5,885	-	5,885
Marju Poddar	-	-	-	236	-	236
Meenu Poddar	-	-	-	11,228	-	11,228
Sunil Bagaria	-	-	25,529	-	-	25,529
Sunil Bagaria HUF	-	-	-	-	44,544	44,544
Shehata Bagaria	-	-	-	61,163	-	61,163
Poonam Bagaria	-	-	-	55,593	-	55,593
Vijay R Kejriwal Huf	-	-	-	11,517	-	11,517
Santosh Kumar Poddar Huf	-	-	-	2,436	-	2,436
Total	-	-	740,478	355,687	49,997	1,146,152
Interest Income						
Choice International Limited	7,410,238	-	-	-	-	7,410,238
Choice Finserv Private Limited	-	29,526,437	-	-	-	29,526,437
Other Operating Income						
Choice Wealth Management Private Limited	-	290,720	-	-	-	290,720
Total	7,410,238	29,817,157	740,478	355,687	49,997	38,373,547
Administrative and Other Expenses						
Business Support Services	9,955,900	-	-	-	-	9,955,900
Choice International Limited	-	-	-	-	-	-
Professional Fees	-	160,456	-	-	-	160,456
Choice Techlab Solutions Pvt Ltd	-	-	-	-	-	-
Computer Expense	-	-	-	-	177,000	177,000
S.K. Pateria & Associates	-	-	-	-	-	-
Rent	-	120,000	-	-	-	120,000
Choice Consultancy Services Pvt. Ltd	-	-	-	-	-	-
Choice International Limited	16,800,000	-	-	-	-	16,800,000
Total	26,755,900	280,456	-	-	177,000	27,213,356



Particulars	Holding	Fellow Subsidiaries	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Finance Costs						
Choice International Limited	20,445	-	-	-	-	20,445
Total	20,445					20,445
Employee Benefit Expenses						
Salary & allowances			2,056,501	-	-	2,056,501
Ajay Kejriwal	-	-	1,752,156	-	-	1,752,156
Ramratan Chirania	-	-	1,800,000	-	-	1,800,000
Sunil Bagaria	-	-	-	363,419	-	363,419
Narendra Kumar Chirania	-	-	-	1,020,000	-	1,020,000
Vijay Kejriwal	-	-	-	1,000,000	-	1,000,000
Sangita Chirania	-	-	323,899	-	-	323,899
Hanuman Patel	-	-	-	-	-	-
Total			5,932,556	2,383,419		8,315,975
Balances outstanding at the end of the year						
Trade receivables-						
Santosh Kumar Poddar	-	-	-	30,268	-	30,268
Hemlata Kamal Poddar	-	-	-	1,015	-	1,015
Kamal Poddar	-	-	9,341,784	-	-	9,341,784
Meenu Poddar	-	-	-	1,819	-	1,819
Arunkumar Poddar HUF	-	-	-	-	1,355	1,355
Kamal Poddar HUF	-	-	-	-	2,019	2,019
Sangita Ramratan Chirania	-	-	-	1,967,797	-	1,967,797
Manju Poddar	-	-	-	236	-	236
Sunil Bagaria HUF	-	-	-	-	62,519	62,519
Ajay Rajendra Kejriwal	-	-	-	11	-	11
Babita Kejriwal	-	-	-	235	-	235
Vijay R Kejriwal Huf	-	-	-	-	175,490	175,490
Snehlata bagaria	-	-	-	4,571,923	-	4,571,923
Narendra Kumar Makhantia Chirania	-	-	-	116,133	-	116,133
Total			9,341,784	6,689,437	241,393	16,272,603
Other Current Liabilities						
Ramratan Chirania	-	-	96	-	-	96
Sunil Bagaria	-	-	2,518	-	-	2,518
Nishita Ramratan Chirania	-	-	-	2,016,777	-	2,016,777
Vijay Rajendra Kejriwal	-	-	-	7,409	-	7,409
Rajendrakumar Kejriwal	-	-	-	539	-	539
Santosh Kumar Poddar Huf	-	-	-	-	26,175	26,175
Malti-devi Kejriwal	-	-	-	23	-	23
Total			2,614	2,024,749	25,175	2,053,537
Trade Payables						
Choice International Limited	5,706,116	-	-	-	-	5,706,116
Choice Consultancy Services Pvt. Ltd	-	3,256	-	-	-	3,256
Choice Techlab Solutions Pvt Ltd	-	173,252	-	-	-	173,252
S.K. Patodia & Associates	-	-	-	-	173,460	173,460
Total	5,706,116	176,548			173,460	6,056,124
Other Current Assets						
Choice Corporate Services Pvt Ltd	-	979	-	-	-	979
Total		979				979
Short term borrowings						
Choice Finserv Private Limited	-	41,074,208	-	-	-	41,074,208
Total		41,074,208				41,074,208



30 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 Rs.)	
	As at March 31, 2020	As at March 31, 2019
Employers' Contribution to Provident Fund	9,083,334	3,786,245
Employers' Contribution to ESIC	1,843,137	2,021,738
Total	10,926,971	5,807,983

2. Defined benefit plans

The Company offers the Gratuity as employee benefit schemes to its employees. The Company operates funded (Previous year: unfunded) post retirement defined plans for gratuity, details for which are as follows:-

Expenses recognised in the statement of profit & Loss	(Amount in Rs.)	
	As at March 31, 2020	As at March 31, 2019
Components of employer expense		
Current service cost	4,248,830	2,668,637
Interest cost	1,238,636	376,803
Expected return on plan assets	(5,477)	-
Past service cost	240,150	80,050
Actuarial (gains)/losses	(290,289)	(871,511)
Total expense recognised in the Statement of Profit and Loss	5,431,850	2,253,979

Table Showing Change in fair value of defined benefits obligation :	As at March 31, 2020	As at March 31, 2019
Opening Defined Benefit Obligation	16,415,167	4,930,598
Net transfer in/(out) obligation	(309,522)	9,356,693
Current Service cost	4,248,830	2,668,637
Interest cost	1,238,636	376,803
Actuarial (gain) /loss	(524,127)	(917,564)
Past Service Cost	-	-
Benefits paid	(2,943,929)	-
Closing Defined Benefit Obligation	18,125,055	16,415,167

Net liability recognised in the Balance Sheet	As at March 31, 2020	As at March 31, 2019
Present value of unfunded obligation	-	-
Present value of funded obligation	18,125,055	16,415,167
(+) Expenses recognised	(318,039)	(295,438)
Fair value of Plan Assets	(318,039)	(295,438)
Funded status (Deficit)	-	(240,150)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	17,807,016	15,879,579



Choice Equity Broking Private Limited

Experience Adjustments	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Experience adjustments on plan liabilities	(2,153,377)	(1,028,319)	(120,493)	296,114	337,022
Actuarial loss/(gain) due to change in demographic assumptions	(18,366)	-	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	1,898,578	110,755	(214,945)	225,580	(28,033)
Experience adjustments on plan assets	(17,124)	46,053	-	-	-
Net Actuarial loss/(gain) for the year	(290,289)	(871,511)	(335,438)	521,694	308,989
Actuarial assumptions				As at March 31, 2020	As at March 31, 2019
Discount Rate				6.85%	7.65%
Salary Growth Rate				6.00%	6.00%
Withdrawal Rate				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 actuary and relied upon by auditors.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

31 Amalgamation of Choice Merchandise Broking Private Limited with Choice Equity Broking Private Limited

The Board of Directors of Choice Equity Broking Private Limited ("CEBPL") and Choice Merchandise Broking Private Limited ("CMBPL") (both being wholly owned subsidiaries of Choice International Limited (CIL)) at their meeting held on December 8, 2017 (for CEBPL and CMBPL) and February 12, 2018 (for CIL) had approved, the merger of CMBPL, on an ongoing basis into CEBPL, pursuant to and in terms of the provisions of the Section 230 to 232 of the Companies Act, 2013, as amended from time to time.

The Hon'ble National Company Law Tribunal (NCLT) of Mumbai Bench, vide its order dated September 06, 2018 approved the Scheme (Order) with an appointed date of April 01, 2017. In terms of the Scheme, CMBPL & CEBPL filed Form No. INC-26 alongwith copy of the Order with the office of ROC, Mumbai. The ROC approval was received on October 01, 2018 and October 15, 2018 respectively post which the Scheme came into effect.

The accounting is in accordance with scheme of Amalgamation approved by NCLT and its effect given to the financial statements for the year ended March 31, 2019

The book value of assets and liabilities of Choice Merchandise Broking Private Limited taken over as on the April 01, 2017 are as follows :-

Particulars	Amount in Rs.
Assets	
Non-Current Assets	
(a) Property, Plant & Equipment's	
(i) Tangible Assets	49,056
(ii) Intangible Assets	13,369
(b) Non-Current Investments	37,455,137
(c) Deferred Tax Assets (net)	81,210
(d) Long-Term Loans and Advances	4,834,500
	42,433,272
Current Assets	
(a) Trade Receivables	15,309,507
(b) Cash and Bank Balances	84,283,264
(c) Short-Term Loans and Advances	3,865,448
(d) Other Current Assets	2,057,181
	105,515,420
	147,948,692
Liabilities	
Non-Current Liabilities	
(a) Other Long Term Liabilities	399,099
(b) Long-Term Provisions	291,164
	650,263
Current Liabilities	
(a) Short-Term Borrowings	6,162,867
(b) Trade Payables	4,964,980
(c) Other Current Liabilities	80,697,623
(d) Short-Term Provisions	754,189
	92,593,659
	93,285,922
Net Assets (Total Assets-Total Liabilities) (A)	54,668,770
Consideration Paid (B)	160,136,638
Goodwill (C) = (B)-(A)	45,477,668
Profit for the year 2017-18 (D)	69,514,132
Credit to Reserve & Surplus (D)-(C)	24,036,264

The Board of Directors of CEBPL, on October 1, 2018, issued and allotted 1,367,600 fully paid Equity Shares of Rs. 10/- each of CEBPL at a premium of Rs. 63.21 per share to the CIL aggregating to Rs.100,136,638 against its holding of 1,400,000 fully paid Equity Shares of Rs.10/- each of CMBPL, in the ratio of 0.977:1 i.e. the Share Exchange Ratio, provided under the Scheme.



Choice Equity Broking Private Limited

Accompanying notes to the financial statements

32 Contingent Liabilities not provided for:

Claims against the Company not acknowledged as Debts :

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax demand contested by the Company	4,489,450	-

The Company does not expect any outflow of economic resources in respect of the above.

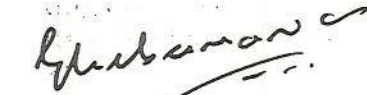
33 The main Business of the Company is Broking Services. All other activities revolve around the main business. Further all activities are carried out within India. As such there are no separate reportable segments as per Accounting Standard (AS)-17 on "Segment Reporting" prescribed under Section 133 of the Companies Act, 2013".

34 COVID Impact :

The management has assessed the potential impact of the COVID-19 on the financial statements of the Company and has determined that there is no significant impact on its financial statements. In assessing the value of the assets and liabilities, the Company has considered all the available information up to the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

35 Corresponding figures for the previous year have been reclassified and represented in accordance with the current year presentation wherever necessary

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



G. K. Subramaniam
Partner
Mem. No. :109839
Mumbai: August 04, 2020

For and on behalf of Board of Directors

Kamal Foddar
Director
(DIN:01518700)



Jay Kejriwal
Director
(DIN:03051841)

Pawan Kumar Dha
Company Secretary
Mem No.:-A 50137

Mumbai: August 04, 2020

Mumbai: August 04, 2020