Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center
Tower 3, 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai – 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITORS' REPORT ON SPECIAL PUPROSE IND AS FINANCIAL STATEMENT

TO THE BOARD OF DIRECTORS OF CHOICE EQUITY BROKING PRIVATE LIMITED

Introduction

We have audited the accompanying Special Purpose Ind AS Financial Statement of Choice Equity Broking Private Limited (the "Company") which has been prepared to enable Holding Company ("Choice International Limited") to prepare its Consolidated Financial Statements, which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (the "Statement"). This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and format of financial statement as required by Board of Directors of the Company (Refer Note 2 of Statement). Our responsibility is to issue an opinion on the Statement based on our audit.

Management Responsibility for the Special Purpose Ind AS Financial Statement.

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Company in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and format of financial statement as required by Board of Directors of the Company; this includes the design, implementation and maintenance of internal control 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.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control . An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view of the state of affairs of Company as at March 31, 2021, and of its results of operations and its cash flows for the year then ended in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and format of financial statement as required by Board of Directors of the Company

Other Matter

Company has prepared a separate set of financial statements for the year ended March 31, 2021 in accordance with Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India on which we issued a separate auditor's report to the management of Company dated June 25, 2021.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Restriction on Use and Distribution

This report has been issued at the request of the Company for submission to the Holding Company for the purpose of preparing the Consolidated Financial Statements of the Holding Company for the financial year ended March 31, 2021. As a result, our report may not be suitable for any other purpose. Our report is intended solely for the information of and use by the Holding Company, their auditors and the Board of Directors of the Company and is not intended to be and shall not be used by anyone other than these specified parties without our prior written consent.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

G.K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN: 21109839AAAAOR73f88

Place: Mumbai
Date: June 25, 2021

Choice Equity Broking Private Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

Particulars	Note No.	As at March 31, 2021		As at March 31, 2020	
Assets					
1 Non - Current Assets					
Property, Plant and Equipment	3	2,47,38,479		2,18,47,460	
Goodwill	4	8,25,00,000		8,25,00,000	
Other Intangible Assets	4	4,59,96,030		5,38,89,465	
Financial Assets					
(i) Investment in Equity Shares	5	12,18,27,908		12,16,13,788	
(ii) Other Financial Assets	6	3,78,61,120		3,84,91,773	
Income Tax Assets (Net)	7	23,99,879		25,17,920	
Other Non-Current Assets	8	2,18,134		3,50,825	
			31,55,41,550		32,12,11,231
2 Current Assets					
Securities Held For Trade	9	8,72,30,441		30,60,91,349	
Financial Assets					
(i) Trade Receivables	10	69,39,85,944		73,41,39,333	
(ii) Cash and Cash Equivalents	11	29,34,50,652		33,64,49,937	
(iii) Bank balance other than (ii) above	11	16,05,21,319		11,26,31,677	
(iv) Loans	12	13,76,37,066		69,20,290	
(v) Other Financial Assets	13	1,67,62,55,905		88,44,31,399	
Other Current Assets	14	2,42,94,997		4,39,73,985	
			3,07,33,76,324		2,42,46,37,970
TOTAL			3,38,89,17,874		2,74,58,49,201
EQUITY & LIABILITIES					
1 EQUITY					
Equity Share Capital	15	8,01,78,000		8,01,78,000	
Other Equity	16	83,03,82,874		79,59,45,620	
Total Equity			91,05,60,874		87,61,23,620
2 Non - Current Liabilities					
Provision	17	1,60,56,493		1,32,05,595	
Deferred Tax Liability (Net)	18	1,78,08,724		5,62,78,319	
Other Non-current Liabilities	19	2,41,12,795		2,18,36,373	
			5,79,78,012		9,13,20,287
3 Current Liabilities					
Financial Liabilities					
(a) Borrowings	20	23,11,49,114		51,14,18,110	
(b) Trade Payables	21				
(i) Total outstanding dues of micro enterprises and small enterprises		69,96,104		-	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,78,60,782		4,59,38,722	
(c) Other Financial Liabilities	22	1,98,15,34,794		1,10,15,64,020	
Other Current Liabilities	23	7,34,83,788		11,41,34,003	
Provisions	24	5,93,54,406		53,50,439	
			2,42,03,78,988		1,77,84,05,294
TOTAL			3,38,89,17,874		2,74,58,49,201

Notes 1 to 44 forms part of the Financial Statements

As per our report attached

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

G. K. Subramaniam
Partner
Mem. No. :109839
Mumbai: June, 25 2021

For and on behalf of Board of Directors

Kamal Poddar
Director
(DIN-01518700)

Ajay Kejriwal
Director
(DIN-03051841)

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

Mumbai: June, 25 2021

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Choice Equity Broking Private Limited

Statement of Profit and Loss for Year ended March 31, 2021

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2021		For the year ended March 31, 2020	
I Income					
Revenue from Operations	25	95,13,55,583		80,14,82,503	
Other Income	26	11,59,00,419		5,44,09,153	
Total Revenue			1,06,72,56,002		85,58,91,656
II Expenses					
Operating Expenses	27	58,55,47,132		22,98,96,035	
Employee Benefits Expense	28	25,17,45,704		26,90,70,179	
Finance Costs	29	7,03,27,688		7,04,33,410	
Depreciation & Amortisation	3 & 4	1,59,77,409		1,71,93,542	
Other Expenses	30	9,50,36,341		10,39,98,836	
Total Expense			1,01,86,34,274		69,05,92,002
III Profit Before Tax (I-II)			4,86,21,728		16,52,99,654
IV Tax Expense / (Benefit):					
(a) Current Tax		5,43,82,874		2,34,09,420	
(b) (Excess) / Short Provision of Earlier Year Tax		14,01,532		(14,59,160)	
(c) Deferred Tax		(3,98,84,478)		1,61,49,057	
			1,58,99,928		3,80,99,317
V Profit for the Year (III-IV)			3,27,21,800		12,72,00,337
VI Other Comprehensive Income					
Fair Value of Employee Benefit Obligation		22,92,407	-	2,90,289	
Tax Effect on above		(5,76,953)	17,15,454	(80,758)	2,09,531
VII Total Comprehensive Income for the year			3,44,37,254		12,74,09,868
VIII No. of equity shares for computing EPS					
(1) Basic			80,17,800		80,17,800
(2) Diluted			80,17,800		80,17,800
VI Earnings Per Equity Share (Face Value ₹ 10 Per Share):	31				
(1) Basic (in ₹)			4.08		15.86
(2) Diluted (in ₹)			4.08		15.86

Notes 1 to 44 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
Partner
Mem. No. :109839
Mumbai: June, 25 2021

For and on behalf of Board of Directors

Kamal Poddar
Director
(DIN-01518700)

Ajay Kejriwal
Director
(DIN-03051841)

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

Mumbai: June, 25 2021

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Choice Equity Broking Private Limited

Cash Flow Statement

(Amount in ₹)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A. Cash flow from Operating Activities		
Profit Before Tax	4,86,21,727	16,52,99,654
Adjustments for:		
Depreciation and Amortisation	1,59,77,409	1,71,93,542
Interest income	(11,53,64,958)	(5,18,91,225)
Finance costs	7,03,27,688	7,04,33,410
Gain on securities held for trade	20,93,86,806	(4,31,48,620)
Profit on Sale of Long Term Investment	(2,14,119)	(18,92,009)
Loss/(Profit) on Sale of Property, Plant and Equipment	3,906	(2,80,950)
Balances written off	2,00,00,000	4,20,000
Provision for Doubtful Trade Receivables	-	75,00,000
Operating Profit before Working Capital changes	24,87,38,459	16,36,33,802
Changes in Working Capital		
- Decrease in Inventories	94,74,102	10,07,80,487
- (Increase)/Decrease in Trade receivables	2,01,53,386	(20,02,79,284)
- Decrease/(Increase) in Other Current Assets	(77,21,45,518)	33,74,42,319
- Decrease in Other Non Current Assets	1,32,692	2,55,559
- Decrease in Other Financial Assets	6,30,653	40,03,652
- (Increase) in Advances	(13,07,16,776)	(38,06,482)
- Increase/(Decrease) in Trade payables	3,09,43,164	(79,84,973)
- Increase/(Decrease) in Other Liabilities (Current)	(4,34,31,416)	4,13,29,588
- Increase in Other Current Financials Liabilities	87,79,45,774	5,70,10,656
- Increase/(Decrease) in Other Liabilities (Non-Current)	22,76,422	(20,065)
- Increase in Provisions (Current and Non-Current)	2,47,31,299	20,65,468
Cash generated from operations	26,87,32,241	49,44,30,726
- Income Tax Paid (Net)	(2,04,12,461)	(1,42,30,155)
Net cash flow (used in) / from Operating Activities (A)	24,83,19,780	48,02,00,571
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipments (including CWIP)	(1,09,80,400)	(1,35,86,356)
Proceeds from Sale of Property, Plant and Equipments	1,500	9,55,96,444
Proceeds from Sale of Investments	-	97,41,960
Purchase of Long Term Investments	-	(6,12,50,005)
Movement in Other Bank Balances (Net)*	(5,56,92,295)	(3,40,47,311)
Interest received	12,31,67,611	5,77,27,676
Net cash flow from Investing Activities (B)	5,64,96,416	5,41,82,408
C. Cash flow from Financing Activities		
Net Repayment of Short Term Borrowings from Banks and Financial Institutions (Net) **	(28,02,68,996)	(16,21,56,945)
Net Proceeds from Short Term Borrowings from Holding Company (Net)	-	(4,10,74,208)
Finance costs paid	(6,75,46,485)	(6,74,88,272)
Net cash flow (used in) Financing Activities (C)	(34,78,15,481)	(27,07,19,425)
D. Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	(4,29,99,285)	26,36,63,553
Opening Cash and Cash Equivalents	33,64,49,937	7,27,86,383
Closing Cash and Cash Equivalents	29,34,50,652	33,64,49,937

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Choice Equity Broking Private Limited

Cash Flow Statement

Components of Cash and Bank Balances		
Cash on Hand	2,996	8,723
Balances in Bank Account	29,34,47,656	33,64,41,214
Cash and Cash Equivalents	**29,34,50,652**	**33,64,49,937**
Fixed Deposits with Banks (under Lien)	16,05,21,319	11,26,31,677
Cash and Bank Balances	**45,39,71,971**	**44,90,81,614**

*During the year ended March 31, 2021, the Company has created / renewed fixed deposits with banks aggregating ₹ 29,10,63,569/- (PY : ₹ 107,241,686 /-) and placed in lien against Bank Guarantee and received repayment of fixed deposits aggregating ₹ 29,74,97,303/- (PY:₹ 85,074,831/-)

**During the year ended March 31, 2021, the Company has taken loan from Banks and Financial Institutions aggregating ₹ 5,616,407,791/- (PY ₹ 18,961,105,744/-) and repaid loans aggregating ₹ 5,336,138,795/- (PY : ₹ 19,123,262,689 /-), thereby net cash outflow of ₹ 280,268,996/- (PY:₹ 162,156,945/-) shown above.

Notes 1 to 44 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
Partner
Mem. No. :109839

Mumbai: June, 25 2021

For and on behalf of Board of Directors

Kamal Poddar
Director
(DIN-01518700)

Ajay Kejriwal
Director
(DIN-03051841)

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

Mumbai: June, 25 2021

CHOICE EQUITY BROKING PRIVATE LIMITED
MUMBAI

Choice Equity Broking Private Limited

Standalone Statement Of Changes In Equity For The Year Ended March 31, 2021

A : Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

(Amount in ₹)

Particulars	Numbers of Shares	Amount
Balance as at the April 1, 2019	80,17,800	8,01,78,000
Changes in equity share capital during the Year ended March 31, 2020	-	-
Balance as at March 31, 2020	80,17,800	8,01,78,000
Changes in equity share capital during the Year ended March 31, 2021	-	-
Balance at the March 31, 2021	80,17,800	8,01,78,000

B : Other Equity

(Amount in ₹)

Particulars	Reserve and Surplus				Total Other Equity
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprhensive Income	
Balance at the April 01, 2019	3,97,000	41,13,58,638	25,58,86,970	8,93,144	66,85,35,752
Profit after Tax	-	-	12,72,00,337	-	12,72,00,337
Other Comprehensive Income	-	-	-	2,09,531	2,09,531
Addition during the year	-	-	-	-	-
Addition On account of Merger	-	-	-	-	-
Transferred to Statutory Reserve	-	-	-	-	-
Balance as at March 31, 2020	3,97,000	41,13,58,638	38,30,87,307	11,02,675	79,59,45,620
Profit for the year	-	-	3,27,21,800	-	3,27,21,800
Other Comprehensive Income	-	-	-	17,15,454	17,15,454
Addition during the year	-	-	-	-	-
Transferred to Statutory Reserve	-	-	-	-	-
Balance as at March 31, 2021	3,97,000	41,13,58,638	41,58,09,107	28,18,129	83,03,82,874

The notes referred to above are an integral part of the financial statements.

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

G. K. Subramaniam
Partner
Mem. No. :109839
Mumbai: June, 25 2021

For and on behalf of Board of Directors

Kamal Poddar
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Ajay Kejriwal
Director
(DIN-03051841)

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

Mumbai: June, 25 2021

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Choice Equity Broking Private Limited

Notes to financial statements for the year ended March 31, 2021

1. Corporate Information

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 Compny holds licenses to trade on the stock exchanges.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. Functional and presentation current

The Company's presentation and functional currency is Indian Rupees. All figures appearing in the financial statements are in Indian rupees as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

iii. Basis of measurement

The financial statements have been prepared on historical cost basis except for certain financial assets and liabilities are measured at fair value as explained in the accounting policy. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Further assets and liabilities are classified as per the normal operating cycle (determined as 12 months).

iv. Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 - Valuation using quoted market price in active markets: The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. A market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

• Level 2 - Valuation using observable inputs: If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.

• Level 3 - Valuation with significant unobservable inputs: The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

v. Use of judgment and Estimates

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue & expenses for the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the year in which the results are known or materialise i.e. prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas involving estimation uncertainty, higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements include:

i) Impairment of financial assets
ii) Estimation of fair value measurement of financial assets and liabilities
iii) Effective interest rate
iv) Business model assessment
v) Provisions and Contingencies
vi) Useful life and expected residual value of assets
vii) Tax position for current tax and recognition of deferred tax assets/liabilities
viii) Measurement of Defined Benefit Obligations and actuarial assumptions
ix) Classification of lease and related discount rate

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Choice Equity Broking Private Limited

Notes to financial statements for the year ended March 31, 2021

Summary of significant accounting policies

1. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non–current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

2. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

Brokerage Income

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

Sale of services

The Company recognizes revenue from on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to its realization or collection.

Interest Income

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Income from sale of investment

Gains or losses on the sale of investments are recognised in Statement of profit and loss on trade date basis as the difference between fair value of the consideration received and carrying amount of the investment securities.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

3. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company`s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

'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 are being amortised over a period of five years.

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

'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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. Intangible Assets

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost. The amortization period and the amortisation method are reviewed at the end of each financial year. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with infinite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

5. Segment Reporting

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. Hence, there are no separate reportable segments as per Indian Accounting Standard (Ind As)-108 on "Operating Segments".

6. Foreign exchange transactions and translations

a) Initial recognition: Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

b) Conversion: Transactions in currencies other than Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and

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liabilities denominated in foreign currencies are generally recognised in Statement of Profit and Loss.

Non-monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions and are not retranslated at the reporting date.

7. Taxation

Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside the profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The promulgated Taxation Law (Amendment) Ordinance 2019 has inserted section 115BBA in the Income Tax Act, 1961 providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The Company has irreversibly opted for the new tax rate i.e. 25.17%

8. Impairment of Non-Financial Assets

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At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

9. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

Amortised cost - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual

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terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

FVOCI - debt instruments - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

b) Subsequent measurement

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain and loss on derecognition is recognised in Statement of Profit and Loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

For equity investments, the Company makes selection on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These selected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of Profit and Loss. Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of Profit and Loss.
Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

c) De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

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The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

In view of the fact that the entire trade receivables are from its subsidiaries and other group companies, there is no lifetime credit losses expected by the Company.

Write offs – The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could

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generate sufficient cash flows to repay the amounts subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Presentation of allowance for ECL in the Balance Sheet – Loss allowances for ECL are deducted from the gross carrying amount of financial assets measured at amortised cost.

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the comapny that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

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Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

c) Derecognition

A financial liability is derecognised when and only when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

10. Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. The Company's lease asset classes primarily consist of leases for Premises. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2018.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company as a lessee The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves- a) the use of an identified asset, b) the right to obtain substantially all the economic benefits from use of the identified asset, and c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets (assets of less than Rs. 10 Lakhs in value). Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The ROU assets is depreciated using the straightline method from the commencement date over the shorter of lease term or useful life of ROU assets.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the ROU assets. Where the carrying amount of the ROU assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in the Statement of Profit and Loss.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

11. Finance Costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include debt and borrowing, Finance costs are charged to the Statement of Profit and Loss. Ancillary and other borrowing costs are amortised on straight line basis over the tenure of the underlying debt and borrowing.

12. Goods and Service Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

13. Dividend distribution to equity holders of the Company

The Company recognises a liability to make distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company

xvi. Provisions

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Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:
Contingent assets are not recognised in the financial statements

14. Commitments:

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on loan sanctioned and on investments partly paid; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

15. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

16. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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17.Statement of Cash Flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:
i. changes during the period in inventories and operating receivables and payables transactions of a noncash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

18. Employee Benefits

Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term employee benefits

Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss

Post-employment benefits

a) Defined contribution Plans

Provident fund: Contributions as required under the statute, made to the Provident Fund (Defined Contribution Plan) are recognised immediately in the Statement of Profit and Loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

ESIC and Labour welfare fund: The Company's contribution paid/payable during the year to Employee state insurance scheme and Labour welfare fund are recognised in the Statement of Profit and Loss.

b) Defined benefit Plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

Defined benefit costs are categorised as follows:

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i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
ii) Net interest expense or income
iii) Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI, net of taxes. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

The Company's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is recognised as an asset to the extent of present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

19. Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letter of credit/guarantees, receivables, inventories, other non-financial assets and credit enhancements such as netting arrangements.

The Company provides fully secured, partially secured and unsecured loans to Corporates and individual.

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Choice Equity Broking Private Limited

Accompanying notes forming part to the financial statements

Note 3: Property, Plant and Equipment

(Amount in ₹)

Particulars	Building	Computer Hardwares	Server & Network	Furniture & Fittings	Office Equipment	Motor Car	Motor Cycle	Total
Gross carrying amount as at April 01, 2019	**9,53,10,600**	**5,15,61,520**	**1,82,08,912**	**2,84,09,013**	**2,51,98,163**	**18,80,892**	**80,000**	**22,06,49,100**
Additions	-	6,04,316	45,80,001	-	10,01,159	-	-	**61,85,476**
Transfer/ Disposal	(9,53,10,600)	-	-	(745)	-	-	-	**(9,53,11,345)**
Loss on Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	-	**5,21,65,836**	**2,27,88,913**	**2,84,08,268**	**2,61,99,322**	**18,80,892**	**80,000**	**13,15,23,231**
Additions / Transfer	-	6,74,519	98,75,550	-	4,30,331	-	-	1,09,80,400
Disposals	-	-	-	-	(16,000)	-	-	(16,000)
As at March 31, 2021	-	**5,28,40,355**	**3,26,64,463**	**2,84,08,268**	**2,66,13,653**	**18,80,892**	**80,000**	**14,24,87,631**
Accumulated depreciation as at April 01, 2019	**1,73,648**	**4,74,30,268**	**76,07,621**	**2,44,97,384**	**1,87,17,529**	**13,78,832**	**47,208**	**9,98,52,490**
Depreciation charge during the year	(1,73,648)	32,15,820	35,20,907	7,71,896	22,43,057	2,31,536	7,600	98,17,168
Accumulated depreciation on deletions	-	84,963	-	(78,850)	-	-	-	6,113
As at March 31, 2020	-	**5,07,31,051**	**1,11,28,528**	**2,51,90,430**	**2,09,60,586**	**16,10,368**	**54,808**	**10,96,75,771**
Depreciation charge during the year	-	10,10,238	40,32,850	7,29,152	20,72,599	2,31,536	7,600	80,83,975
Accumulated depreciation on deletions	-	-	-	-	(10,594)	-	-	(10,594)
As at March 31, 2021	-	**5,17,41,289**	**1,51,61,378**	**2,59,19,582**	**2,30,22,591**	**18,41,904**	**62,408**	**11,77,49,152**
Net carrying amount as at March 31, 2021	-	10,99,066	1,75,03,085	24,88,686	35,91,062	38,988	17,592	2,47,38,479
Net carrying amount as at March 31, 2020	-	14,34,785	1,16,60,385	32,17,838	52,38,736	2,70,524	25,192	2,18,47,460

Choice Equity Broking Private Limited

Accompanying notes forming part to the financial statements

Note 4: Intangible Assets

(Amount in ₹)

Particulars	Computer Softwares	Intangible Asset Under Development	Goodwill	Total
Gross carrying amount as at April 01, 2019	14,80,51,323	30,33,665	8,25,00,000	23,35,84,988
Additions	1,04,34,545	-	-	1,04,34,545
Transfer/ Deduction	-	(30,33,665)	-	(30,33,665)
Loss on Disposals		-	-	-
As at March 31, 2020	15,84,85,868	-	8,25,00,000	24,09,85,868
Additions / Transfer	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2021	15,84,85,868	-	8,25,00,000	24,09,85,868
Accumulated depreciation as at April 01, 2019	9,72,21,995	-	-	9,72,21,995
Amortisation charge during the year	73,76,371	-	-	73,76,371
Disposals	(1,963)	-	-	(1,963)
As at March 31, 2020	10,45,96,403	-	-	10,45,96,403
Amortisation charge during the year	78,93,435	-	-	78,93,435
Disposals	-	-	-	-
As at March 31, 2021	11,24,89,838	-	-	11,24,89,838
Net carrying amount as at March 31, 2021	4,59,96,030	-	8,25,00,000	12,84,96,030
Net carrying amount as at March 31, 2020	5,38,89,465	-	8,25,00,000	13,63,89,465

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Accompanying notes forming part to the financial statements

Note 5 - Investment in Equity Shares

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Investments at FVTPL in quoted equity shares fully paid-up within India		
(a) 980 (PY: 980) equity shares of ₹ 10/- each of GSL Securities Limited	4,204	2,606
(b) 22,023 (PY : 22,023) equity shares of ₹ 10/- each of Lawreshwar Polymers Limited	5,73,699	3,61,177
Total (A)	**5,77,903**	**3,63,783**
Investments in unquoted equity shares fully paid-up within India		
(c) 25,00,000 (PY : 25,00,000) equity shares of ₹ 10/- each of Choice Finserv Private Limited.	5,00,00,000	5,00,00,000
(d) 10,00,000 (PY : 10,00,000) equity shares of ₹ 10/- each of Choice Portfolio Management Services Private Limited.	1,00,00,000	1,00,00,000
(e) 6,41,579 (PY : 6,41,579) equity shares of ₹ 10/- each of Choice Wealth Management Private Limited.	6,09,50,005	6,09,50,005
(f) 10,000 (PY : 10,000) equity shares of ₹ 10/- each of Choice Techlab Solution Privaate Limited.	1,00,000	1,00,000
(g) 10,000 (PY : 10,000) equity shares of ₹ 10/- each of Choice Corporate Services Private Limited.	1,00,000	1,00,000
(h) 10,000 (PY : 10,000) equity shares of ₹ 10/- each of Choice Retail Private Limited.	1,00,000	1,00,000
Total (B)	**12,12,50,005**	**12,12,50,005**
Total (A+B)	**12,18,27,908**	**12,16,13,788**

Note 6 - Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits to stock exchange	2,64,25,334	2,72,25,834
Other Security deposits	83,49,194	83,19,479
Fixed deposit (with Maturity of more than 12 Months)*	25,00,000	25,00,000
Interest Accrued on Deposit	5,86,592	4,46,460
	3,78,61,120	**3,84,91,773**

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

Note 7 - Income Tax Asset (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Tax (net of provisions)	23,99,879	25,17,920
	23,99,879	**25,17,920**

Note 8 - Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Rent	2,18,134	3,50,825
	2,18,134	**3,50,825**

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Accompanying notes forming part to the financial statements

Note 9 - Securities held for Trade

Particulars	As at March 31, 2021	As at March 31, 2020
Shares and Securities*	8,72,30,441	30,60,91,349
	8,72,30,441	30,60,91,349

* Fair Value has taken nil for securities which are suspended for trading at the stock exchange.

Note 10 - Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable Considered Good - Secured*	64,64,67,990	73,41,39,333
Trade Receivable Considered Good - Unsecured	4,75,17,954	-
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivable Considered Doubtful - Unsecured	17,14,628	64,57,812
Less: Allowance for credit Losses	(17,14,628)	(64,57,812)
	69,39,85,944	73,41,39,333

* Secured against Securities given as collateral by the customers

Note: The above includes amounts receivable from customers aggregating ₹ -1,870,992 (PY: ₹ 8,810,275) on account of their purchases made which are due for payment after March 31, 2021, based on settlement date as per the clearing process of stock exchanges.

Note 11 - Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Cash and Cash equivalents		
(i) Balances with Banks :		
- Current Accounts	29,33,05,667	33,64,41,214
- Prepaid Card	1,41,989	-
(ii) Cash-in-hand	2,996	8,723
Total	29,34,50,652	33,64,49,937
(B) Bank balance other than (ii) above		
(i) Fixed Deposits with Bank	16,05,21,319	11,26,31,677
	16,05,21,319	11,26,31,677

* 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)

Note 12 - Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured Advances considered good		
Loan to employees	25,02,509	19,38,679
Loans Given to Related Party (Refer Note No. 35)	13,51,34,557	49,81,611
	13,76,37,066	69,20,290

Note 13 - Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Receivables from Exchanges*	12,48,11,675	1,80,82,894
Unbilled Revenue	23,90,463	12,44,531
Margin Money	1,52,30,50,000	85,25,00,000
Interest accrued on margin deposit	2,60,03,767	1,26,03,974
	1,67,62,55,905	88,44,31,399

*The above includes amounts receivable from stock exchanges aggregating ₹ 120,597,029 (PY : ₹ 11,464,295) on account of sales made by customers which are due for payment after March 31, 2021, based on settlement falling due post balance sheet date.

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Note 14 - Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Other assets	10,26,161	2,13,90,035
Balance with statutory/revenue authorities	-	-
Advance to vendors	94,04,121	63,30,430
Prepaid Expenses	1,38,64,715	1,62,53,520
	2,42,94,997	**4,39,73,985**

Note 15 - Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
Details of authorised, issued and subscribed equity share capital		
Authorised Capital		
9,500,000 (PY : 9,500,000) Equity Shares of ₹ 10/- each	**9,50,00,000**	**9,50,00,000**
Issued Capital		
8,017,800 (PY : 8,017,800) Equity Shares of ₹ 10/- each	**8,01,78,000**	**8,01,78,000**
Subscribed and Paid up Capital		
8,017,800 (PY - 8,017,800) Equity Shares of Rs. 10/- each	8,01,78,000	8,01,78,000
	8,01,78,000	**8,01,78,000**

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

(a) The company has only one class of share capital, i.e., equity shares having face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.The shareholders are entitled to interim dividend if proposed by the Board of Directors. The final dividend is subject to approval of the 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	80,17,800	80,17,800
Add : Equity shares issued during the year	-	-
Number of equity shares at the end of the year	**80,17,800**	**80,17,800**

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

Choice International Ltd. and its nominee	Holding Company	**80,17,800**	**80,17,800**
		100.00%	**100.00%**

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Note 16 - Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
General Reserve		
Opening Balance	3,97,000	3,97,000
Add : Transferred from statement of profit & loss	-	-
Closing Balance	3,97,000	3,97,000
Securities Premium :		
Opening Balance	41,13,58,638	41,13,58,638
Add: Received on equity shares issued during the year	-	-
Closing Balance	41,13,58,638	41,13,58,638
Retained Earnings :		
Opening Balance	38,30,87,307	25,58,86,970
Add : Profit for the year	3,27,21,800	12,72,00,337
Closing Balance	41,58,09,107	38,30,87,307
Other Comprehensive Income		
Opening Balance	11,02,675	8,93,144
Add : Transferred from statement of profit & loss	17,15,454	2,09,531
Closing Balance	28,18,129	11,02,675
	83,03,82,874	79,59,45,620

Note 17 - Provisions- Non Current

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Provision for Gratuity (Refer Note No. 34)	1,60,56,493	1,32,05,595
	1,60,56,493	1,32,05,595

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Choice Equity Broking Private Limited

Accompanying notes Forming part to the financial statements

Note 18 : Deferred Tax Liabilities - (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows: **(Amount in ₹)**

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Deferred Tax (Assets)/ Liabilities arising on account of timing differences in:		
Property, Plant and Equipment - Depreciation	1,84,00,000	1,60,33,000
Provision for employee benefit expenses	(60,43,951)	(52,42,998)
Provision for Doubtful Debts	(4,77,000)	(17,97,000)
Fair Value of Investment	(23,448)	(77,337)
Deferred Tax on Fair vlaue of Employee benefit expenses through (OCI)	9,71,519	3,94,566
Deferred Tax Asset on Goodwill	28,68,938	28,68,938
Deferred Tax Liability on F.V. of Inventory	21,92,427	4,55,38,488
Others	(79,761)	(14,39,337)
Deferred Tax (Assets)/ Liabilities (net)	**1,78,08,724**	**5,62,78,319**

Movement in Deferred Tax Libilities /(Asssets)

(Amount in ₹)

Particular	**Property, Plant and Equipment - Depreciation**	**Provision for Employee Benefit Expenses**	**Provision for Dobutful Debts**	**Fair Value of Investment**	**Goodwill**	**Fair Valuation of Inventory**	**Others**	**Total**
As at April 01, 2019	96,44,000	(20,94,191)	(6,70,000)	(30,940)	28,68,938	3,17,70,035	(90,24,300)	3,24,63,541
Charged/ (Credited):								
To Profit or Loss	63,89,000	(28,35,000)	(11,27,000)	(46,397)	-	1,37,68,454	-	1,61,49,056
To Other Comprehensive Income	-	80,758	-	-	-	-	-	80,758
MAT Credit Created/ Utilised	-	-	-	-	-	-	75,84,963	75,84,963
As at March 31, 2020	1,60,33,000	(48,48,432)	(17,97,000)	(77,337)	28,68,938	4,55,38,488	(14,39,337)	5,62,78,319
Charged/ (Credited):								
To Profit or Loss	23,67,000	(8,00,953)	13,20,000	53,890	-	(4,33,46,061)	5,21,646	(3,98,84,478)
To Other Comprehensive Income	-	5,76,953	-	-	-	-	-	5,76,953
MAT Credit Utlilised	-	-	-	-	-	-	8,37,930	8,37,930
As at March 31, 2021	**1,84,00,000**	**(50,72,432)**	**(4,77,000)**	**(23,448)**	**28,68,938**	**21,92,427**	**(79,761)**	**1,78,08,724**

CHOICE EQUITY BROKING PRIVATE LIMITED
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Note 19 - Other Non-Current Labilities

Particulars	As at March 31, 2021	As at March 31, 2020
Franchisee and other deposits	2,41,12,795	2,18,36,373
	2,41,12,795	2,18,36,373

Note 20 - Borrowings (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured loans		
Bank Overdraft *	23,11,49,114	51,14,18,110
	23,11,49,114	51,14,18,110

* Bank overdraft facility taken from Indusind Bank which has been covered against hypothecation of receivables.

* Bank overdraft facility taken from Punjab National Bank which was covered against property of parent company. During the FY 20-21, the company has fully repaid the loan amount to PNB.

Note 21 - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to Micro, Small and Medium Enterprises	69,96,104	-
Other than Micro, Small and Medium Enterprises	6,78,60,782	4,59,38,722
	7,48,56,886	4,59,38,722

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

(Amount in `)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the year	69,96,104	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

Note 22 - Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Advance received from customers*	1,98,15,34,794	1,10,15,64,020
	1,98,15,34,794	1,10,15,64,020

*The above includes amounts payable to customers aggregating ₹ 111,826,512 (PY : ₹ -48,168,824) on account of their sales made which are due for receipt after March 31, 2021 from the exchanges, based on settlement falling due post balance sheet date.

Accompanying notes forming part to the financial statements

Note 23 - Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Franchisee and other deposits	42,50,000	70,00,000
(b) Others		
i) Statutory dues	1,01,53,051	1,46,88,629
ii) Other liabilities	5,90,80,737	9,24,45,374
	7,34,83,788	11,41,34,003

Note 24 - Provision- Current

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Provision for compensated absence	8,78,846	4,97,082
- Provision for Gratuity (Refer Note No. 34)	45,16,189	46,01,421
Provision for Expenses	1,92,91,460	-
Provision for Tax (net of advances)	3,46,67,911	2,51,936
	5,93,54,406	53,50,439

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Accompanying notes forming part to the financial statements

Note 25 - Revenue From Operations

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Brokerage Income	83,58,73,115	60,60,37,579
Fair Value gain on Securities held for trade	-	6,17,75,508
Delayed Payment Charges	8,42,99,364	11,42,00,624
Other Fees and Charges	3,11,83,104	1,94,68,792
	95,13,55,583	**80,14,82,503**

Note : The above includes Brokerage Income from Clients aggregating ₹ 4,059,515 (P.Y. ₹ 2,188,730) on account of purchases and sales made by them which are due for payment after March 31, 2021, based on settlement falling due post March 31, 2021.

Note 26 - Other Income

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income	11,53,64,958	5,18,91,225
Gain on sale of Investment	-	55,63,541
Fair Value Gain on Investment	2,14,119	(36,71,532)
Profit on Sale of Fixed Assets	-	2,80,950
Interest Income on Security Deposit	1,62,650	2,15,513
Other Non operating Income	1,58,692	1,29,456
	11,59,00,419	**5,44,09,153**

Note 27 - Operating Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sub-brokerage and Referral fees	28,03,98,456	16,44,08,190
Loss on sale of securities held for trade	3,71,59,927	1,86,26,888
Fair Value loss on Securities held for trade	17,22,26,879	-
Computer and Software Expenses	7,60,57,772	2,98,38,027
Professional Charges	-	44,046
Depository Charges	80,56,060	51,50,844
Membership and Subscription Charges	4,81,625	14,62,304
Lease Line Expenses	80,05,812	47,19,881
Exchange Charges	57,871	2,12,930
Other Operating Expenses	31,02,730	54,32,925
	58,55,47,132	**22,98,96,035**

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Accompanying notes forming part to the financial statements

Note 28 - Employee Benefit Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries Bonus and allowances	24,21,50,548	25,81,37,124
Contribution to provident fund and other Funds	90,53,783	1,09,33,055
Staff Welfare Expenses	5,41,373	-
	25,17,45,704	**26,90,70,179**

Note 29 - Finance Cost

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest on Borrowings from		
Banks	6,07,40,778	4,33,55,398
Financial Institutions	-	1,82,58,015
(b) Other borrowing costs	95,86,910	88,19,997
	7,03,27,688	**7,04,33,410**

Note 30 - Other Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Business Support Charges	55,35,293	80,07,395
Rent Expenses	2,71,65,393	3,22,87,193
Marketing and Advertisement Expenses	23,41,319	85,22,940
Claims and Dispute Expenses	66,92,269	33,47,014
Communication expenses	95,99,930	72,52,625
Travelling and Conveyance Expenses	31,27,999	43,09,007
Repairs and Maintenances	20,92,584	36,84,782
Legal and professional fees	71,61,630	84,58,616
Audit Fees	23,00,000	23,00,000
Office Expenses	22,00,608	38,79,518
Bad Debts written Off	2,00,00,000	34,51,024
Provision for doubtful debts		40,48,976
Printing and stationery	9,39,727	17,98,443
Electricity Charges	36,25,113	55,77,259
Rates and taxes	3,400	53,37,067
Loss on sale of Fixed Assets	-	
CSR Expenses	11,81,483	-
Miscellaneous Expenses	9,05,968	15,13,746
Rental Expenses	1,63,625	2,23,231
	9,50,36,341	**10,39,98,836**
Payment made to statutory auditors		
- For audit	23,00,000	23,00,000
	23,00,000	**23,00,000**

Details for CSR Expenditure :

1. Gross amount required to spend by the Company	11,81,483	-
2. Amount spend during the year		
a. Provision made during the year	11,81,483	-

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Accompanying notes forming part to the financial statements

Note 31 - Earning Per Share

Profit attributable to Equity shareholders	3,27,21,800	12,72,00,337
Weighted average number of equity shares	80,17,800	80,17,800
Basic Earnings Per Share	**4.08**	**15.86**
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	3,27,21,800	12,72,00,337
Weighted average number of equity share after considering potential equity shares	80,17,800	80,17,800
Dilutive Earnings per Share	**4.08**	**15.86**

Choice Equity Broking Private Limited

Accompanying notes forming part to the financial statements

Note 32 - Contingent Liabilities and Commitments

A Contingent Liabilities*

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Income tax demand contested by the Company	44,89,450	44,89,450
Total	**44,89,450**	**44,89,450**

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

B Capital Commitments- Nil

Note 33 - Reconciliation of Tax Expenses and the accounting profit multiplied by India's Tax Rate

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit Before Tax	4,86,21,728	16,52,99,654
Enacted Income Tax Rate (%)	25.17%	27.82%
Income Tax Expenses calculated at applicable income tax rate	1,22,37,116	4,59,86,364
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses that are not deductible for tax purposes	5,65,16,644	94,83,955
Deductions available under income tax (including interest u/s 234B&C)	(1,43,70,886)	(3,20,60,899)
Total	5,43,82,874	2,34,09,420
Income Tax for Earlier Year	14,01,532	(14,59,160)
Income Tax Expenses recognised in Profit & Loss	5,43,82,874	2,34,09,420
Deferred tax recognised in Profit & Loss	(3,98,84,478)	1,61,49,056
Total Tax Recognised in Profit & Loss	1,58,99,928	3,80,99,316
Actual Effective Income Tax Rate	32.70%	23.05%

Note 34 - Employee Benefit Obligations

1. Defined Contribution Plan

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

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	78,90,994	90,83,834
Employer's Contribution to ESIC	11,54,797	18,43,137
Total	**90,45,791**	**1,09,26,971**

2. Defined benefit plans

Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

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Accompanying notes forming part to the financial statements

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over

	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-19	**1,64,15,167**	**(2,95,438)**	**1,61,19,729**
Transfer In Obligation	**(3,09,522)**		**(3,09,522)**
Current Service cost	42,48,830		42,48,830
Interest expense/(income)	12,38,636	(5,477)	12,33,159
Total amount recognised in profit or loss	**54,87,466**	**(5,477)**	**54,81,989**
Remeasurements			
(Gain)/loss from change in financial assumptions	18,98,578	(17,124)	18,81,454
(Gain)/loss from change in demographic assumptions	(18,366)		(18,366)
Experience (gains)/losses	(21,53,377)		(21,53,377)
Total amount recognised in other comprehensive income	**(2,73,165)**	**(17,124)**	**(2,90,289)**
Employer contributions	-	-	-
Benefit payments	(31,94,891)	-	(31,94,891)
31-Mar-20	**1,81,25,055**	**(3,18,039)**	**1,78,07,016**

	Present value of obligation	Fair value of Plan assets	Net amount
01 April 2020	**1,81,25,055**	**(3,18,039)**	**1,78,07,016**
Transfer (Out) Obigation	1,20,379		**1,20,379**
Current Service cost	43,99,652		43,99,652
Interest expense/(income)	12,34,724	(1,64,296)	10,70,428
Total amount recognised in profit or loss	**56,34,376**	**(1,64,296)**	**54,70,080**
Remeasurements			
Return on plan assets, excluding amounts included in			-
(Gain)/loss from change in financial assumptions	-	1,87,570	1,87,570
(Gain)/loss from change in demographic assumptions	-		-
Experience (gains)/losses	(24,79,977)		(24,79,977)
Total amount recognised in other comprehensive income	**(24,79,977)**	**1,87,570**	**(22,92,407)**
Employer contributions	-		-
Benefit payments	(5,32,386)	-	(5,32,386)
31-Mar-21	**2,08,67,447**	**(2,94,765)**	**2,05,72,682**

The net liability disclosed above relates to funded plans are as follows:

	31-Mar-21	31-Mar-20
Present value of funded obligations	2,08,67,447	1,81,25,055
Fair value of plan assets	(2,94,765)	(3,18,039)
Deficit/(Surplus) of gratuity plan	**2,05,72,682**	**1,78,07,016**

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	31-Mar-21	31-Mar-20
Discount rate	6.85%	6.85%
Salary growth rate (per annum)	6.00%	6.00%
Withdrawal rate (per annum)	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Expected rate of return	6.85%	6.85%
Mortality Table	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2006-08) Table

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation		
			Increase in assumption		
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	0.50%	0.50%	Decrease by	6.44%	6.74%
Salary growth rate	0.50%	0.50%	Increase by	6.36%	6.62%
Withdrawal rate	W.R. x 110%	W.R. x 110%	Increase by	0.29%	0.26%

	Change in assumption		Impact on defined benefit obligation		
			Decrease in assumption		
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	0.50%	0.50%	Increase by	7.08%	7.43%
Salary growth rate	0.50%	0.50%	Decrease by	5.93%	6.22%
Withdrawal rate	W.R. x 90%	W.R. x 90%	Decrease by	0.32%	0.26%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securites which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yeilds in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Maturity profile of gratuity liability and Employer contribution

Expected contributions to post-employment benefit plans for the year ending 31 March 2021 are ₹ 4,516,189 (as at March 31, 2020: ₹ 46,01,421).

The weighted average duration (based on discounted cash flows) of the defined benefit obligation is 14.79 years (15.25 years 2019-20). The expected maturity analysis of undiscounted gratuity is as follows

	Amount in ₹
Less than one year	7,52,262
Between 1-2 years	6,71,438
Between 3-5 years	31,17,445
Between 6-10 years	48,25,492
Total	**93,66,637**

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Choice Equity Broking Private Limited

Accompanying notes to the financial statements

35 Related Party Transactions

(a) As per INDAS - 24 on Related Party Disclosure, the Related Parties are as follows :

Related Party Disclosure	Name of Related Parties	March 31, 2021	March 31, 2020
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 Consultancy Services Pvt. Limited	✔	✔
	Choice Portfolio Management Services Private Limited (Formerly known as Choice Stock Trade Pvt. Ltd.)	✔	✔
	Choice Finserv Private Limited	✔	✔
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)	✔	✔
	Mehek 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 Harnathka (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)	✔	✔
	Pawan Kumar Jha (Company Secretary)	✔	✔

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Related Party Disclosure	Name of Related Parties	March 31, 2021	March 31, 2020
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 Evolvement 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	✔	✔
	Maruti Nandan Colonizers Private Limited	✔	
	Rupang Properties Private Limited	✔	✔
	Kanaiya Properties Private Limited	✔	✔
	Optimo Investment Adviser Private Limited	✔	✔

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Choice Equity Broking Private Limited

Accompanying notes to the financial statements

35 (b) Details of Related Party transactions during the year ended March 31, 2021

(Amount in ₹)

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	-	-	80,99,81,611	-	-	-	80,99,81,611
Total	-	-	80,99,81,611	-	-	-	80,99,81,611
Loan Repayment received from							
Choice Finserv Private Limited	-	-	67,48,47,054	-	-	-	67,48,47,054
Total	-	-	67,48,47,054	-	-	-	67,48,47,054
Income from Brokerage & Other Charges	-	-	-	-	-	-	-
Ramratan Chirania	-	-	-	2,001	-	-	2,001
Ramratan Chirania (HUF)	-	-	-	-	-	236	236
Samank Consumer Products Private Limited	-	-	-	-	-	5,619	5,619
Maruti Nandan Colonizers Private Limited	-	-	-	-	-	1,24,77,561	1,24,77,561
Kanaiya Properties Private Limited	-	-	-	-	-	39,49,980	39,49,980
Sangita Ramratan Chirania	-	-	-	-	28,512	-	28,512
Dev Karan M Chirania	-	-	-	-	6,163	-	6,163
Nishita Ramratan Chirania	-	-	-	-	1,68,809	-	1,68,809
Narendra Kumar Makhanlal Chirania	-	-	-	-	7,538	-	7,538
Ajay Rajendra Kejriwal	-	-	-	445	-	-	445
Ajay R Kejriwal (HUF)	-	-	-	-	-	5,504	5,504
Malti Rajendra Kejriwal	-	-	-	-	38	-	38
Babita Ajay Kejriwal	-	-	-	-	339	-	339
Vijay Rajendra Kejriwal	-	-	-	-	1,301	-	1,301
Rajendrakumar Kejriwal	-	-	-	-	1,416	-	1,416
Kamal Poddar	-	-	-	78,073	-	-	78,073
Kamal Poddar (HUF)	-	-	-	-	-	8,188	8,188
Arunkumar Poddar	-	-	-	-	496	-	496
Hemlata Kamal Pòddar	-	-	-	-	8,208	-	8,208
Santosh Kumar Poddar	-	-	-	-	1,85,610	-	1,85,610
Manju Poddar	-	-	-	-	1,13,523	-	1,13,523
Pushpa P Parmanandka	-	-	-	-	28	-	28
Meenu Poddar	-	-	-	-	1,63,094	-	1,63,094
Sunil Bagaria	-	-	-	31,515	-	-	31,515
Sunil Bagaria HUF	-	-	-	-	-	31,337	31,337
Ashutosh S Bagaria	-	-	-	-	1,26,070	-	1,26,070
Anju Patodia	-	-	-	-	7,084	-	7,084
Snehlata bagaria	-	-	-	-	1,30,610	-	1,30,610
Poonam Bagaria	-	-	-	-	86,565	-	86,565
Total	-	-	-	1,12,034	10,35,404	1,64,78,425	1,76,25,863
Interest Income							
Choice Finserv Private Limited	-	-	5,30,84,267	-	-	-	5,30,84,267
Total	-	-	5,30,84,267	-	-	-	5,30,84,267
Administrative and Other Expenses							
Business Support Services							
Choice International Limited	44,79,500	-	-	-	-	-	44,79,500
S.K. Patodia & Associates	-	-	-	-	-	10,55,793	10,55,793
Professional Fees							-
Choice Techlab Solutions Pvt Ltd	-	5,59,16,913	-	-	-	-	5,59,16,913
Rent							-
Choice International Limited	1,44,00,000	-	-	-	-	-	1,44,00,000
Total	1,88,79,500	5,59,16,913	-	-	-	10,55,793	7,58,52,206
Employee Benefit Expenses							
Salary & allowances							
Ajay Kejriwal	-	-	-	20,99,996	-	-	20,99,996
Ramratan Chirania	-	-	-	18,00,001	-	-	18,00,001
Sunil Bagaria	-	-	-	18,00,000	-	-	18,00,000
Vijay Kejriwal	-	-	-	-	10,20,000	-	10,20,000
Narendra Kumar Chirania	-	-	-	-	2,61,846	-	2,61,846
Pawan Kumar Jha	-	-	-	6,46,613	-	-	6,46,613
Total	-	-	-	63,46,610	12,81,846	-	76,28,456

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Particulars	Holding	Wholly Owned Subsidiaries	Fellow Subsidiaries	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Balances outstanding at the end of the year							
Trade receivables							
Hemlata Kamal Poddar	-	-	-	-	1,96,730	-	1,96,730
Meenu Poddar	-	-	-	-	10	-	10
Manju Poddar	-	-	-	-	8,90,714	-	8,90,714
Kamal Poddar HUF	-	-	-	-	1,96,656	-	1,96,656
Narendra Kumar Makhanlal Chirania	-	-	-	-	41,321	-	41,321
Maruti Nandan Colonizers Private Limited	-	-	-	-	-	59,10,075	59,10,075
Total	-	-	-	-	13,25,431	59,10,075	72,35,506
Other Current Liabilities							
Choice Capital Advisors Pvt Ltd	-	-	1,180	-	-	-	1,180
Choice Insurance Broking Pvt ltd	-	-	-	-	-	8,291	8,291
Choice International ltd	15,13,949	-	-	-	-	-	15,13,949
Choice Techlab Solutions Pvt Ltd	-	47,34,720	-	-	-	-	47,34,720
Total	15,13,949	47,34,720	1,180	-	-	8,291	62,58,140
Trade Payables	-	-	-	-	-	-	
Sangita Ramratan Chirania	-	-	-	-	50,000	-	50,000
Ramratan Chirania	-	-	-	-	50,000	-	50,000
Ramratan Chirania (HUF)	-	-	-	-	1	-	1
DevKaran M Chirania	-	-	-	-	1,08,548	-	1,08,548
Samank Consumer Products Private Limited	-	-	-	-	-	10,000	10,000
Nishita Ramratan Chirania	-	-	-	-	85,69,701	-	85,69,701
Pushpa P Parmanandka					2		2
Ajay R Kejriwal (HUF)	-	-	-	-	6,434	-	6,434
Vijay Rajendra Kejriwal	-	-	-	-	12	-	12
Rajendrakumar Kejriwal	-	-	-	-	2,57,802	-	2,57,802
Santosh Kumar Poddar	-	-	-	-	16,86,328	-	16,86,328
Sunil Bagaria HUF	-	-	-	-	396	-	396
Poonam Bagaria	-	-	-	-	259	-	259
Kamal Poddar	-	-	-	-	-	575	575
Total	-	-	-	-	1,07,29,483	10,575	1,07,40,058
Other Current Assets							
S K Patodia & Associates	-	-	-	-	-	1,81,953	1,81,953
Choice Wealth Management Pvt Ltd	-	1,28,670	-	-	-	-	1,28,670
Total	-	1,28,670	-	-	-	1,81,953	3,10,623
Loans- Current							
Choice Finserv Pvt Ltd	-	-	13,51,34,557	-	-	-	13,51,34,557
Total	-	-	13,51,34,557	-	-	-	13,51,34,557

Note: Loan Transaction are shown on note basis

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Choice Equity Broking Private Limited

Accompanying notes to the financial statements

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

(Amount in ₹)

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	-	-	78,65,37,012	-	-	-	78,65,37,012
Total	-	-	78,65,37,012	-	-	-	78,65,37,012
Loan Repayment received from							
Choice Finserv Private Limited	-	-	78,15,55,401	-	-	-	78,15,55,401
Total	-	-	78,15,55,401	-	-	-	78,15,55,401
Intangible Assets							
Choice Techlab Solutions Pvt Ltd	-	74,00,880	-	-	-	-	74,00,880
Total	-	74,00,880	-	-	-	-	74,00,880
Purchase of Equity investment in following companies from Choice International Ltd	12,50,000	-	-	-	-	-	12,50,000
Choice Corporate Services Private Limited	-	-	-	-	-	-	-
Choice Retails Solutions Private Limited	-	-	-	-	-	-	-
Choice Techlab Solutions Private Limited	-	-	-	-	-	-	-
Choice Wealth Management Private Limited	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Investment in Equity of Choice Wealth Management pvt ltd	-	6,00,00,005	-	-	-	-	6,00,00,005
	12,50,000	6,00,00,005	-	-	-	-	6,12,50,005
Revenue from Operations							
Income from Brokerage & Other Charges							
Choice International Limited	1,534	-	-	-	-	-	1,534
Choice Capital Advisors Private Limited	-	-	1,180	-	-	-	1,180
Ramratan Chirania	-	-	-	15,053	-	-	15,053
Ramratan Chirania (HUF)	-	-	-	-	-	275	275
Sangita Ramratan Chirania	-	-	-	-	1,07,803	-	1,07,803
Dev Karan M Chirania	-	-	-	-	2,074	-	2,074
Nishita Ramratan Chirania	-	-	-	-	2,26,964	-	2,26,964
Narendra Kumar Makhanlal Chirania	-	-	-	-	25,638	-	25,638
Ajay Rajendra Kejriwal	-	-	-	2,736	-	-	2,736
Ajay R Kejriwal (HUF)	-	-	-	-	-	3,131	3,131
Malti Rajendra Kejriwal	-	-	-	-	1,521	-	1,521
Babita Ajay Kejriwal	-	-	-	-	236	-	236
Vijay Rajendra Kejriwal	-	-	-	-	1,754	-	1,754
Rajendrakumar Kejriwal	-	-	-	-	9,053	-	9,053
Kamal Poddar	-	-	-	13,28,995	-	-	13,28,995
Kamal Poddar (HUF)	-	-	-	-	-	13,690	13,690
Arunkumar Poddar	-	-	-	-	27,68,403	-	27,68,403
Hemlata Kamal Poddar	-	-	-	-	39,196	-	39,196
Santosh Kumar Poddar	-	-	-	-	22,413	-	22,413
Manju Poddar	-	-	-	-	9,799	-	9,799
Meenu Poddar	-	-	-	-	20,845	-	20,845
Sunil Bagaria	-	-	-	55,264	-	-	55,264
Sunil Bagaria HUF	-	-	-	-	-	57,908	57,908
Snehlata bagaria	-	-	-	-	29,145	-	29,145
Poonam Bagaria	-	-	-	-	35,329	-	35,329
Vijay R Kejriwal Huf	-	-	-	-	11,541	-	11,541
Santosh Kumar Poddar Huf	-	-	-	-	7,287	-	7,287
Total	1,534	-	1,180	14,02,048	33,19,002	75,005	47,98,769
Interest Income							
Choice Finserv Private Limited	-	-	67,16,221	-	-	-	67,16,221
Sale of Scrap							
The Byke Hospitality Ltd	-	-	-	-	-	3,36,418	3,36,418
Total	-	-	67,16,221	-	-	3,36,418	70,52,639

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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	78,51,400	-	-	-	-	-	78,51,400
S.K. Patodia & Associates	-	-	-	-	-	1,55,995	1,55,995
Professional Fees							-
Choice Techlab Solutions Pvt Ltd	-	68,71,237	-	-	-	-	68,71,237
Choice Capital Advisors Pvt Ltd	-	-	18,75,000	-	-	-	18,75,000
Rent							-
Choice International Limited	1,78,50,000	-	-	-	-	-	1,78,50,000
Total	2,57,01,400	68,71,237	18,75,000	-	-	1,55,995	3,46,03,632
Employee Benefit Expenses							
Salary & allowances							
Ajay Kejriwal	-	-	-	20,99,996	-	-	20,99,996
Ramratan Chirania	-	-	-	18,00,001	-	-	18,00,001
Sunil Bagaria	-	-	-	18,00,000	-	-	18,00,000
Vijay Kejriwal	-	-	-	-	10,20,000	-	10,20,000
Narendra Kumar Chirania	-	-	-	-	3,62,841	-	3,62,841
Pawan Kumar Jha	-	-	-	3,66,357	-	-	3,66,357
Total	-	-	-	60,66,354	13,82,841	-	74,49,195
Balances outstanding at the end of the year							
Trade receivables							
Santosh Kumar Poddar	-	-	-	-	13,72,965	-	13,72,965
Hemlata Kamal Poddar	-	-	-	-	11	-	11
Meenu Poddar	-	-	-	-	17,02,459	-	17,02,459
Manju Poddar	-	-	-	-	7,83,581	-	7,83,581
Sunil Bagaria	-	-	-	11,91,735	-	-	11,91,735
Kamal Poddar	-	-	-	71	-	-	71
Sunil Bagaria HUF	-	-	-	-	-	1,639	1,639
Ajay Rajendra Kejriwal	-	-	-	236	-	-	236
Ajay Rajendra Kejriwal HUF	-	-	-	-	-	280	280
Babita Kejariwal	-	-	-	-	471	-	471
Arunkumar Poddar	-	-	-	-	12	-	12
Ramratan Chirania (HUF)	-	-	-	-	-	236	236
Choice International Limited	1,534	-	-	-	-	-	1,534
Choice Capital Advisors Private Limited	-	-	1,180	-	-	-	1,180
Narendra Kumar Makhanlal Chirania	-	-	-	-	650	-	650
Total	1,534	-	1,180	11,92,042	38,60,150	2,156	50,57,061
Other Current Liabilities							
Ramratan Chirania	-	-	-	-	-	-	-
Choice Capital Advisors Pvt Ltd	-	-	20,25,000	-	-	-	20,25,000
S K Patodia & Associates	-	-	-	-	-	1,09,871	1,09,871
Choice Insurance Broking Pvt ltd	-	-	-	-	-	39,349	39,349
Choice Retail Private Ltd	-	6,788	-	-	-	-	6,788
Choice International ltd	92,64,237	-	-	-	-	-	92,64,237
Choice Techlab Solutions Pvt Ltd	-	10,54,324	-	-	-	-	10,54,324
Total	92,64,237	10,61,112	20,25,000	-	-	1,49,220	1,24,99,568
Trade Payables							-
Sangita Ramratan Chirania	-	-	-	-	11,33,863	-	11,33,863
Dev Karan M Chirania	-	-	-	-	193	-	193
Santosh Kumar Poddar HUF	-	-	-	-	688	-	688
Nishita Ramratan Chirania	-	-	-	-	12,26,817	-	12,26,817
Vijay Rajendra Kejriwal	-	-	-	-	856	-	856
Rajendrakumar Kejriwal	-	-	-	-	5,578	-	5,578
Poonam Bagaria	-	-	-	-	4,892	-	4,892
Kamal Poddar (HUF)	-	-	-	-	-	26	26
Total	-	-	-	-	23,72,886	26	23,72,912
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	-	-	-	-	-	3,36,418	3,36,418
Ajay Rajendra Kejriwal	-	-	-	32,272	-	-	32,272
Choice Wealth Management Pvt Ltd	-	8,24,514	-	-	-	-	8,24,514
Total	-	9,17,477	14,909	32,272	-	3,36,418	13,01,076
Loans- Current							
Choice Finserv Pvt Ltd.	-	-	49,81,611	-	-	-	49,81,611
Total	-	-	49,81,611	-	-	-	49,81,611

Note: Loan Transaction are shown on note basis

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Notes To The Financial Statements For The Year Ended March 31, 2021

Note 36:- Disclosure pursuant to Ind AS 1 " Presentation of financial statements"

(a) Current Assets expected to be recovered within twelve months and after twelve months from the reporting date:

(Amount in ₹)

Particulars	Note No.	As at March 31, 2021			As at March 31, 2020		
		Within twelve months	After Twelve months	Total	Within twelve months	After Twelve months	Total
Securities held for trade	9	8,72,30,441	-	8,72,30,441	30,60,91,349	-	30,60,91,349
Trade Receivables	10	69,39,85,944	-	69,39,85,944	73,41,39,333	-	73,41,39,333
Loans	12	13,76,37,066	-	13,76,37,066	69,20,290	-	69,20,290
Other Financial Assets	13	1,67,62,55,905	-	1,67,62,55,905	88,44,31,399	-	88,44,31,399
Other Current Assets	14	2,42,94,997	-	2,42,94,997	4,39,73,985	-	4,39,73,985

(b) Current Liabilities expected to be setteled within twelve months and after twelve months from the reporting date:

(Amount in ₹)

Particulars	Note No.	As at March 31, 2021			As at March 31, 2020		
		Within twelve months	After Twelve months	Total	Within twelve months	After Twelve months	Total
Borrowings	20	23,11,49,114		23,11,49,114	51,14,18,110	-	51,14,18,110
Trade Payables	21						
Total outstanding dues of micro enterprises and small enterprises		69,96,104		69,96,104	-		-
Total outstanding dues of creditors other than micro enterprises and small enterprises		6,78,60,782		6,78,60,782	4,59,38,722		4,59,38,722
Other Current Financials Liabilities	22	1,98,15,34,784		1,98,15,34,784	1,10,15,64,020		1,10,15,64,020
Other Current Liabilities	23	7,34,83,789		7,34,83,789	11,41,34,003		11,41,34,003
Provisions	24	5,93,54,408		5,93,54,408	53,50,439		53,50,439

(c) Quantitive Disclosures of carrying value / fair Value measurement hierarchy for assets and liabilities

(Amount in ₹)

Particulars	As at March 31, 2021				As at March 31, 2020			
	Date of Valuation	Total	Quoted Price in Active Market	Significant Observable inputs	Date of Valuation	Total	Quoted Price in Active Market	Significant Observable inputs
			(Level 1)	(Level 2)			(Level 1)	(Level 2)
Financial Assets at measured at Fair Value through Profit & Loss								
Non Current								
Investments in Equity Shares of Other Companies	31/03/2021	5,77,903	5,77,903	-	31/03/2020	3,63,783	3,63,783	-
Current								
Securities held for trade	31/03/2021	8,72,30,441	8,72,30,441	-	31/03/2020	30,60,91,349	30,60,91,349	-
Financial Assets at Amortised Cost								
Non Current								
Other Financial Assets	31/03/2021	3,78,61,120	-	-	31/03/2020	3,84,91,773	-	-
Current								
Trade Receivables	31/03/2021	69,39,85,944	-	-	31/03/2020	73,41,39,333	-	-
Loans	31/03/2021	13,76,37,066	-	-	31/03/2020	69,20,290	-	-
Other Financial Assets	31/03/2021	1,67,62,55,905	-	-	31/03/2020	88,44,31,399	-	-

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Note 37 :- Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current Financial Assets		
Investments	12,12,50,005	12,12,50,005
Other financial Assets	3,78,61,120	3,84,91,773
Current Financial Assets		
Trade receivables	69,39,85,944	73,41,39,333
Cash and Cash Equivalnets	29,34,50,652	33,64,49,937
Other bank balances	16,05,21,319	11,26,31,677
Loans	13,76,37,066	69,20,290
Others	1,67,62,55,905	88,44,31,399
Total	**3,12,09,62,011**	**2,23,43,14,414**

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 38 :- Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Financial Liabilities		
Borrowings	23,11,49,114	51,14,18,110
Trade Payable	7,48,56,886	4,59,38,722
Other Financial Liabilities	1,98,15,34,794	1,10,15,64,020
Total	**2,28,75,40,794**	**1,65,89,20,852**

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 39 :- Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Non - Current Financial Assets		
Investments	5,77,903	3,63,783
Total	**5,77,903**	**3,63,783**

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

CHOICE EQUITY BROKING PRIVATE LIMITED ★ MUMBAI

Note 40 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables.The main purpose of these financial liabilities is to finance the Company's operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial instruments, Fixed Deposit with Banks, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of Existing credit limits Unutilised from Consortium Bankers.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - foreign exchange	Future commercial transactions. Recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting and Sensitivity analysis	Forward foreign exchange contracts.
Market Risk - interest rate	Long-Term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including Fixed deposits with banks and financial institutions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of manufacturing and trading of Chemical,Fertilisers and Dyes intermediate. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as stated in balance sheet except for balances of subsidiary company.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

CHOICE EQUITY BROKING PRIVATE LIMITED * MUMBAI

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2021 and March 31, 2020.

(Amount in ₹)

Particulars	0-1 Year	1-3 Years	3-5 Years	More than 5 years	Total
Year ended March 31, 2021					
Secured Loans	23,11,49,114	-	-	-	23,11,49,114
Unsecured Loans	-	-	-	-	-
Trade Payables	7,48,56,886	-	-	-	7,48,56,886
Others	2,05,50,18,584	-	-	-	2,05,50,18,584
Year ended March 31, 2020					
Secured Loans	51,14,18,110	-	-	-	51,14,18,110
Unsecured Loans	-	-	-	-	-
Trade Payables	4,59,38,722	-	-	-	4,59,38,722
Others	1,21,56,98,023	-	-	-	1,21,56,98,023

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest.The difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable Rate Borrowing	-	-
Fixed Rate Borrowing	-	-
Total	-	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amount in ₹)

Particulars	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2021	+ 100	-
	- 100	-
March 31, 2020	+ 100	-
	- 100	-

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition).

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Choice Equity Broking Private Limited

Notes To The Financial Statements For The Year Ended March 31, 2021

Note 41 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Amount in ₹)

Particulars		As at March 31, 2021	As at March 31, 2020
A) Net Debt			
Borrowings (Current and Non-Current)		23,11,49,114	51,14,18,110
Cash and cash equivalents		29,34,50,652	33,64,49,937
	Net Debt (A)	**(6,23,01,538)**	**17,49,68,173**
B) Equity			
Equity share capital		8,01,78,000	8,01,78,000
Other Equity		83,03,82,872	79,59,45,620
	Total Equity (B)	**91,05,60,872**	**87,61,23,620**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		-6.84%	19.97%

Note 42 : Segment Information:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Chief Executive Officer and Managing Director. The main Business of the Company is engaged in Equity broking, commodity broking and depository. Further all activities are carried out within India. Accordingly, Segment Reporting in accordance with Ind Accounting Standard - 108 "Operating Segment" issued by the Institute of Chartered Accountants of India and adopted by Companies (Accounting Standard) Rules, 2015 is not applicable to the Company.

Note 43 : COVID Impact:

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets. The financial statements, includes the potential impact of the COVID-19 pandemic on the Company's financial statements which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the second wave of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, 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.

Note 44 : Previous Years' Figures:

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable.The Previous year figures have been regrouped or reclassified wherever necessary

For and on behalf of the Board of Directors

Kamal Poddar	Ajay Kejriwal
Managing Director	Director
DIN: 01518700	DIN: 03051841

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

CHOICE EQUITY BROKING PRIVATE LIMITED MUMBAI

Place : Mumbai	Place : Mumbai
Date :June, 25 2021	Date :June, 25 2021