


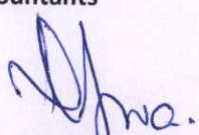


FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	Choice International Limited
2	Annual financial Statement for the year ended	March 31, 2015
3	Type of Audit observation	Unqualified
4	Frequency of observation	Not Applicable
5	To be signed by –	
	<ul style="list-style-type: none"> • CEO/Managing Director 	 CA Kamal Poddar
	<ul style="list-style-type: none"> • CFO 	 CA Manoj Singhania
	<ul style="list-style-type: none"> • Auditor of the Company 	 CA Shyam Gupta For Gupta Shyam & Co., Chartered Accountants
	<ul style="list-style-type: none"> • Audit Committee Chairman 	 Mr. Deb Kumar Goswami



Choice
Nurturing Financial Excellence

22nd ANNUAL REPORT 2014-15

OUR GOALS & STRATEGY

CLIENT FOCUS — We put our clients' needs first. Our experience shows that if we serve our clients with our guiding principles, our own success will follow. We aspire to be a consistent, reliable, flexible and long-term partner focused on clients with their complex and multi-product needs. Against the backdrop of significant changes within our industry, we strive to consistently enable our clients to realize their goals and thrive.

PROFITABLE AND SUSTAINABLE GROWTH - We seek profitable and sustainable growth in our all business segments. Profitability is critical to achieving superior returns, building our capital, and attracting and keeping our best people. Our segments and operating entities complement and enrich each other, primarily by serving the diverse needs of our customers. We exploit the group-wide synergies that stem from our strong brand, our capital allocation, functional and industry best practices, as well as from shared operations and joint investments in technology.

STRONG CAPITALIZATION - We strive to protect the capital of our investors and to support our businesses with sufficient capital to withstand shocks and to protect the wellbeing of our clients. We continue to strive for top-quartile efficiency levels, while ensuring not to compromise growth or reputation.

STRONG RISK FRAMEWORK – Through our risk policies, guidelines and systems we ensure that our investment and operational decisions are made within the limits of our carefully defined appetite and tolerance for foreseeable risks.



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OUR VALUES



We believe that sustainable growth is driven by people with the imagination and determination to improve their future and the future of those who are around them. Going with this philosophy, we empower people and organisations to realise their own vision for a better future. Our purpose therefore is empowering people to stay a step ahead in life and in business.

INTEGRITY - Balancing the rights and interests of people involved is key to our ongoing viability. By being explicit about our values, we tell the world this is how you can expect us to behave. For us, success will be achieved only if we act with integrity.

HONESTY - We carefully weigh the impact of our actions and make decisions that are considerate for a family as a whole. We believe in giving clear, honest and professional advisory services to our clients. We respect the law and the rules that we have set for us and expect from our clients and stakeholders to do the same.

PRUDENCE – We deal with other people's money and financial information. Few things in life or business could be more important or more sensitive. We put the client's interests at the center of all our activities. They can rightly expect their trust placed in us to be honored.

RESPONSIBILITY – We respect human rights and care for the environment, avoiding or managing impact. We engage with our customers to promote continuous improvement. We encourage all forms of diversity, not just because it is the right thing to do, but because it is from different backgrounds and ways of thinking that new ideas spring forth.



Message from

Managing Director

Dear Stakeholders,

I am very delighted to present to you 22nd annual report of our company and to update you on the performance of your company choice International Limited. Choice International continues to set a new benchmarks and records despite volatile economies & challenges.

Fiscal year 2015 was a good year for Choice International Limited; the year was a mixed bag for the global economy and I am happy to announce that your Company's performance was better than the previous year, led by steady growth across all business segments. During the year several of our 'young' businesses gained ground while the mature businesses scaled up into well-structured and sustainable business models with increased market share in their respective segments. The year's healthy financial performance and solid balance sheet strength will allow us to serve you even better, through good times as well as lean ones.

Choice's objective is accelerating a cultural shift to significant opportunities. We have diversified fields of products in India's financial service sector. We are doing and creating a product –specific company which reaches deeper and at a wider segment into national pockets that commercial banks find difficult to access. In this product specific company, what we create is a disseminating connections to the customers through which we keep enhancing and expanding the products in different fields.

We are committed to building awareness and promoting the benefits of investing and financial planning. We realize that many of us are challenged by the world of investments; it is our endeavor to clear these complexities and create value for investors.

Your Company is into handling complex transactions ranging from ECM & DCM, IPO's, Right Issues, M&A, Debt Restructuring, QIPs and Buy – outs. To maintain focus on core operations and business while we help Implement changes throughout organization and corporate cultures. It achieves the readiness required to ensure a strong debut in Capital Markets; our advisory team is well versed with dynamic of such transactions and our insight into the financial market allows us to choose the appropriate parties to successfully close the transactions.

Choice Broking is a leader in market making in SME Segment of NSE & BSE . Our Trading services in commodity and currency derivatives help our clients to hedge their exposure against any adverse impact due to price fluctuations.

We offer a range of financial products and services to Corporate Institutions, HNI and Retail Investors. Our offerings are designed to cater to a range of investment needs of our clients. From asset allocation support, trading of securities to specialized investment vehicles, we offer a comprehensive suite of investment solutions. We are committed to our client centric approach. We offer dedicated relationship managers to our clients who offers timely advice on their exposure and update them about market trends and expectations.

We assist businesses in developing a finance vision and strategy which includes thorough analysis of existing processes, capabilities, structures, governance and external business environment. We support the decision making processes and reporting and planning requirements. Our teams constantly track changes in external business environment to anticipate future challenges and opportunities.

Our Concept team focuses on identifying segments wherein consumers and businesses facing difficulty in transact with each other due to lack of a robust online platform which not only bridges the two entities but also offers assurance on quality of service, turnaround time and proactive support. We have launched exclusive projects like wheresmypandit.com, D-Aashanacouture.com, motormistri.com

With your support, Choice international stands steadfast and tall today. I thank you all for your faith and look forward to your support & encouragement to help your Company scale newer heights in the coming years. Lastly, I would also like to thank all the workforce of choice for their professionalism and focus that have made these achievements possible.

Thank you,
Sd/- 
Kamal Poddar
Managing Director
DIN: 01518700

Board of Directors



CA Kamal Poddar
(Managing Director)



CA Ajay Kejriwal
(Non-Executive Director)



Mrs. Hemlata Poddar
(Non-Executive Director)



Dr. Kali Mohan Bhattacharya
(Independent Director)



Mr. Debkumar Goswami
(Independent Director)



Mrs. Bhagyam Ramani
(Independent Director)



CA Brijmohan Agarwal
(Independent Director)

WORKING AT CHOICE

“The reason why we’ve built a company is because I think a company is by far the best way to get the best people together and align their incentives around doing something great.

- Mark Zuckerberg

Your Company understands the importance and need of rooting good Corporate Governance culture. Building a strong culture may not guarantee business success, but neglecting to hinders a company’s chance for long-term sustainability. While “culture” most likely won’t appear in your annual report, or as a line item on your balance sheet, it’s the glue that holds a great firm together. In reality, it’s one of the most impactful “hidden” assets a business can hold.

The working culture guides discretionary behaviour and it picks up where the employee handbook leaves off. Culture tells us how to respond to an unprecedented service request. Every organization has its unique style of working which often contributes to its culture. The culture of the workplace controls the way employees behave amongst themselves as well as with people outside the organization.

* Cultural Event



*Blood Donation Camp



*Investor Meet at Jaipur



CORPORATE INFORMATION

Board of Directors:

CA Kamal Poddar
CA Ajay Kejriwal
Mrs. Hemlata Poddar
Dr. Kali Mohan Bhattacharya
Mr. Debkumar Goswami
CA Brijmohan Agarwal
Mrs. Bhagyam Ramani

Managing Director
Non-Executive Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

Company Secretary:

Mahavir Toshniwal (FCS, FCA)

Bankers:

HDFC Bank Limited
AXIS Bank Limited
State Bank of India
Indusind Bank
Canara Bank
Bank of India
ICICI Bank

Auditors:

M/s. Gupta Shyam & Co.
Chartered Accountants
Mumbai

Registrar and Share Transfer Agent:

Sharex Dynamic (India) Pvt. Limited
Unit-1 Luthra Industrial Premises,
Andheri- Kurla Road, Safed Pool,
Andheri (E), Mumbai-400072
Phone: 022-28515606/5644
www.sharexindia.com

Subsidiary Companies:

Choice Equity Broking P. Ltd.
Choice Capital Advisors P. Ltd.
Choice Merchandise Broking P. Ltd.
Choice Wealth Management P. Ltd.
Choice Insurance Broker P. Ltd.
Choice Business Services P. Ltd.
Choice Corporate Services P. Ltd.

Registered Office:

Shree Shakambhari Corporate Park,
Plot No. 156-158, Chakravarti Ashok Society,
J.B. Nagar, Andheri (East),
Mumbai – 400 099
Phone: 91-0 22-6707 9999
Fax: 91-022- 22-6707 9959
Email: info@choiceindia.com
Website: www.choiceindia.com

Secretarial Auditor

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

DIRECTORS REPORT



Dear Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the business and operations of the Company for the Financial Year ended March 31, 2015.

BUSINESS OVERVIEW

Choice International Limited the “Company” incorporated on March 12, 1993, is a RBI registered “Non - Banking Financial Company” (NBFC). The Registered office of the company is situated at Shree Shakambhari Corporate Park, Plot No, 156-158, Chakravati Ashok Society, J.B Nagar, Andheri (East), Mumbai – 400099. Choice International Limited is Financial Service providing company catering into different sectors namely Investment Banking, Broking, and Management Consultancy & E – Commerce Business. Your Company has performed well with a Net Profit of ₹ 14,268,970 as on March 31, 2015 as compared to Net Profit of ₹ 13,652,596 for the year ended March 31, 2014. Despite of the stiff competition in the market, the Company registered substantial growth in terms of its revenue from business operations. The Company achieved increase in revenue by 4.51%.

THE KEY FINANCIAL HIGHLIGHTS

The Highlights of financial results of your Company on standalone basis for the year ended March 31, 2015 compared to the previous Financial are summarised below:-

(Amount in ₹)

Standalone		Particulars	Consolidated	
March 31, 2014	March 31, 2015		March 31, 2015	March 31, 2014
127,955,045	86,523,503	Income from Operations	566,997,162	587,247,754
151,836	35,194	Other Income	51,945,129	29,245,642
128,106,881	86,558,697	Total Income	618,942,291	616,493,396
20,176,954	15,742,792	Profit before Tax and Exceptional Items	62,741,371	56,168,241
6,524,358	1,473,822	Tax Expenses	15,758,328	21,293,508
13,652,596	14,268,970	Profit after Tax before share of Profit from Associates	46,983,043	34,874,733
-	-	Share of Profit from Associates	40,22,844	N.A.
13,652,596	14,268,970	Profit for the Year	51,005,887	34,874,733
34,701,960	35,599,756	Add: Surplus brought forward from previous year	98,080,584	78,001,510
-	(604,755)	Adjustment of depreciation on Fixed Asset	(728987)	-
-	-	Adjustment relating to share of profit from associates	7453288	N.A.

(Amount in ₹)

48,354,556	49,263,971	Profit Available for Appropriation	155,810,772	112,876,242
27,50,000	28,60,000	Less: Appropriation	2,860,000	2,750,000
		Transfer to Statutory Reserve		
		Transfer to General Reserve	-	3,97,000
10004800	10004800	Proposed Dividend	10,004,800	10,004,800
-	-	Dividend Distribution Tax on Proposed Dividend	2,048,491	1,643,858
35,599,756	36,399,171	Surplus Carried forward	140,897,481	98,080,584

DIVIDEND:

The Board has recommended a dividend of ₹ 1/- (10%) per equity share of ₹ 10/- each subject to the approval of shareholders at the ensuing Annual General Meeting for the year ended March 31, 2015. The Register of Members and Share Transfer Books shall remain closed from September 21, 2015 to September 26, 2015 (both days inclusive) for the purpose of Dividend. The Annual General Meeting of the Company is scheduled for September 26, 2015. The dividend, as recommended by the Board, if sanctioned at the ensuing AGM, will be paid within 30 Days of declaration of dividend to those members or their mandates whose name are registered on the Company's Register of Members as on the start of Book closure date.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year under review. The Company holds license issue by Reserve Bank of India (RBI) for Non Deposit Accepting Non-Banking Financial Company.

STATUTORY AUDITORS

M/s. Gupta Shyam & Co., Chartered Accountants, (Registration Number 103450W) Mumbai, was appointed as the Statutory Auditors of the Company to hold the office from the conclusion of last Annual General Meeting till the conclusion of the this Annual General Meeting. Your Board of Director recommends the ratification of appointment of the Statutory Auditors for the financial year 2015 -16, subject to the approval of the Shareholders.

AUDITOR'S OBSERVATION

The Directors have examined the Auditor's Report on accounts for the period ended March 31, 2015. The Auditor's Report is itself self-explanatory and has no qualifications.

PARTICULARS OF LOANS, GAURANTEE OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note to the Financial Statement.

CONTRACTS AND ARRANGMENTS WITH RELATED PARTIES

All Related Party Transaction that were entered in to during the year under review were on an arm's length basis and in the ordinary course of business. The Audit Committee has given prior approval for related party Transactions. The policy on Related Party Transaction as approved by the Board is uploaded on the Company's website.

PARTICULARS OF LOANS, GAURANTEEE OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note to the Financial Statement.

CONTRACTS AND ARRANGMENTS WITH RELATED PARTIES

All Related Party Transaction that were entered in to during the year under review were on an arm's length basis and in the ordinary course of business. The Audit Committee has given prior approval for related party Transactions. The policy on Related Party Transaction as approved by the Board is uploaded on the Company's website. Related Party Transaction entered in to by the Company are disclosed in Form AOC -2 attached as Annexure

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the Year under review following are the Changes that took place having material effect on the Business of the Company:

1) During the year your Company has issued 510 Secured, Redeemable, Unrated, Unlisted, Non Principal Protected, Market Linked, Non - Convertible Debentures of Face Value of Rs.1,00,000 on Private Placement Basis.

2) Policy on Depreciation

Effective from April 1, 2014 the Company has changed Depreciation based on the revised remaining useful life of Asset as per the requirement of Schedule II of the Companies Act, 2013. Due to above Depreciation change for the quarter ended & Year ended March 31, 2015 is higher by 5.44 Lakhs & Rs. 23.54 Lakhs respectively. The written down value of Rs. 6.05 Lakhs (Net of Deferred Tax effect) of the Fixed Assets whose useful lives have expired as at April 1, 2014 have been adjusted in the retained earning. There has not been any material changes or commitment affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

RISK MANAGEMENT

The Company has formulated a policy on Risk Management and constituted a Risk Management Committee and the same is detailed in the Corporate Governance Report. Risk are classified in different categories such as Financial, Operational, Legal and Strategic Risks. These Risk are reviewed from time to time.

BOARD EVALUATION

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The same is incorporated in Corporate Governance Report.

REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has adopted the policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The details of this policy are provided in the Corporate Governance Report which form of Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has established a Vigil Mechanism to report genuine concerns or grievances. The Vigil Mechanism provides for adequate safeguards against victimization of persons who use the Vigil Mechanism. No persons have been denied access to Audit Committee in appropriate cases. The details of establishment of reporting mechanism are disclosed on the website of the company.

INTERNAL CONTROL SYSTEM

The Company's internal control systems are adequate with the Business operations of the Company. The Company maintains appropriate system of Internal Control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment at work place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The Company has also prepared and implemented policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. During the year under review, no cases of sexual harassment against women employees at any of its work place were reported to the Internal Complaints Committee.

SUBSIDIARIES & ASSOCIATES

Your Company has Seven Subsidiaries & one Associate Company Incorporated in India engaged in the following Business Activities:

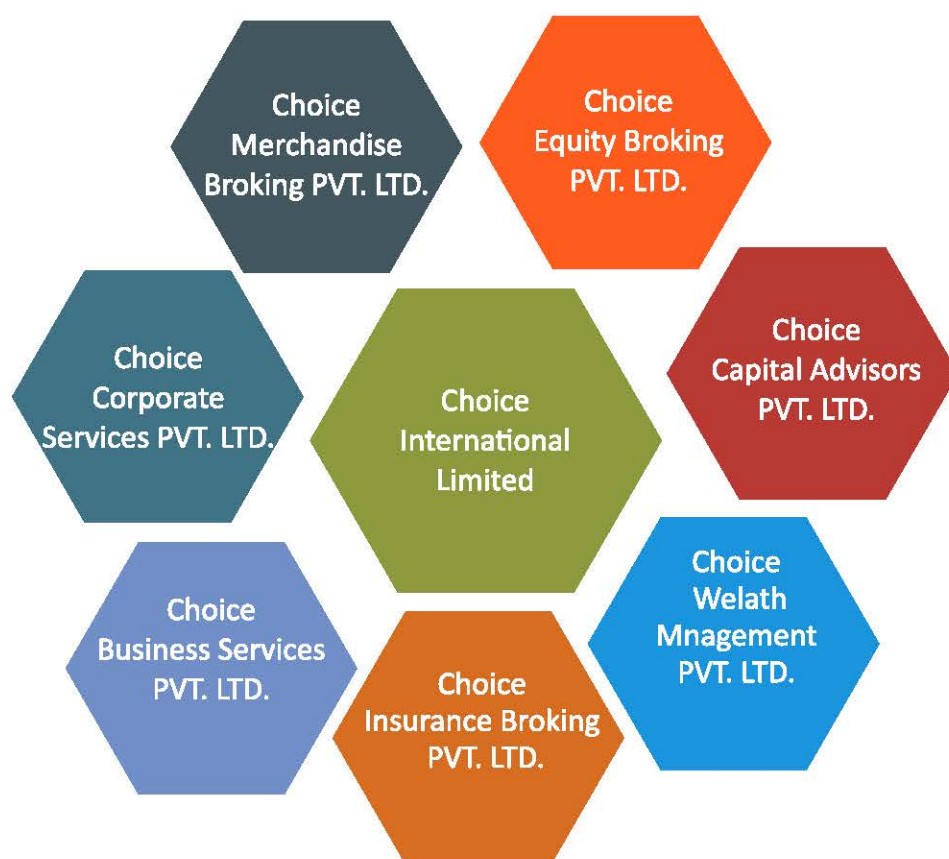
Sr. No	Company Name	Subsidiary/ Associate	Business Activity
1	Choice Equity Broking Private Limited	Subsidiary	Equity Broking, Currency Broking & Depository Services
2	Equity Broking, Currency Broking & Depository Services	Subsidiary	Equity Syndication, Debt Syndication , Advisory & consultancy & Merchant Banking Services
3	Choice Business Services Private Limited	Subsidiary	Providing financial services of Business Advisory, Regulatory Compliances, Cross Border Transaction, Accounting & Taxation, Resource Management
4	Choice Merchandise Broking Private Limited	Subsidiary	Carrying on the business of Commodity Broking
5	Choice Wealth Management Private Limited	Subsidiary	Engaged in Mutual Fund Distribution
6	Choice Insurance Brokers Private Limited	Subsidiary	Providing Insurance Consultancy
7	Choice Corporate Services Private Limited	Subsidiary	Advisory Business
8	Aqua Pumps Infra Ventures Limited	Associate	Engaged in the Business of Infrastructural Activities

The Financial Details of the Subsidiary Company's and Associate Company are disclosed in Form AOC - 1 attached as Annexure.

Note:

The Company had incorporated an wholly owned Subsidiary in the Name of Choice E – Commerce Private Limited as on July 14, 2015 and is in the process of incorporating three step down subsidiary in the Name of **WheresmyPandit.Com Private Limited**, **Motormistri.com Private Limited** & **d –aashanacouture.com Private Limited** to expand the E – Commerce Business of the company.

SUBSIDIARIES COMPANY'S OF CHOICE INTERNATIONAL LIMITED



SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors has appointed M/s. R M MIMANI & ASSOCIATES LLP, Practising Company Secretary for conducting Secretarial Audit of the Company for the financial year 2014 – 2015. The Secretarial Audit Report is annexed herewith as Annexure in Form MR -3. The Secretarial Audit Report has been qualified with respect to creation of charge, pursuant to Issue of Non Convertible Debentures, with respect to issue of the debentures the Company is required to create charge on the Book Debts of the Company which was delayed on the the documentation part of the Debenture Trustee. The Company is in the advance stage to file the charge with Registrar of Companies. The Company assures the Members that there will be no delay in payment of Dividend if any, declared at this AGM and future thereafter.

INTERNAL AUDIT

The Internal Auditors, M/s. A.P.Sanzgiri & Co., Chartered Accountants have conducted internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by the Statutory Auditors and the Audit Committee.

CORPORATE GOVERNANCE

The Report on Corporate Governance for the year under review, as stipulated under Clause 49 of the Listing Agreement is forming part of the Annual Report. The Certificate from Auditor of the Company confirming compliance with the rules of Corporate Governance is annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review on the operations and performance of the Company and its business is given in the Management Discussion and Analysis, which forms part of this Annual Report.

EXTRACTS OF ANNUAL RETURN

Form MGT - 9 providing an extract of the Annual Return in terms of Section 92 of the Companies Act, 2013 and the Rules made thereunder is annexed as Annexure to the Board Report.

MEETINGS

During the year under review, Four Board Meetings were held, the details of which are given in the Corporate Governance Report.

BOARD OF DIRECTORS

During the period under review Mr. Pankaj Bhansali & Mr. Satish Chandra Kulhari resigned from the office of Directorship with effect from June 30, 2014 & September 27, 2014 respectively. Your Directors place on record appreciation for valuable services rendered by the Resigning Director during their association with the Company.

Mr. A.K. Vaidyan the Independent Director of the Company resigned from the office of Directorship with effect from August 11, 2015.

Mr. Ajay Kejriwal (DIN No: 03051841) retires by rotation at the ensuing Annual General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013 ("The Act"). The Act provides that Independent Directors are not subject to retirement by rotation. Since all the Directors except Mr. Ajay Kejriwal & Mrs. Hemlata Poddar are Independent Director, Mr. Ajay Kejriwal will retire by rotation and being eligible offers himself for re-appointment.

Additional Information Of Directors Seeking Re-appointment At The Twenty Second Annual General Meeting Pursuant To Clause 49 Of The Listing Agreement

NAME OF THE DIRECTOR	AJAY RAJENDRA KEJRIWAL
Date of Appointment	29 -5-2010
Date of Birth	11-2-1979
Qualification	CA
Expertise in specific functional areas	Finance
Directorship in other public companies excluding foreign companies	Nil
Membership of Committees in other public companies	Nil
Shareholding in the Company	2000 Shares
DIN No	03051841

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

KEY MANAGERIAL PERSONNEL

Following are the Key Managerial Personnel (KMPs) of the Company as per provisions of the Companies Act, 2013:

- CA Kamal Poddar - Managing Director
- CA- CS Mahavir Toshniwal - Company Secretary
- *CA. Manoj Singhania - Chief Financial Officer

Note : * Mr. Manoj Singhania is appointed as the Chief Financial Officer of the Company with effect from January 30, 2015 in place of CA Gunjan Modi

22nd ANNUAL REPORT 2014 -15

PARTICULARS OF EMPLOYEE

As required under the provision of Section 197 (12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the prescribed particulars are set out in an Annexure to the Director's Report. As per the provisions of Section 136(1) of the said act, this particulars will be made available to any Shareholders on request.

DETAILS OF THE COMMITTEE OF THE BOARD

Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, number of meetings held for each of this committee during the financial year 2014 -15 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report. The recommendations by the Audit Committee as and when made to Board have been accepted by it.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(C) of the Companies Act, 2013 your Directors state that:

- 1) In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit and loss of the Company for the year ended March 31, 2015;
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) The annual accounts have been prepared on a going concern basis
- 5) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- 6) Proper system are devised to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A) CONSERVATION OF ENERGY

- i) The steps taken or impact on conservation of energy, the operations of the company are not energy - intensive. However adequate measures have been initiated for Conservation of energy.
- ii) The steps taken by the Company for utilising alternate source of energy - though the operations of the Company are not energy intensive, the Company shall explore alternative source of energy, as and when the necessity arises.
- ii) The Capital investment on energy conservation equipment - Nil

B) TECHNOLOGY ABSORPTION

- i) The efforts made towards technology absorption – The minimum technology required for the business has been absorbed
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution Not applicable
- iii) in case of imported technology (imported during last three years reckoned from the beginning of the financial year) - Not Applicable
- iv) The expenditure incurred on Research and Development - Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO -

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

CORPORATE SOCIAL RESPONSIBILITY

Though India is one of the fastest growing economies, socioeconomic problems like poverty, illiteracy, lack of health care etc. are still ubiquitous and the government has limited resources to tackle these challenges. Although Corporate Social Responsibility (CSR) is not applicable to your Company at Choice International, we believe that Corporate Social Responsibility (CSR) is coming out of the purview of 'doing social good' and is fast becoming a 'business necessity'. The 'business case' for CSR is gaining ground and corporate houses are realising that 'what is good for stakeholders - their community, health and environment, is also good for the businesses. An essential component of our corporate social responsibility is to care for the community.

HEALTH AND SAFETY

Health and safety issues are addressed systematically, effectively and protectively. Your Company takes pride in providing various forms of medical assistance to the families of its employees and regular training programmes are organised on safety and precautionary measures.

ACKNOWLEDGEMENT

Your Directors express their sincere gratitude to the Reserve Bank of India, the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, Forward Markets Commission, Multi Commodity Exchange of India Limited, Depositories, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in your Company. Your Directors sincerely appreciate the commitment displayed by the employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year.

On behalf of the Board of Directors

Mumbai, August 11, 2015

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

Sd/-
Ajay Kejriwal
(Director)
DIN: 03051841

Statement containing the Silent features of the financial statement of subsidiaries /associate companies/ joint Ventures AOC-1

PART "A" SUBSIDIARIES

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

Sr. No	Name of the Subsidiary	Reporting Period	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for taxation	Profit After Taxation	Proposed Dividend	% of shareholding
1	Choice Equity Broking Pvt. Ltd.	March 31, 2015	INR	56,500,000	274,612,871	155,087,6243	1,550,876,243	50,197,887	330,825,563	26,387,914	8,354,745	18,033,169	-	100
2	Choice Merchandise Pvt. Ltd.	March 31, 2015	INR	10,000,000	1,051,857	30,303,275	30,303,275	-	81,30,004	68,868	21,499	47,369	-	100
3	Choice Capital Advisory Pvt. Ltd.	March 31, 2015	INR	50,500,000	18,000,125	85,289,457	85,289,457	50,296,906	124,626,230	11,519,739	3,509,475	8,010,264	-	100
4	Choice Insurance Brokers Pvt. Ltd.	March 31, 2015	INR	5,100,000	(19132)	5,216,486	5,216,486	200,000	159,809	14,473	4,440	10,033	-	100
5	Choice Business Services Pvt. Ltd.	March 31, 2015	INR	100,000	13,444,229	75,594,171	75,594,171	-	83,028,267	7,855,121	2,404,836	5,450,285	10,005,000	100
6	Choice Corporate Services Pvt. Ltd.	March 31, 2015	INR	100,000	(33,129)	74,235	74,235	-	-	(15,121)	-	(15,121)	-	100
7	Choice Wealth Management Pvt. Ltd.	March 31, 2015	INR	100,000	480,708	814,995	814,995	-	1,597,389	12,000	(2,674)	14,674	-	100
8	Aqua Pumps Infra Ventures Ltd.	March 31, 2015	INR	151,276,000	233,525,216	286,076,6873	286,076,6873	123,557,390	456,258,452	15,667,465	5,444,467	10,222,998	-	39.35

PART "B"**ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Aqua Pumps Infra Ventures Limited
1. Latest audited Balance Sheet Date	31.03.2015
2. Shares of associates/ Joint Ventures held by the company on the year end	5952850
Mount of Investment in Associates / Joint Ventures	₹171,478,484
Extent of Holding %	39.35
3. Description of how there is significant influence	By shareholding
4. Reason why the associates / joint venture is not consolidated	-
5. Networth attributable to shareholding as per latest audited Balance Sheet	128,831,504
6. Profit/ Loss for the year	10,222,998
I. Considered in Consolidation	4,022,844
II. Not considered in Consolidation	6,200,154

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

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Account) Rules, 2014 Form for disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

1. Details of contracts or arrangements or transaction not at arm's length basis

There were no contracts or arrangements or transaction entered in to during the year ended March 31, 2015, which were not at arm's length basis.

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

Names of the Related Party	Nature of Relationship	Nature of contracts	Duration of Contracts	Silent Terms of Contracts	Dates of Approval by the Board	Amount Received in ₹
Choice Capital Advisory Pvt. Ltd.	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	7,200,000
Choice Equity Broking Pvt. Ltd.	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	5,100,000
Choice Merchandise Broking Pvt. Ltd.	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	1,440,000
Choice Business Services Pvt. Ltd.	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	3,000,000
Choice Wealth Management Pvt. Ltd.	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	360,000
Aqua Pumps Infra Ventures Ltd.	Associate Company	Office Rent + Service Charge	10 Years	Lease Rent for Office Premises+ Service Charges	January 30, 2015	5,700,000

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

as on financial year ended on 31.03.2014 Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

I	CIN	L67190MH1993PLC071117
ii	Registration Date	12/3/1993
iii	Name of the Company	Choice International Limited
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	Choice House, Shree Shakambhari Corporate Park, Plot No156-158, J.B.nagar, Andheri (e), Mumbai: 400099
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dynamic (india) Private Limited Unit-1 Luthra Industrial Premises, Andheri-kurla Road, Safed Pool, Andheri East, Mumbai:400072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SR. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	NBFC & Other	74	10.46%
2	Broking & Distribution	74	53.12%
3	Investment Banking	74	21.77%
4	Management Consultancy & Outsourcing	74	14.65%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SR. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Choice Equity Broking Pvt. Ltd.	U65999MH2010PTC198714	Subsidiary	100	2(87)
2	Choice Capital Advisors Pvt. Ltd.	U65990MH2010PTC198262	Subsidiary	100	2(87)
3	Choice Merchandise Broking Pvt. Ltd.	U65910MH2010PTC198824	Subsidiary	100	2(87)
4	Choice Wealth Management Pvt. Ltd.	U65999MH2010PTC198598	Subsidiary	100	2(87)
5	Choice Insurance Brokers Pvt. Ltd.	U74140MH2007PTC177075	Subsidiary	100	2(87)
6	Choice Business Services Pvt. Ltd.	U72900MH2010PTC198603	Subsidiary	100	2(87)
7	Choice Corporate Services Pvt. Ltd.	U67190MH2011PTC214515	Subsidiary	100	2(87)
8	Aqua Pumps Infra Ventures Ltd.	L45400MH1992PLC070070	Associate	100	2(6)

IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)
i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3486527	0	3486527	34.85	3986527	0	3986527	39.84	4.99
b) Central Govt or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	200000	0	200000	2.00	200000	0	200000	2.00	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	3686527	0	3686527	36.85	4186527	0	4186527	41.84	4.99
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	3686527	0	3686527	36.84	4186527	0	4186527	41.84	4.99
B. Public Shareholding									
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
C) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies corporates	3276426	352000	3628426	36.27	2390111	2000	2392111	23.90	-12.37
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1364573	76602	1441175	14.4	1259557	75702	1335259	13.35	-1.05
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1078470	0	1078470	10.78	1185287	0	1185287	11.85	1.07

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Clearing Member	160749	0	160749	1.61	851304	0	851304	8.51	6.9
OCB	0	0	0	0	0	0	0	0	0
NRI	9453	0	9453	0.09	48312	0	48312	0.48	0.39
Directors & Relatives	0	0	0	0	6000	0	6000	0.06	0.06
SUB TOTAL (B)(2):	5889671	428602	6318273	63.15	5740571	77702	5818273	58.15	5.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	5889671	428602	6318273	63.15	5740571	77702	5818273	58.15	5.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Promoter & Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	9576198	428602	10004800	100.00	9927098	77702	10004800	100.00	

(ii) SHARE HOLDING OF PROMOTERS

SR No.	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
		No of shares	% of total shares of the company	No of shares	% of total shares of the company	
1	Mr. Vinita Sunil Patodia	1,028,927	10.28	1,028,927	10.28	0
2	Mrs.Hemlata Kamal Poddar	200,000	2.00	200,000	2.00	0
3	Mr.Sunilkumar Patodia	300,000	3.00	300,000	3.00	0
4	Mr.Kamal Poddar	337,600	3.37	637,600	6.37	3.00
5	Kamal Poddar HUF	225,000	2.25	225,000	2.25	0
6	Arunkumar Poddar	200,000	2.00	200,000	2.00	0
7	Upton Infrastructure Private Limited	200,000	2.00	200,000	2.00	0
8	Sonu Poddar	100,000	1.00	100,000	1.00	0
9	Arunkumar Poddar HUF	100,000	1.00	100,000	1.00	0
10	Anil Chotmal Patodia	250,000	2.50	250,000	2.50	0
11	Sunil Chotmal Patodia HUF	270,000	2.70	270,000	2.70	0
12	Archana Anil Patodia	250,000	2.50	250,000	2.50	0
13	Anil Chotmal Patodia HUF	225,000	2.25	225,000	2.25	0
14	Mr.Suyash Patodia	0	0	100,000	1.00	1.00
15	Ms.Shreya Patodia	0	0	100,000	1.00	1.00
	Total	3,686,527	36.85	4,186,527	41.84	5.00

iii) CHANGE IN PROMOTERS' SHAREHOLDING

SR. No.		Date of Event	Share holding at the beginning of the Year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr.Kamal Poddar					
	At the beginning of the year		3,376	3.37	3,376	3.37
	Purchase of Share	March 17, 2015	100,000	1.00	437,600	4.37
	Purchase of Share	March 18, 2015	200,000	2.00	637,600	6.37
	At the end of the year		637,600	6.37	637,600	6.37
2	Mr. Suyash Patodia					
	At the beginning of the year			-	-	-
	Purchase of Share	March 17, 2015	100,000	1.00	100,000	1.00
	At the end of the year		100,000	1.00	100,000	1.00
3	Ms. Shreya Patodia					
	At the beginning of the year		-	-	-	-
	Purchase of Share	March 17, 2015	100,000	1.00	100,000	1.00
	At the end of the year		100,000	1.00	100,000	1.00

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

SR.No	Name of Shareholdres	Shareholding at the beginning of the year 01.04.2014		Brought during the year	Sold during the year	Shareholding at the end of the year 31.03.2015	
		No.of Shares	% of total shares of the Company			No.of Shares	% of total shares of the Company
1	Florence Securities Private Limited	750000	7.50	0.00	0	750000	7.50
2	Anugrah Stock & Broking Private Limited	669326	6.69	174982	184523	659785	6.60
3	Manasvi Consultancy Private Limited	417405	4.17	44500	175226	286679	2.87
4	Azura Projects Private Limited	410000	4.10	0	0	410000	4.10
5	Miranda Impex Private Limited	350000	3.50	0	0	350000	3.50
6	Vinayaka Realestate Development Limited	187500	1.87	0	0	187500	1.87
7	Emma Auto Ancillary Private Limited	131145	1.31	55879	1840	185184	1.85
8	Santosh D Paste	85000	0.85	3000	0	88000	0.88
9	Suman S Choudhary	62250	0.62	8500	0	70750	0.71
10	Pranay S Bagadia	19400	0.19	42850	0	62250	0.62

(v) Shareholding of Directors & KMP

SR. No	For Each of the Directors & KMP	Date Of Event	Shareholding at the end of the year		Cumulative Shareholding	
			No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr.Kamal Poddar					
	At the beginning of the year		337,600	3.37	337,600	3.37
	Purchase of Share	March 17, 2015	100,000	1.00	437,600	4.37
	Purchase of Share	March 18, 2015	200,000	2.00	637,600	6.37
	At the end of the year		637,600	6.37	637,600	6.37
2	Mrs.Hemalata Kamal Poddar					
	At the beginning of the year		200,000	2.00	200,000	2.00
	Purchase of Share		-	-	-	-
	At the end of the year		200,000	2.00	200,000	2.00
3	Mr. Ajay Kejriwal					
	At the beginning of the year		2,000	0.02	2,000	0.02
	Purchase of Share		-	-	-	-
	At the end of the year		2,000	0.02	2,000	0.02

(v) Indebtedness

(Amount in ₹)

Indebtedness of the Company Including Interest outstanding/accrued but not due for payment (Standalone)						
	Secured Loans excluding deposits (Debtors)	Secured Loans excluding deposits (Long Term)	Unsecured Loans (Short Term)	Secured Loans excluding deposits (Short Term)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-	-	-
i) Principal Amount	-	104,487,201	5,021,290	149,600,016	-	259,108,507
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	1,195,370	-	3,070,277	-	4,265,647
Total (I+II+III)	-	105,682,571	5,021,290	152,670,293	-	263,374,154
Change In Indebtedness during the financial year						
Additions	-	51,000,000	-	38,600,590	-	89,600,590
Reduction	-	29,996,000	3,058,829	-	-	33,054,829
Net Change	-	21,004,000	(3,058,829)	38,600,590	-	56,545,761
Indebtedness at the end of the financial year						
i) Principal Amount	-	74,491,201	1,962,461	188,200,606	-	264,654,268
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	836,692	-	4,951,570.00	-	5,788,262
Total (I+II+III)	-	126,327,893	1,962,461	193,152,176	-	321,442,530

(VI) Remuneration Of Directors And Key Managerial Personnel

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

(Amount in ₹)

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

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	DK Goswami	B.M. Agarwal	Bhagaman Ramni	A.K. Prince Valdyan	Kali Mohan	
	(a) Fee for attending board committee meetings	200,000	200,000	150,000	30,000	20,000	600,000
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	200,000	200,000	150,000	30,000	20,000	600,000
2	Other Non Executive Directors	Ajay Kejriwal	Hemlata Poddar				
	(a) Fee for attending board committee meetings	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify.	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	200,000	200,000	150,000	30,000	20,000	600,000
	Total Managerial Remuneration	200,000	200,000	150,000	30,000	20,000	600,000
	Overall Ceiling as per the Act.						

C. Remuneration To Key Managerial Personnel Other Than Md/manager/wtd

Sl. No.	Particulars of Remuneration		Key Managerial Personnel			Total
1	Gross Salary		Company Secretary	CFO		
			Mahavir Toshniwal	Gunjan Modi (from Sep 01, 2014 to Feb 3, 2015)	Manoj Singhania (from Feb 3, 2015)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		633000	423,082	219,916	1,275,998
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		18865	6,369	-	25,234
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	-	-
2	Stock Option		-	-	-	-
3	Sweat Equity		-	-	-	-
4	Commission		-	-	-	-
	as % of profit		-	-	-	-
	others, specify		-	-	-	-
5	Others, please specify		-	-	-	-
			-	-	-	-
	Total		651865	429450.75	219,916	1,301,232

VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

SECRETARIAL AUDIT REPORT

Secretarial Audit Report for the financial year ended on March 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule made there-under]

To,
The Members
Choice International Limited
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Choice International Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2015 has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act, 2013) and the Rules made there-under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable for Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - © The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) We have relied on the representation made by the Company and its Officers for compliance under the other laws and regulations specifically applicable to the Company as detailed below;
 - a. The Reserve Bank of India Act, 1934
 - b. Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non Banking Financial Company (NBFC) and report that the Company has substantially complied with the provisions of those Acts that are applicable to the Company, as identified by the Management. We have also examined compliance with the applicable clause of the Listing Agreements entered into with the Stock Exchanges where the securities of the Company are listed;

We report that;

During the financial year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above, except that the Company in process of registering the charge on the assets of the Company in respect of the Secured Non-Convertible Debentures issued during the financial year, as required in terms of the provisions of the Companies Act 2013 and guidelines issued by the Reserve Bank of India and delayed in transferring the amount of dividend declared for the financial year ended on March 31, 2014

We further report that;

There was no action/event in pursuance of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; or the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, or the Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008; or the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, requiring compliance thereof by the Company during the financial year and Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI) were not applicable during the financial year.

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

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and composition of the Board of Directors is in compliance with the Provisions of the Act. Adequate notice is generally given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were generally sent at least seven days in advance. In view of the non-existence formal system, we are not in position to comment on existence of system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meeting recorded, decision at the Board meeting have been taken by the majority of Directors. During the financial year no agenda item on which any of the Director dissented.

Based on the information provided by the Company, its officers, agents and authorized representatives during the course of audit, we further report that in view of the non-existence of a formal system of compliance management and reporting, we are not in position to comment about adequacy of the system, process and controls exists commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulation and guidelines.

We further report that in our opinion; the Company has no specific event/action that can have any major bearing on the company during the financial year.

For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]

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

Place: Mumbai

Dated: August 11, 2015

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

Annexure – “A”

To,
The Members
Choice International Limited
Mumbai

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]

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

Place: Mumbai
Dated: August 11, 2015

MANAGEMENT DISCUSSION & ANALYSIS REPORT

This Report contains forward – looking statements, which may be identified by their words like “Plans” expects will anticipates, believes, intends, projects estimates or other words of similar meaning.

Forward looking by their very nature, are subject to inheriting risk and requires us to make assumptions both general and specific which give rise to the possibility that actual results could differ materially from expectations expressed in or implied by such forward-looking statements. All statements addressing expectations or projections about the future are not limited to statements about the Company’s strategy for growth, product development, market position, expenditures, and financial results.

The Company retains the flexibility to respond to fast changing market conditions and business imperatives. There is significant risk that predictions, forecast, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and actual results may differ materially from such predictions, forecast, conclusions or projections. Therefore, the Company may need to change any of the plans and projections that may have been outlined in this report, depending on market conditions.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Global Economic Overview

Global growth is forecasted to increase with uneven prospects across different countries and regions. While advanced economies like the US, Euro Zone, and UK are expected to have gained adhesion in 2014, emerging economies like China, Russia, Brazil etc. are expected to have witnessed a slowdown in their respective economies.

The outlook for advanced economies led by US is showing signs of improvement, owing to the boost to disposable income from lower oil prices, continued support from accommodative monetary policy stances, and more moderate fiscal adjustment. With regard to emerging markets, lower prices of oil and other commodities have generally contributed to reduction in inflation. Global commodity prices saw a sharp correction with the benchmark CRB Commodity Index falling by 17.9% in 2014. The decline in commodity prices was led by crude oil, which fell by a significant 49.7% (Brent) during the year 2014. Decline in oil price is mainly due to unexpected demand weakness in some major economies, especially China and oversupply in global market from OPECs.

Stock markets of advanced nations continued to perform well in FY 2014-15. The Dow Jones Industrial Average closed the year at 17,776 after touching a high of 18,288 and a low of 16,026 during FY 2014 -15, up 8% YOY. Japan’s Nikkei 225 rose 30% to close at 19,206 after touching a high of 19,754 and a low of 13,910 during FY 2014 -15. UK’s FTSE 100 touched a high of 7,038 and a low of 6,183 during FY 2014 -15 and closed at 6,773 – a rise of 2% YOY. Back in India, the BSE Sensex was up 25% after touching an all-time high of 29,682 and a low of 22,777 during FY 2014 -15. The Nifty also touched an all time high of 8,996 and dropped to a low of 6,653 during FY 2014 – 15, closing at 8,491 up 26% YOY.

The growth outlook for the global economy for the next two – three years is moderate with uneven growth prospects seen in major economies. Advanced growth prospects seen for major economies. Advanced country economies are expected to pick up further momentum, while emerging economies, on a whole, face diminished growth prospects. The relaxing of commodity prices is likely to continue as both demand and supply factors constrain them. Oil price is not expected to rally which in turn would be a big positive factor for oil importing nations.

Indian Economic Overview

The Indian economy in 2014-2015 has emerged as one of the largest economies with the promising economic outlook. The Indian Economy started FY 2014 -15 on a positive note with significant improvement seen in the market and business sentiments, majorly due to General Election results. Under the leadership of PM Modi, the reforms progress in the country has hastened.

There has been a progress on business and economic fronts owing to the various initiatives importantly FDI Liberalization (defense and insurance), prudent food management policies, de-regulation of diesel prices, auction of Coal blocks and telecom spectrum in transparent manner. Furthermore, significant progress on financial inclusion through Jan Dhan accounts, targeting of subsidies through direct cash and steps taken to enhance ease of doing business also accounted significant progress on the policy formats.

The Sharp drop in crude oil prices through the course of the year resulted in significant windfall gains for a net commodity importing country. Lowering of oil and commodity prices have helped in disinflation process. The exchange rate during FY 2014 -15 averaged Rs. 61.15 per US \$ after touching an all time low of Rs. 63.67 per US\$. Foreign exchange reserves were US \$ 341.64 billion at the end of March 2015.

As per the advance estimates for FY 2014 – 15, the Central Statistical office (CSO) has projected a growth rate of 1.1 % in agriculture and allied sectors, Compared to 3.7% a year earlier. Manufacturing industry is expected to register a growth of 6.8% in FY 2014 -15 up from a growth of 5.3% in the previous year. Mining and Quarrying is likely to grow slower at 2.3%, compare with 5.4% growth a year ago. Growth in construction is likely to improve to 4.5% from 2.5% in FY 2013-14. According to CSO's advance estimates, growth in electricity, gas& water production is likely to improve to 9.6% in FY 14-15 from 4.8% in FY 2013-14. The service sector, including finance, insurance, real estate and business services sector is likely to grow 13.7% this year up from 7.9% in FY 2013 -2014. The trade, hotel, transport and communication sector are projected to grow by 8.4% as against 11.1% in FY 13-14. Public administration, defense and other services growth would be better at 9.0% compared with 7.9% in financial year 13 -14. Overall, the improvement in headline GDP growth in FY 2014 -15 is projected to be led by sectors like electricity, finance, construction and manufacturing. Inflation as measured by the Consumer Price Index (CPI) showed a substantial decline during the FY 2014 -15. After averaging close to 10.0% over a period six years between FY 2008 -09 till FY 2013 -14, average CPI inflation fell to 6.0% in FY 2014 -15. The sharp drop in crude oil prices helped moderate fuel, inflation. The disinflationary momentum was also manifested in the Wholesale Price Index (WPI), which has remained in the negative territory since November 2014 and has averaged at 2.1% during FY 2014 -15 .After correcting to 1.7% of GDP in FY 2013 -14, the current account deficit(CAD) is expected to improve towards 1.3% in FY 2014 -15 as per Economic survey presented by the Finance Minister in February 2015.

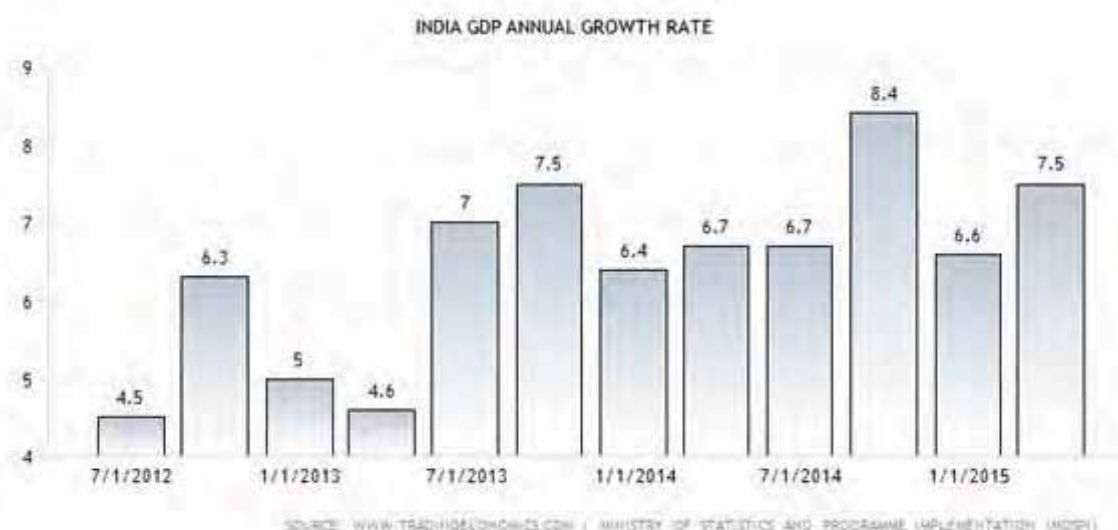
Fiscal balance further improved with Government's fiscal deficit has fallen to 4.0 % of GDP in FY 2014 -15 from 4.4% of GDP in FY 2013 -14, this fall is aimed to be achieved through the government's stake stake in state owned entities and rationalization of fuel subsidy amid higher devolution to the states as per the recommendation of the 14th Finance Commission. However, it is important to note that the fiscal consolidation as envisaged is subject to risks, especially with respect to lower tax revenues if the economy does not grow on expected lines.

In January 2014, the Reserve Bank of India formally adopted a glide path for disinflation in terms of headline consumer prices, with milestones of 6% by 2016. Reserve Bank maintained a tight stance in subsequent policy review so as to set the economy firmly on the disinflation path. Reflecting the ongoing transmission of monetary policy impulses through economy, inflation excluding food and fuel has declined from 8.5% in September 2013 to 6.9 % in 2014. Food inflation has also moderated in from double digit to 9.2% in 2014.

However one of the key disappointments of FY 15 was the deterioration in growth momentum. Credit growth is at decadal lows and two wheeler sales, cement production and steel production growth has tapered in the second half. Private sector continues to remain in none too healthy shape, with Indian Corporates now being one of the most leveraged and staring at earnings downgrades.

As on March 31, 2015, CRR was at 4%, SLR at 21.5%, repo rate at 7.5%, reverse repo at 6.5% and MSF/bank rate at 8.5%.

As on March 31, 2015, CRR was at 4%, SLR at 21.5%, repo rate at 7.5%, reverse repo at 6.5% and MSF/bank rate at 8.5%.



OUR NBFC OPERATIONS

Industry Facts:

NBFCs are emerging as an alternative to mainstream banking. Besides, they are also emerging as an integral part of Indian Financial System and have commendable contributions towards Government's agenda of financial inclusion. They have been to some extent successful in filling the gap in offering credit to retail customers in underserved and unbanked areas. The NBFC sector has been gaining systemic importance in the recent years and the share of NBFC has steadily grown from 10.7% of banking assets in 2009 to 14.3% of banking assets in 2014. Non-bank credit availability through the medium of NBFCs will continue to be an effective channel for meeting credit requirements of corporate as well as retail clients going forward and thus presents a large and growing opportunity for NBFCs like ours.

NBFCs are a crucial link in financial sector, delivering a diverse set of services – lending and deposit mobilization, distribution of financial products, investment banking and capital market operations. There are more than 12,000 NBFCs¹ registered with RBI and these NBFCs mainly cater to MSME segment of our economy. The central government has been focusing on ensuring steady-state funds availability for MSMEs through multiple funding and subsidiary schemes. In this regard there is also an urgent need for Central Government support to buttress NBFC's MSME funding effort.

Accordingly, as per CARE Ratings' estimates, Gross NPA level may be in the range of 5.8%-6.1% by 2018 from around 3.4%* as on 2014 and the profitability of NBFCs would see an impact of 35 to 45 bps due to revised guidelines. However, CARE Ratings believes that current profitability levels can absorb impact of additional provisioning requirements. Also, the three year transition period will help reduce the impact. Further the current capital adequacy level is comfortable. CARE Ratings perceives revised regulations to be positive for the NBFC sector. The regulations will make the NBFC sector structurally stronger, increase transparency and improve their ability to withstand asset quality shocks in the long run.

Size of the Sector

The share of NBFCs' assets in GDP (at current market prices) increased steadily from just 8.4 per cent as on March 31, 2006 to 12.5 per cent as on March 31, 2013; while the share of bank assets increased from 75.4 per cent to 95.5 per cent during the same period (Table 1). In fact, if the assets of all the NBFCs below ₹100 crore are reckoned, the share of NBFCs' assets to GDP would go further.

Table 1: Assets of NBFC and Banking (SCBs) Sectors as a % to GDP

Sector	Year							
	2006	2007	2008	2009	2010	2011	2012	2013
NBFC Assets to GDP	8.4	9.1	10.1	10.3	10.8	10.9	11.9	12.5
Bank Assets to GDP	75.4	80.6	86.8	93.0	93.0	92.2	92.7	95.5

Source: (i) Reports on Trend and Progress of Banking in India, 2006-2013; (ii) Hand Book of Statistics Indian Economy, 2012-13

Note: Assets of NBFC sector include assets of all deposit taking NBFCs and Non-Deposit Taking NBFCs including assets size Rs. 100 crore and above (NBFCs-ND-SI)

OUR NBFC OPERATION

Your Company is a Non –Banking Financial Company (NBFC), registered under the Reserve Bank of India Act, 1934.

There is a clearly defined set of procedures for evaluating the credit worthiness of customers that extends from initial evaluation to loan approval. Funds are advanced after due process of evaluation and upon providing the necessary documentation. A lot of emphasis is placed on tailoring finance to customer needs. The objective is to ensure appraisal and disbursement within shortest possible time, without compromising on asset quality. The lending portfolio of your company is diversified across various sectors like financial services, information technology, textile industry, etc. In FY 2014 -15 the income reached to ₹ 14268970/- as compared to ₹ 13652596/- in the FY 2013 -14.

Business Streams

We offer a range of products and services such as Broking and Distribution, Institutional Equities, Wealth Management advisory, Investment Banking, Private Equity, Business outsourcing etc. through various subsidiaries

Name of the Subsidiary Company	CIL Holdings	Primary products and services offered
Choice Capital Advisors Pvt. Ltd. (CCAPL)	100 %	Merchant Banking Services, Corporate Advisory & Consultancy, Equity Syndication, Debt Syndication, Private Equity
Choice Equity Broking Pvt. Ltd. (CEBPL)	100 %	Equity, Currency, Derivatives and Depository Services
Choice Wealth Management Pvt. Ltd. (CWMPL)	100 %	Distribution of Mutual Fund,
Choice Merchandise Broking Pvt. Ltd. (CMBPL)	100 %	Commodity Broking
Choice Business Services Pvt. Ltd. (CBSPL)	100 %	Business Advisory, Regulatory Compliances, Cross Border Transaction, Accounting & Taxation, Resource Management
Choice Insurance Brokers Pvt. Ltd. (CIBPL)	100 %	Insurance Consultancy
Choice Corporate Services Pvt. Ltd.	100%	Advisory Business
Choice E – Commerce Private Limited	100%	E-commerce

Note : The Company has incorporated One wholly owned Subsidiary in the Name of Choice E – Commerce Private Limited on July 14, 2015 and in the process of incorporating three step down subsidiary in the Name of Wheresmypandit.com Private Limited, Motormistri.com Private Limited & d –aashanacouture.com Private Limited to diversify and expand the E – Commerce Business of the company.

Since the management takeover of the company, your Company has successfully chartered out a growth strategy of diversifying into newer asset classes, newer client segments and newer products. This strategy of the company has supported the operations of Choice while bringing stability to its performance.

BUSINESS INCOME HIGHLIGHTS:

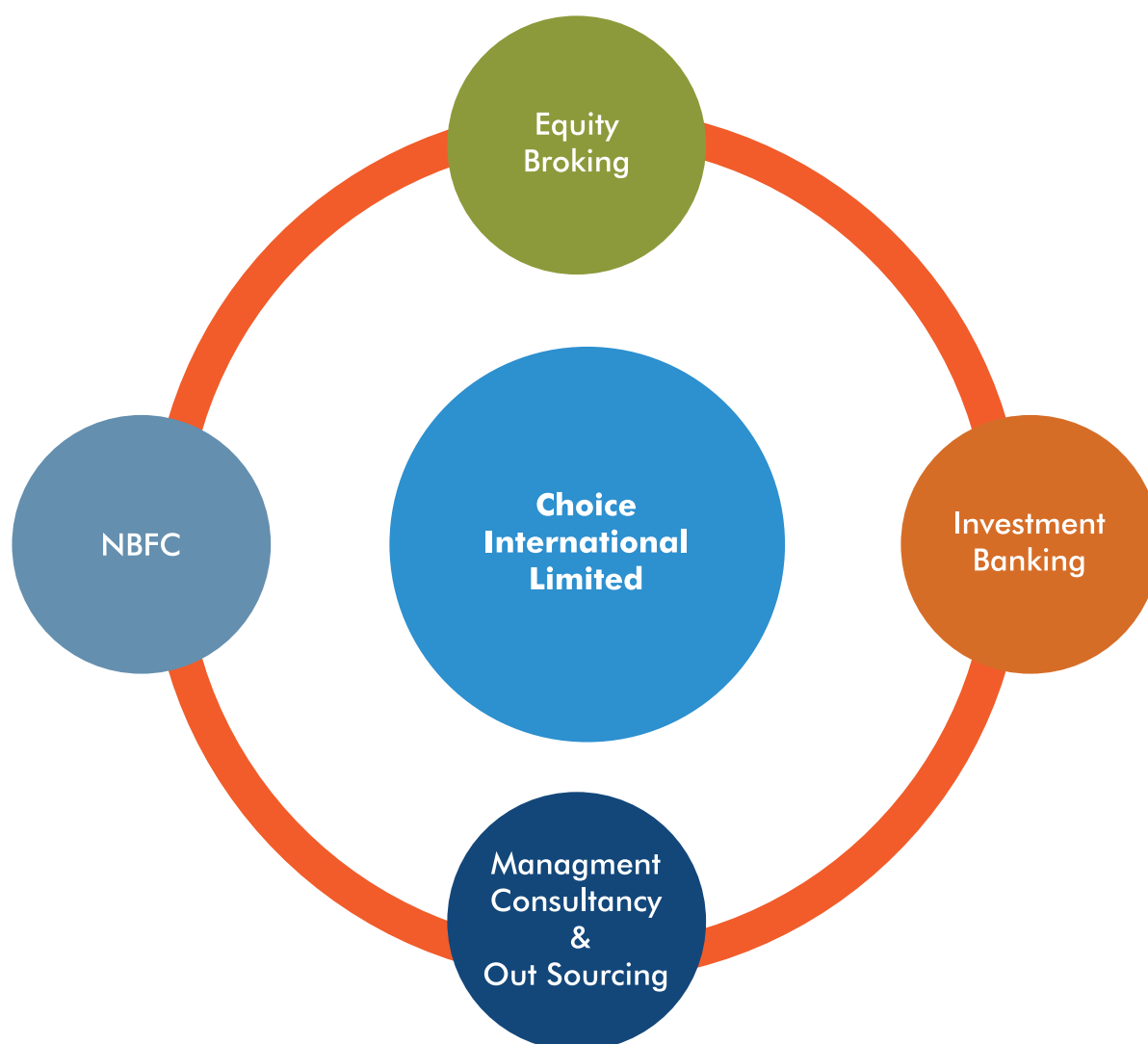
The composition of the consolidated revenue has been as follows:

(Amount in ₹)

Particulars	2015
NBFC Operations	59,290,303
Broking & Distribution Services	301,216,561
Investment Banking Services	123,462,032
Management Consultancy & Outsourcing	83,028,267
Total	566,997,163



OUR BUSINESS SEGMENTS



BROKING & DISTRIBUTION BUSINESS

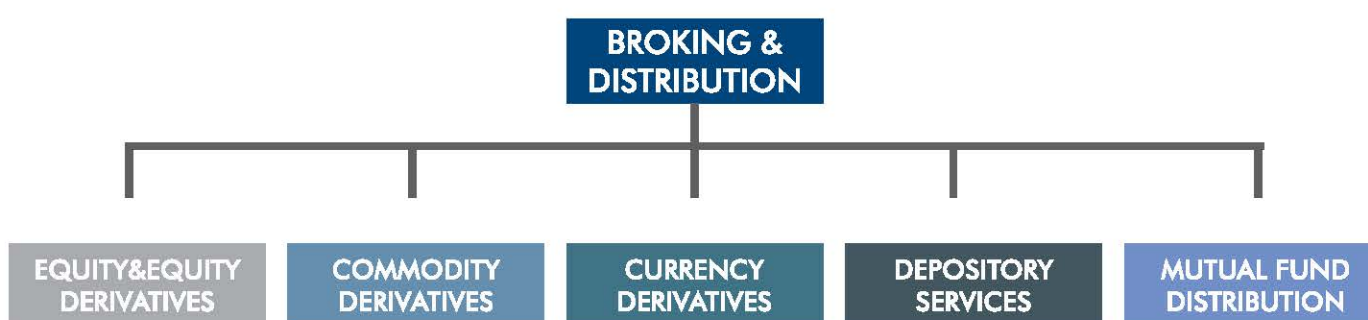
Industry Facts

After going through a rough phase in the last couple of years, the Indian equity markets rebounded in FY15. Muted global growth, ample liquidity, comparatively limited opportunities in other emerging markets along with a renewed optimism in the Indian economy post the formation of a stable government brought large quantum of foreign money into the Indian Capital Markets.

At the industry level, Equity Average Daily Volumes (ADV) rose by 14% YoY during 9MFY15 to ₹ 2.36 trillion. While this may be considered as moderate, what is important to note is the strong uptick in cash volume ADV which increased by more than 55% YoY to ₹ 0.21 trillion in 9MFY15. Equity derivative ADV rose by 11% in 9MFY15 to ₹ 2.15 trillion when compared with 9MFY14.

Our broking & Distribution Services business

As a full-service broker, Choice International Limited offers comprehensive financial solutions to a cross section of clients comprising High Net worth Individuals, corporate, NRIs, FIIs, Mutual Funds, Insurance Companies, Banks and other financial institutions.



As a part of company's effort to become a one stop destination for financial services to its clients, Choice Equity broking has taken major initiatives on various fronts to fuel its growth in the next phase.

Initiatives in Technology –

- **Online (HTML) Trading Platform –**

Choice Equity has made significant efforts in building HTML trading platform for its clients. The new platform will allow clients to trade on their own from their PCs or Laptops. The platform will also provide stock related analytical tools and live research recommendations. Apart from providing trading services, the platform will also offer gateway to invest in Mutual Funds, IPOs, Bonds and other debt instruments. The portal would be integrated with back office systems, so that clients can fetch various back office reports through single sign on.

- **Mobile Trading App –**

The firm will soon launch its mobile trading app for Android and IOS mobile devices. The app will offer real time portfolio & back office reports and smoother trading experience. With the launch of mobile app, Choice equity will be better equipped to compete with top broking firms in the country.

- **Online Account Opening process –**

To make the customer acquisition process simpler and effective, Choice is working on an integrated online account opening process which will allow new clients to print filled-in forms from the portal. KYC validations can be done online via webcams. This functionality will also significantly reduce the average time taken in the account opening process today and will provide hassle free experience to clients.

- **Visibility over the Internet –**

Investors and traders are becoming internet savvy day by day and hence it is important to service providers to be visible to its prospective clients on the internet. Choice is gradually working towards building its visibility and stature in the online world. From search engine optimizations to focused social media campaigns, it is working on all facets of online visibility to be able to acquire clients online.

Focused Research –

With the start of its institutional equities and debt desk, the company has been focusing on its research capabilities and quality of research produced. From setting up stock selection panel to meeting management of companies under coverage are some of the initiatives taken to make Choice Research a thought leader in the broking industry. Company's research has been approved by Bloomberg to be on its contributors list. Its research reports are now available on Bloomberg terminals to investors across the world.

The fundamental research coverage has been segregated into two branches, Value & Growth. Value branch continues to cover companies which are undervalued and have a long sustainable track record of their earnings and with promising growth prospects. The Growth coverage focuses on companies which are on a high growth trajectory with disruptive business model or technology.

Centralized customer support -

Choice Equity is also planning to set up a central customer support desk which will offer 360 degree support to its clients. From assisting new clients in account opening process to their queries related to trading terminals, RMS policies and exposures offered. The proposed desk would work as a nodal point of contact for our clients and would coordinate with various departments internally as per client's specific requirements. This centralized desk will also enable Choice to have a better control over quality of support offered and grievance management.

INVESTMENT BANKING

Market Environment

Primary Markets

Equity capital raising activity witnessed a small uptrend this year after subdued performance in the previous two years. The Initial Public Offer (IPO) market witnessed 46 IPOs of equity for raising an aggregate of Rupees 3,039 Crore and 24 debt issuances for raising an aggregate of ₹ 9,422 Crore in FY 2014-15 as against 38 IPOs of equity aggregating Rupees 1,236 Crore and 35 debt issuances aggregating ₹ 42,383 Crore in FY 2013-14. This fiscal year there was no Follow-on Public offer (FPO) compared to 2 FPO's in FY 2013-14 which raised an amount of ₹ 7,457 Crore. During the year, the corporates preferred to raise funds through qualified institutions placement raising an aggregate of ₹ 29,102 Crore from 51 ssuances as against Rupees 13,663 Crore from 17 issuances in FY 2013-14. Corporates also raised ₹ 6,750 Crore through 18 Rights Issues in FY 2014-15 as against ₹ 4,576 Crore through 15 Rights Issues in FY 2013-14. The breakup of funds raised in public markets during FY 2014-15

Primary Market	FY 2014-15		FY 2013-14	
	No.	₹ In Crore	No	₹ In Crore
IPO	46	3,039	38	1,236
FPO	0	0	2	7,457
Right Issue	18	6,750	15	4,576
QIP	51	29,102	17	13,663
Total Equity Raised	115	38,891	72	26,932
Total Debt Raised through Public Issue	24	9,422	35	42,383
Total Amount Raised	139	48,313	107	69,315

Secondary Equity Market

During FY 2014-15, Foreign Institutional Investors invested ₹ 1,11,333 Crore (₹ 79,709 Crore in FY 2013-14) in the Indian equity markets and ₹ 1,66,127 Crore in debt instruments (compared to sale of debt instruments worth ₹ 28,060 Crore in FY 2013-14). The aggregate amount of ₹ 2,77,460 Crore is the largest FII investment into India in a single financial year (and a substantial jump from ₹ 51,649 Crore in FY 2013-14).

The total market capitalisation of the companies listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) as on March 31, 2015, stood at ₹ 1,01,49,290 Crore and ₹ 99,30,122 Crore respectively as compared to ₹ 74,15,296 Crore and ₹ 72,77,720 Crore as on March 31, 2014. The comparative details of average daily turnover in the Cash and Derivative segments of BSE and NSE are given below :

Average Daily Turnover	FY 2014-15	FY 2013-14
Cash		
BSE	3,518	2,078
NSE	17,818	11,189
Derivatives		
BSE	83,797	36,731
NSE	2,28,833	1,52,237

Our Investment Banking Services

Investment banking division is the rapidly growing banking advisory arm of Choice International Limited. The division provides high-quality Investment Banking, Corporate Finance and Corporate Advisory Services to clients in the mid-market space. We are SEBI registered Category I merchant banker. The Company offers the complete breadth and depth of high quality financial advisory services and capital market solutions to domestic and multinational clients across sectors.

At Choice Capital Advisory Private Limited, we aim at providing our clients with everything they need in doing better as realizing their strategic vision in our shared objective. Our services achieve these goals by putting clients at the center of everything we do.

A team of more than 25 professionals at Choice Capital Advisors has a collective experience of more than 80 years of fund raising & advisory. We have concluded more than 100 Capital Market & Advisory transactions and raised close to INR20,000 crores (USD3.25 billion). We are dealing with a large number of banks, NBFCs, DIs, FIs, and various Financial Institutions.

Our team of dedicated sector experts provide in depth insights on all major industries which enables us to formulate appropriate business strategy. We provide our clients with need based solutions through our innovative structure and experience.

Whether a firm is looking for a Private Placement or Private Equity Investment, Domestic or International listing, Debt Syndication or Financial Advisory, we are your one stop shop solution. We believe in growing with the clients. We associate with the client at early stage when the requirement is most and options are least and help the client in every stage for growth of the company.

In recent times, our Investment Banking business has seen a significant jump in number of inquiries. To be able to aggressively tap such opportunities, Choice capital has hired experienced bankers. This addition in team will not only ensure higher number of mandates, it will also strengthen our execution capabilities. Recent economic data has shown improvement based on increased focus of government spending, low inflation and low oil & commodity prices. We feel that economic scenario will continue to improve hence forth and will result in improved business sentiments which will be a big positive for Investment Banking Business in the country.

SOME OF THE INDUSTRIES SERVICED BY US INCLUDE:

- » Energy & Resources
- » Technology, Media & Telecom
- » Real Estate and Infrastructure
- » Financial Services, NBFC
- » Life Science and Healthcare
- » Manufacturing and Logistic
- » Textile
- » Education Sector
- » Consumer Business & Transportation

OUR ACTIVITIES (EQUITY SERVICES)

- » Funds raising through Primary and Secondary Capital Markets
- » Private Equity Placements (PE)
- » Venture Capital Funding/ Seed Funding

DEBT MARKET SERVICES

- » Product Financing
- » Debt Restructuring
- » Working Capital Requirements
- » Trade Finance
- » Structured Financing
- » Retail Loan

ADVISORY & CONSULTANCY

- » Mergers and Acquisitions
- » Due Diligence
- » Valuations
- » Financial Structuring & Restructuring
- » Direct Listing/delisting of Securities
- » TakeOver /OpenOffer of Securities
- » BuyBack of Securities
- » Revocation of Suspended securities
- » Business Analysis and Project Analysis & Techno Financial Services:
- » Financial Re-Engineering

MANAGEMENT CONSULTING & OUTSOURCING

Our Management Consulting & Outsourcing services focus on identifying and resolving most critical issues for our clients and preparing them for future opportunities. Our 360 degree approach helps businesses in achieving sustainable and efficient improvement on operations.

We help clients develop strategic business plans and then convert these plans into action. We integrate strategies and business plans with proven Financial and risk management processes to provide organizations with a holistic approach to business planning. We take a hands-on role to ensure that solutions are not only conceived, but also delivered with sustainable benefits.

We serve clients at various levels, we work with top management closely and advise them on challenges and opportunities faced by the business due to internal and external factors, we also work with their frontline teams and assist them in increase their effectiveness by implementing best practices. We create teams with the most appropriate experience and expertise for our clients. We assist businesses in developing a finance vision and strategy which includes thorough analysis of existing processes, capabilities, structures, governance and external business environment. We support the decision making processes and reporting and planning requirements. Our teams constantly track changes in external business environment to anticipate future challenges and opportunities.

We have been actively pursuing techno financial consulting opportunities in various state governments. We have partnered with various technical consultants for jointly bidding for various tenders floated by government bodies. Our knowledge process outsourcing function has been aggressive in tapping opportunities in large organizations, which were looking to outsource their non-core functions in capable hands in a cost effective manner.

Our Services portfolio includes following services -

AUDIT AND ASSURANCE SUPPORT

- » IFRS Implementation & Reporting
- » Comparative analysis of financial reports
- » Internal Audit & Risk Assurance
- » Regulatory Compliance
- » Implementation of Best Practice

CONSULTING

- » Transaction Advisory
- » Financial Management
- » Business Performance Services
- » Internal Audit, Risk & Compliance

TAX

- » Corporate Tax Planning
- » Tax Advisory and Opinion resolution
- » Representation Services
- » Tax Policy & Administration
- » Indirect taxation services

CROSS BORDER TRANSACTION SUPPORT

- » FEMA Advisory & Compliances
- » International Transaction
- » Branch set up outside India
- » Transfer Pricing
- » Taxation Advisory Services

KPO

- » Assistance in various Tax Returns
- » Registration, Documentation and assessment of liabilities
- » Assistance during departmental audits
- » Return filing, accounting and record keeping

COMPLIANCE

- » Compliance check and Assurance
- » Statutory accounting, bookkeeping and payroll compliance
- » Compliance of industry specific statutes
- » Compliance process, technology & controls advice

OPINION AND DUE DILIGENCE

- » Tax Laws and Procedures
- » Business & Brand Valuation
- » Financial Due Diligence

RESOURCE MANAGEMENT

- » Executive Recruitment

We assist businesses in developing a finance vision and strategy which includes thorough analysis of existing processes, capabilities, structures, governance and external business environment. We support the decision making processes and reporting and planning requirements. Our teams constantly track changes in external business environment to anticipate future challenges and opportunities.

NEW INITIATIVES

E-COMMERCE BUSINESS

INDUSTRY FACTS

The E-Commerce sector has seen unprecedented growth in 2014. The growth was driven by rapid technology adoption led by the increasing use of devices such as smartphones and tablets, and access to the internet through broadband, 3G, etc. This led to an increased online consumer base. Furthermore, favored demographics and a growing internet user base helped aid this growth. In terms of highlights, the growth shown by homegrown players such as Flipkart and Snapdeal and the huge investor interest around these companies displayed the immense potential of the market.

Indian companies realize this, and are therefore aiming to continue their focus on expanding sellers and selection on their platforms, innovating on multiple customer touch points, and providing seamless and rapid delivery services in order to compete with the international entities. Competition is expected to continue, with these E-Commerce companies experimenting with different ways to attract customers and increase online traffic.

The E-Commerce industry in India may currently be behind its counterparts in a number of developed countries and even some emerging markets. However, with India's GDP growth pegged at 6.4% by the International Monetary Fund and the World Bank, it is expected to grow rapidly. Moreover, the Indian E-Commerce industry has access to funds from within the country and international investors. Overall, the E-Commerce sector is maturing and a number of serious players are entering the market.

OUR E-COMMERCE BUSINESS

Our E-commerce business invests in building unique online platforms which connect Businesses and Consumers. Our projects aim to cover white spaces which existing Indian E-Commerce business by offering state of the art platforms and services. We keep innovation at the core of all our projects which includes using latest technology, simple and friendly interface, high level of security and 24*7 personalized support.

Our projects tend to focus on segments/businesses which are not yet covered by Indian E-commerce industry. We focus on creating our presence in specialized niche which are difficult to replicate and requires specific expertise

Our Concept team focuses on identifying segments wherein consumers and businesses facing difficulty in transact with each other due to lack of a robust online platforms which are not only bridges the two, it also provides assurance n quality of service, turnaround time and proactive support. In last one year we have given shape to various unique ideas and most of them are in operation today. From launching online platforms to building market place the past year has been a year of innovation and implementation for the E-Commerce vertical. There are initiatives related to Solar park, E-commerce park which we plan to implement in the new financial year. In last one year, we have launched exclusive projects like—

WHERE IS MY PANDIT:

WHERE IS MY PANDIT fulfills the need of those who wants to follow the practice of Hinduism in today's time constrained world. In other words, WHERE IS MY PANDIT is a one stop window to access Panditji for Puja & Puja Samagri. Here we provide Pandits & deliver Puja Samagri for various Hindu Pujas to our customers along with various other services related to Hindu religion.

SERVICES:

- » Pandit Services
- » Puja Samagri
- » Organize a Puja
- » Holy Store
- » Tirtha
- » E-Puja
- » Hotel Bookings



D AASHANACOUTURE:

D AashanaCouture - a designer house that is renowned for the most exquisite and elegant Indian ethnic couture, celebrates womanhood in all its glory. D AashanaCouture brings you end-to-end couture services, right from understanding the latest trends to custom-made solutions. Our eclectic mix of the trendy, sophisticated and contemporary style mesmerizes through our stunning six yard drapes (sarees), gorgeous lehengas, elegant salwar kameez and chic anarkalis, making D AashanaCouture, the ultimate destination for your online ethnic shopping needs.

SERVICES:

- » Ready to Ship
- » Deja-Vu
- » Design Studio – Be your own DESIGNER



MOTORMISTRI:

MOTORMISTRI is India's leading virtual garage for Cars & Bikes. MOTORMISTRI is the threshold which connects vehicle owners directly with experts and pioneers in the field of Automobiles. As an informative expert we provide our guests the most updated insights in the world of machines.

SERVICES:

- » Automobile reviews
- » List of garages along with the services they provide
- » Modification & alteration, Accessories
- » Rescue Services such as 24x7 Towing Services



OUTLOOK AND STRATEGY

After growing strongly before and after the global financial crisis, India's economy has slowed substantially.

With the long term India growth story intact, we continue to remain enthused about the growth prospects of financial services sector in India. However, given the inherent linkage of most of our businesses with the economy and capital markets, our financial performance is subject to fluctuations depending on the pace of economic growth and activity in the capital market. While FY12 to FY14 had witnessed challenging macro-economic and business environment, FY15 saw the reversal of these conditions. the Company has emerged as a leading financial services company in India with a diversified bouquet of services including financing, asset and wealth management, capital markets and financial products distribution, investment banking, institutional equities and realty services through its various subsidiaries.

Choice international strategy focuses on long-term growth and sustained value creation. We retain our long-term vision while achieving short-term targets. At the same time, while taking decisions which are ultimately in the long-term interest of the stakeholders and the company, we are also prepared to make short-term sacrifices. Continuing to invest in building new businesses despite challenging environment, which impacted our short-term profitability during the diversification phase, is a typical example of our long-term growth strategy and steadily expand and diversify our portfolio of financial services and products, provide effective financial solutions to navigate through complex day to day business situations, turbulent market cycles and building a business model that caters to multiple requirements of our clients. We seek long-term, stable growth supported by a strong financial discipline, with the goal of achieving sustainable superior returns while assuming prudent operating risks. We will continue to take advantage of the opportunities presented by the economy to consolidate our position as one of the premier financial services group in India. Our strategy for achieving this goal is to slowly audit function includes assessing the adequacy, efficiency and effectiveness of internal control systems across the Group.

The last financial year has been year of new initiatives for choice. The new financial year will see a lot of our initiatives taking shape and being deployed. Some of these systems/changes are the part of our endeavor to evolve and improve our systems and process on a regular basis. These improvements will bring higher client satisfaction and will improve our Brand equity in the longer term. The new initiatives and investment in technology & people will fuel our growth in the coming year.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

While the current domestic economic scenario is challenging, India still remains a promising long-term growth story and one of the fastest growing economy in the world. We believe our strengths give us the competitive advantage to position ourselves as the leading services company. The following factors present specific opportunities across our business:

1. Our positioning as an integrated financial services provider, offering a comprehensive suite of services makes us stand apart against competition, since most of them focus on expertise in any one particular domain. This positioning helps us across retail and Institutional dealings of Choice, since our clients prefer to work with an enterprise which is capable of executing and delivering on a wide variety of assignments requiring expertise on multiple areas.
2. We are able to undertake complex business initiatives that help our clients enhance their performance, increase eligibility and flexibility, reduce costs, and achieve measurable business value.
3. Our business verticals focus on developing deep industry expertise. This combined with our vast experience allows us to work with clients on a large scale.
4. We have developed process and frameworks to work on such projects and minimize financial and business risk to our clients
5. We have long- standing relationship with large corporations and other organization that are built on successful prior engagement with them.
6. Focus on delivering quality services efficiently has helped us create a pool of clients who have been engaging us for a wide range of assignments over the years. They have also been a great source of referral for us.
7. Competence development of our workforce has always been our key strategic focus area.
8. We have ability to keep pace with ever-changing technology and customer requirements.

THREATS

The performance of capital market in India has a direct correlation with the prospect of economic growth and growth in corporate earnings. With the declining demand in past few quarters, the level of confidence of corporates has gone down which in turn has impacted their expansion plans, resulting in lower investments by Private Sector in the country. Though, the Central Government has started focusing of spending in key areas including Rail, Road and Infrastructure to boost demand, this effort will take some time to show results on the ground considering the size of our economy. Prevailing poor monsoon is a threat to lower inflation.

Following are some key factors presenting threats to our businesses viz.

- a. Delay on clearing GST and Land reforms and frequent adjournments of both the houses have raised questions over government's ability to push through big reforms. Resulting in weaker business sentiments in the country.
- b. Economy is on the path of recovery which will take few more quarters to reflect on further new investments by Private sector in response to demand growth. We expect that the revival will start reflecting on earnings of companies from Q1 FY 17 onwards.
- c. Attrition of employees caused by strong demand from ever increasing number of market participants;
- d. Continuous downward pressure on the fees, commissions and brokerages caused by heightened competition and willingness of most players to deliver services at very low fees
- e. Risks arising from reduced ability of corporates to generate sustained revenues to service loans given by our NBFC in a timely manner.

RISK MANAGEMENT

The diversified financial services business activities of Choice International Limited are exposed to various risks that are either inherent to the business or have their genesis in changes to external environment

Risks and rewards go hand-in-hand and optimum and sustainable results are achieved only when there is a balance between the two. The Company has consistently maintained high levels of Controls within the various businesses, Operations and functions, which in turn have acted as strong growth enablers throughout its journey.

Our risk management structure is based on sound risk management practices and effective risk management framework.

MARKET INITIATIVE – GROWING NETWORK

A Snapshot of your Company's Work –

1. Choice Initiative

Your Company, growing in a competitive and dynamic environment, recognizes the importance of training and development of its employees, who make the decisive difference in the Financial Services industry. The company has formulated systems to continuously review the performance of employees based on guest satisfaction.

Every year the company celebrates in house various festivals and events like Holi, Ganesh Chaturti, Rangoli competition, Diwali, Christmas, etc. where all associates actively participate, making these the most happening events of the year. Various activities mark these occasions and the awards are presented to employees for their motivation which is very virtuous way of employee recognition and helps in Motivating employees. This makes them feel self-important and acts as catalyst for others to do better and get recognized, thus marking healthy competition which benefits both the organization as well as associates.

The Company has also initiated various welfare initiatives for the staff, which includes free education and health care facilities for staff and their family members. The Company organises "Free Health Check-ups" for the employees and their family members in its premises on a regular basis and other initiatives like Reiki session for meditation, devotional and health purpose at its premises for the benefit of employees of the company. The company has organized the in house seminar session by URJA YOG, the NGO which is registered trust and working diligently towards improving the Lives of people in every way for last many years.

The company also undertakes “Free Education programme” for its employees and their children, in line with its guiding principle which is changing lives by empowering individuals through Education. The Company also provides assistance to its staff in form of short term loans in case of emergency

2. Choice Go Green Move

At Choice, we believe that volunteering for a societal cause is an enriching experience and allows the human values and self worth of individuals and teams to flourish. As our industry and operations do not directly cause harm to natural environment, our commitment to the environment is primarily through reduction of impact of our daily operations on critical natural resources. In view of the above, your company has started “CHOICE GO GREEN MOVE” which is in accordance with the MCA initiatives wherein the communication to the shareholders shall be sent in the electronic form.

3. Education

Education is the most powerful weapon we can use to change the world and to bring about this change we have focused on access to quality education and offer scholarship to children at the bottom of the socio – economic pyramid. We promote education for children by providing academic, material and social support that allows them to access quality education and to attend school with dignity.

Investor Relations:

Information Technology:

The Company understands the importance of technology in the business segments it operates and lays utmost emphasis on the system development and use of best technology available in the industry. The Company keeps itself abreast of technological advancements in the industry and ensures continued and sustained efforts towards absorption of technology, adaption as well as development of same to meet the business needs and objectives. The management is aware of the increasing threats in the Information Security domain and has taken substantial steps to ensure the organization is safeguarded against hacking attacks, data leakage and security breaches.

Internal control system:

Choice international Limited has an Internal Control System, well commensurate with the size, scale, nature and complexity of its operations. The Company conducts its internal audit within the parameters of regulatory framework including preparation and execution of annual internal audit plan. It conducts Risk Based Internal Audit across the Group through external audit firms as well as In-house team.

The internal control system is supplemented by an extensive program of internal audits and reviews by the senior Management. In addition to external audit, we have appointed independent internal audit firms for the Company and all our operating subsidiary companies to assess and improve the effectiveness of risk management, control and governance process.

The Company has invested in ensuring that its internal audit and control systems are adequate and commensurate with the nature of business and the size of its operations. The internal control system is supplemented by concurrent and internal audits, as well as special audits and regular reviews by the management. They are empowered to examine the adequacy of and compliance with policies, plans and statutory requirements. Significant deviations are brought to the notice of the Audit Committee of the Board of the respective companies and corrective measures are recommended for implementation.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

At Choice international limited, people are our most valuable asset and we believe that the ultimate identity and success of our Firm lie in the excellent quality of our people and their dedicated commitment towards attaining our Organization’s vision.

The success of the business of your company squarely depends on availability of trained and experienced personnel and people with high ethics and integrity. Choice International is a dynamic and progressive group that actively fosters a challenging work environment and encourages entrepreneurship. With trust being the critical part of our business belief, we lay a strong emphasis on integrity, teamwork, innovation, performance and partnership. Our professional staff with diverse backgrounds brings varied talent, knowledge and experience to the Group, helping our businesses to remain competitive, achieve greater success and newer milestones. HR plays the role of an effective business partner in building the Group HR strategy and supports all our businesses by delivering best HR practices, processes and systems. For a large and diversified financial services Group like ours, financial capital and human resources capital form the most critical resources for growth. At Choice we believe that our human capital is our greatest strength and is the driver of growth, efficiency and productivity.

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HR plays the role of an effective business partner in building the Group HR strategy and supports all our businesses by delivering best HR practices, processes and systems.

For a large and diversified financial services Group like ours, financial capital and human resources capital form the most critical resources for growth. At Edelweiss we believe that our human capital is our greatest strength and is the driver of growth, efficiency and productivity.

CORPORATE GOVERNANCE

If Management is about running the business, governance is about seeing that it run's properly

- R Tricker

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE), the report containing the details of Corporate Governance system and processes at Choice International Limited are as follows:

Good governance is integral to the very existence of a company. It inspires and strengthens investor's confidence by ensuring company's commitment to higher growth and profits. Corporate Governance extends beyond corporate law. Its fundamental objective is not mere fulfilment of the requirements of law but in ensuring commitment of the Board in ensuring commitment of the Board in managing the company in a transparent manner for maximizing stakeholder value. The real onus of achieving desired levels of corporate governance lies with corporates themselves and not in external measures.

Your Company is renowned for exemplary governance standards since inception and continues to lay a strong emphasis on transparency, accountability and integrity. The new Companies Act, 2013 and amended Listing Agreement have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and had proactively adopted many provisions of the new law, ahead of time. The Company is committed to embrace the new law in letter and spirit.

At Choice International Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. To ensure growth of all individuals associated with or affected by the enterprise on sustainable basis. The Company considers stakeholders as partners to success, and remains committed to maximising stakeholder's value.

I) STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company opines that the Corporate Governance is integral to the existence of the company. The Company believes that Organisation culture comprises of the attitudes, experiences, beliefs and values inculcated in the organization and that the organization's values greatly influence the decisions that individuals make.

We firmly believe that it is only through good corporate governance practices we can achieve sustainable growth of the organisation and create long term shareholder value, thus transparency, accountability, fairness, professionalism, social responsiveness, complete disclosure of material facts and independence of the Board form the basis of the Corporate Governance practise adhered by your Company.

The Company's commitment to ethical and lawful business conduct is a fundamental value of our Board of Directors, management and employees and is important to the success of the company. The Company strive to uphold ethical and legal standards to build value for customers without compromising on our core values of Business Ethics & Sustainability. It is imperative that our Company affairs are managed in fair and transparent manner as it is vital to gain and retain the trust of our stakeholders.

Choice International Limited is committed to the high standards of transparency and accountability.

II) BOARD OF DIRECTOR

If the company has to make the most of its opportunities, the Board has to be a source of inspiration for the goals it sets. The Board is responsible for the manner in which a company achieves its goals and therefore the kind of enterprise it is and that which it aspires to become.

- Adrian Cadbury

Responsibilities cast upon Directors are quite onerous and multifarious. The duties of directors are partly statutory, partly regulatory and partly fiduciary. Directors are in fiduciary position and must exercise their powers for the benefit of the company. Board is responsible for direction, control, conduct management and supervision of the company's affairs. The Board of Directors plays a pivotal role in ensuring good governance. The contribution of directors on the Board is critical to the way a corporate conducts itself. It is the responsibility of the Board to establish an organizational vision and mission, giving strategic direction and advice, overseeing strategy implementation and performance, to ensure the organization has sufficient and appropriate human resources, ensuring effective stakeholder relations, risk mitigation, procuring resources.

Independent directors are known to bring an objective view in board deliberations. They also ensure that there is no dominance of one individual or special interest group or the stifling of healthy debate. They act as the guardians of the interest of all shareholders and stakeholders, especially in the areas of potential conflict.

Thus Board Composition is one of the most important determinants of board effectiveness.

A) BOARD COMPOSITION AND CATEGORY OF DIRECTOR

Choice International Limited has an optimum combination of executive and non - executive directors on its Board. During the year under review, the Board Comprises of Eight Directors i.e one executive director who is promoter director as well as the managing director, two nonexecutive director out of which one is the promoter director of the company & five Independent director. All the Independent directors of the company satisfy the criteria of Independence as defined under the provisions of the Companies act 2013.

The names and categories of the directors on the Board and their meetings held during the year under review are as follows:

Name of Director	Category of Director	Designation	No. of Board Meetings attended out of the 4 meetings held during the year	Attendance at the last AGM	No. of Directorship in other bodies corporate
CA Kamal Poddar	Promoter & Executive Director	Managing Director	4	√	10
CA Ajay Kejriwal	Non Executive Director	Director	4	√	-

Name of Director	Category of Director	Designation	No. of Board Meetings attended out of the 4 meetings held during the year	Attendance at the last AGM	No. of Directorship in other bodies corporate
Mrs. Hemlata Poddar	Promoter & Non Executive Director	Director	1	-	-
Dr. Kali Mohan Bhattacharya	Independent Director	Director	2	-	4
Mr. Debkumar Goswami	Independent Director	Director	4	-	4
Mrs. Bhagyam Ramani	Independent Director	Director	3	√	9
CA B.M. Agarwal	Independent Director	Director	4	-	3
*Mr. Satish Chandra Kulhari	Independent Director	Director	-	√	-
*Mr. Pankaj Bhansali	Non Executive Director	Director	1	-	-
*Mr. A.K. Vaidyan	Independent Director	Director	4	√	6

*1) Mr. Pankaj Bhansali resigned from the office of Directorship with effect from June 30, 2014

2) Dr. Satish Chandra Kulhari resigned from the office of Directors with effect from September 27, 2014

3) Mr. A.K. Vaidyan Independent Director of the Company resigned from the Board with effect from August 11, 2015.

B) BOARD MEETINGS:

- 1) Board meetings are an integral part of a business. These meetings inform the board members about the current condition and future strategy of a Company. Board meetings are a great way to discuss any major changes and plan the direction of a company. Your company conducts Board Meeting at Regular Intervals to discuss the Road Map for the Company's Journey to success. Minimum four Board Meeting are held every year, apart from the above additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. The Board meets at least once every quarter inter alia to review the quarterly results. The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
May 30, 2014	10	6
August 14, 2014	9	8
November 14, 2014	8	7
January 30, 2015	8	7

The intervening period between two Board Meetings was well within the time limit prescribed in the Companies Act, 2013 and Clause 49 of the Listing Agreement.

- ii) The Board Meetings are usually held at the Registered office of the Company situated at Shree Shakambhari Corporate Park, Plot No - 156 -158 Chakravarty Ashok Society, J.B.Nagar, Andheri (East), Mumbai – 400099.
- iii) To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company. Senior Management is invited to attend the Board Meetings as and when required, so as to provide additional inputs to the items being discussed by the Board.
- iv) The Minutes of the proceedings of the Meetings of the Board of Directors are noted and the draft minutes are circulated amongst the Members of the Board for their perusal.

C) INDEPENDENT DIRECTORS

Independent Directors have a key role in the entire mosaic of corporate governance. It is increasingly being recognized that independent directors occupy a pivotal position with respect to the progress of the company. In fact Independent Directors are considered as both a safeguard and a significant source of competitive advantage.

Independent Directors bring a valuable outside perspective to the deliberations. They contribute significantly to the decision-making process of the Board. They bring an objective to the evaluation of the performance of Board and management. In addition, they play an important role in areas where the interest of management, the company and shareholders may diverge such as executive remuneration, succession planning, changes in corporate control, audit function etc. Your Company has the ideal members having varied experience and knowledge to act as the Independent Director on the Board of the Company.

INDEPENDENT DIRECTOR'S MEETING:

During the year under review, the separate meeting of Independent Directors was held on January 30, 2015 inter alia to:

- i) Review the performance of Non – Independent Directors and the Board as a whole;
- ii) Review the performance of the Managing Director of the Company, taking in to account the views of Non – Executive Directors;
- iii) Assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- iv) Develop understanding of Company's people and its key stakeholders

D) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR

Your Company has put in place a system to familiarize its Independent Directors about the Company, its Business Segment, the Industry and Business model of the Company. In addition it also undertakes various measures to update the Independent Directors about the on-going events and development relating to the Company. All the Independent Directors of the Company are made aware of their role, responsibilities & liabilities at the time of their appointment/ re -appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Directors are also explained in detail about the compliances required from them under the Companies Act, 2013, Clause 49 of the Listing Agreement.

E) COMPLIANCE WITH CODE OF CONDUCT

The Company has in place a comprehensive code of conduct applicable to all the employees and Board of Directors of the Company. The Code provides a framework as to the ethical practice & compliances required to be followed by the employees and the Directors of the Company.

A Code adopted by the Company is posted on the Company's Website i.e: www.choiceindia.com

All the Board Members and Employees have affirmed compliance with the said code for the year ended March 31, 2015. A declaration to this effect signed by the Managing Director is given below:

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All the Board Members and Employees have affirmed compliance with the said code for the year ended March 31, 2015. A declaration to this effect signed by the Managing Director is given below:

DECLARATION ON CODE OF CONDUCT

"As provided under Clause 49 (II) (E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2015.

Place: Mumbai
Date : Aug. 11, 2015

Sd/-
Kamal Poddar
(Managing Director)

III) COMMITTEES OF THE BOARD

A) AUDIT COMMITTEE

Audit committees have a pivotal role to play in enhancing audit quality. Effective audit committees and auditors build confidence in the integrity of financial reporting.

Terms of reference:

In terms of Clause 49 of the Listing Agreement & Section 177 of the Companies Act, 2013 as well as Non-Banking Financial (Non – Deposit Accepting or Holding) Companies prudential Norms (Reserve Bank) Directions, 2007 the Board has constituted Audit Committee of the Board of Directors . All the members of the Committee possess financial accounting exposure.

The audit committee plays a critical role in creating the right environment for quality auditing. It is the audit committee's responsibility to create an environment that accommodates an open discussion in a culture of integrity, respect and transparency between management and auditors. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the Management, Statutory and Internal Auditors on the financial reporting process and the safeguards employed by them. The Committee is authorised to select and establish accounting policies, review reports of the Statutory Auditors and the Internal Auditors. The Committee is also empowered to review the Financial Statements and Investments of unlisted subsidiary companies, Management Discussion & Analysis Report, Material individual transactions with related parties not in normal course of business or which are not at arm's length basis. The Audit Committee has been granted powers as prescribed under Clause 49 of the Listing Agreement.

The Committee has recommended to the Board of Directors the re- appointment of M/s. Gupta Shyam& Co, Chartered Accountants, as the statutory Auditors of the Company for the fiscal ending March 31, 2014 and that necessary resolutions for appointing them as Statutory Auditors are placed before the shareholders.

COMPOSITION & ATTENDANCE OF AUDIT COMMITTEE

Name of Director	Position	Category	No. of Meetings attended
Mr. Debkumar Goswami	Chairman	Independent Director	2
Mr. A.K. Vaidyan*	Member	Independent Director	4
Mr.AjayKejriwal	Member	Non-ExecutiveDirector	2

* Change in constitution of Audit Committee took place at the Board Meeting held on August 14, 2014. Where Mr. Kalimohan Bhattacharya and Mr. Pankaj Bhansali resigned from being the member of the Audit Committee and were replaced by Mr. Debkumar Goswami & Mr. Ajay Kejriwal respectively. Pursuant to Resignation of Mr. A.K Vaidyan from the Directorship of the Company, there is also a change in the constitution of the Audit Committee, due to which Mr. Brij Mohan Agarwal Independent Director of the Company is appointed as a Member of Audit Committee with effect from August 11, 2015

Note: Mr. Mahavir Toshniwal Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee Meeting was conducted 4 times during the year under review respectively on May 30, 2014, August 14, 2014, November 14, 2014 & January 30, 2015.

B) NOMINATION & REMUNERATION COMMITTEE (Erstwhile known as Remuneration Committee)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Listing Agreement the Board has constituted Nomination & Remuneration Committee. During the year under review there has been no change in the composition of the Committee.

The Company's Nomination and Remuneration Policy considers human resources as its invaluable assets. The policy aims to pay fair remuneration to all Directors, Key Managerial Personnel (KMP), and employees of the Company. The primary role of the Nomination Committee of the board is to assist the board by identifying prospective directors and make recommendations on appointments to the board and the senior-most level of executive management below the board.

a) Nomination & Remuneration Policy:

The Key objective of Nomination & Remuneration Committee for adopting the Policy are as follows:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the Remuneration of Directors, Key Managerial Personnel and other employees.
- Formulation of Criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and senior Management.
- To provide Key Managerial Personnel and Senior Management reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- viii) To develop a succession plan for the Board and to regularly review the plan.
- ix) To assist the Board in fulfilling responsibilities
- x) To implement and monitor policies and processes regarding principles of Corporate Governance

b) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of Listing Agreement, the Board has carried out an annual performance evaluation of the working of its own performance & the Directors individually as well.

The evaluation was carried out through structured process covering various parameters such as Composition of Board, Board Participation, Good Governance, Level of Integrity & ethics, Expansion & Diversification, Risk Management, strategies adopted, Financial operations, Internal Control, Marketing, Corporate Communications.

c) Remuneration to Executive Director

- i) The Remuneration to be paid to Executive Directors of the Company shall be such as may be proposed by the Nomination & Remuneration Committee and subsequently approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013.
- ii) The remuneration payable to the Managing Director & Executive Director is broadly divided in to fixed and variable component. The fixed component comprises of salary, allowances, perquisites and the variable component comprises of performance bonus and may include commission subject to the approval of the members. The details of Remuneration to Managing Director during the year is as follows:

Name of the Director	Salary , Allowance & Perquisites as on March 31, 2015
Mr. Kamal Poddar	₹ 42,00,000/-

d) Remuneration to Non - Executive/ Independent Director

The Non - Executive / Independent Director of the Board shall be entitled for sitting fees for attending the meeting of the Board or committees thereof. The sitting fee paid to the Directors shall be within the limits prescribed under the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration.

e) Remuneration paid to Senior Management Employees

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

F) Composition & Attendance of Nomination & Remuneration Committee

Name of the Member	Designation	Category	No .of Meetings held Held	Attended
Mrs. Bhagyam Ramani	Chairman	Independent Director	2	2
Dr. Kali Mohan Bhattacharya	Member	Independent Director	2	2
Mr. Debkumar Goswami	Member	Independent Director	2	2

Note: Mr.MahavirToshniwal Company Secretary of the Company acts as the Secretary to the Committee.

C) STAKEHOLDER RELATIONSHIP COMMITTEE

(Earlier known as Shareholder's/ Investors Grievance Committee)

The Stakeholder Relationship Committee's composition and the terms of reference meet with the requirement of Clause 49 of the Listing Agreement and the provisions of the Companies Act, 2013.

The Committee focuses on Shareholder's grievances and strengthening of Investor relations. The role & responsibilities of Stakeholder's relationship Committee are as follows:

- » Consider, resolve and monitor redressal of shareholder grievances of the company with respect to transfer of shares, non-receipt of annual report, non – receipt of declared dividend, etc.
- » Review the performance of the Company's Registrar & Transfer Agents.
- » Ensure expeditious share transfer process in line with the proceedings of the Share Transfer Committee.

The Company has appointed Sharex Dynamic India Private Limited to act as Registrar and Transfer Agent of the Company.

Composition & Attendance of Stakeholder Relationship Committee

Name of the Member	Designation	Category	No .of Meetings held Held	Attended
Mr. B.M. Agrawal	Chairman	Independent Director	2	2
Mr. Ajay Kejriwal	Member	Non - Executive Director	2	2

D) RISK MANGEMENT POLICY

In accordance with the requirement of the Listing Agreement, your company constituted a Risk Mangement Committee during the year. During the period under review, the committee meeting was conducted on January 30, 2015. The Committee comprises of following Members:

- 1) Mr.KamalPoddar
- 2) Mr. Ajay Kejriwal
- 3) Mr. Sunil Bagaria
- 4) Mr. Mahavir Toshniwal .

The Role of the Risk Management Committee is as follows:

- » Framing of Risk Management plan and Policy
- » Reviewing the Company's Financial and Risk Management policies
- » Monitoring the process of Risk Management
- » Monitoring the process of Risk Minimisation
- » Evaluating the Risk Management Policy at regular intervals with regards to risk assessment & risk management processes.

IV) ANNUAL GENERAL MEETING

The details of the Annual General Meeting in the last three years and the special resolutions passed thereat are as follows:

Years	2011 -12	2012 -13	2013 -14
Date	September 28, 2012	September 28, 2012	September 27, 2014
Venue	Shree Shakambhari Corporate Park, 156 – 158, Chakravarty Ashok Society, J.B. Nagar, Andheri (E), Mumbai - 400099	Anchorage Hall , Hotel Suba International, 211, ChakalaSahar Road, Andheri (e) , Mumbai - 400099	Anchorage Hall , Hotel Suba International, 211, ChakalaSahar Road, Andheri (e) , Mumbai - 400099
Time	11.00 A.M.	12.30 P.M.	12.30 P.M.
No. of Special Resolution	Nil	Nil	1) Fixing of Tenure of Independent Director 2) Adoption of new set of Articles of Association of the Comp. 3) Approval of Borrowing limits to the Board of Director 4) Approval to the Board of Directors for providing guarantee or security of loans sanction to subsidiary company 5) Approval for creation of Charge /mortgage on the assets of the Company 6) Approval to the Board of Director to make Loans, give guarantee or provide security

V) DISCLOSURES

a) Disclosure on Materially significant related party transactions

Related Party Transaction is defined as, any transaction involving any transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged. It can be explained as transaction with related parties having a significant importance to the interest of the Company.

There were no material significant transactions, with related parties during the period under review which were in conflict with the interest of the Company at large except those disclosed in the financial statement for the year ended March 31, 2015. In line with the requirement of the Companies Act, 2013 and Listing Agreement, the Company has formulated a policy on Related Party Transaction which is also available on the Company's website of the Company i.e-www.choiceindia.com, the objective of framing the Policy is to ensure proper approval , disclosures and reporting of the transactions entered between the Company and its Related Parties.

The policy deals with the review and approval procedure of Material Related Party transaction to secure the Interest of the Company & its stakeholders at large. The Company has incorporated the system of placing all the Related Party Transactions before the Audit Committee for their review and approval. Prior omnibus approval is obtained for transactions which are of repetitive nature or are entered in the ordinary course of business and are at arm's length price.

b) DISCLOSURE OF NON COMPLIANCES

There are no instances of any Non – Compliance or penalty imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

c) WHISTLE BLOWER POLICY

Your Company believes in conducting business in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The company is committed in developing a culture where it is safe for all employees to raise concerns about any maeger or unacceptable practice and any event of misconduct or violation of law in force.

Pursuant to Section 177 of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement, the Company has in place a mechanism for employees to report any unethical behaviour, actual or suspected fraud, violence of the code of conduct of the Company etc. During the period under review, the company affirms that no employee has been denied access to Audit Committee.

The Whistle Blower Policy (Vigil Mechanism) adopted by the Company is available on Website of the Company i.e www.choiceindia.com

d) Material Subsidiary

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

VI) Means of Communication:

- The Quarterly and year to date audited/ unaudited financial results have been published in The Financial Express - Mumbai Edition (English Newspaper) & Apla Mahanagar- Mumbai Edition (Marathi Newspaper) for all the four quarters as per the mandatory requirements.
- The primary source of dissemination of Corporate information is available on the website of the Company i.e www.choiceindia.com
- The Company has put in place a separate section of Investor Relations on the website of the company which displays the Financial Results, Governance Policies, Shareholding Pattern, Fact Sheets, Annual Reports of Last Five Years & Code of Conduct of the Company.
- Corporate Information & other mandatory requirement as per the Listing Agreement are also published on the Website of Bombay Stock Exchange i.e : www.bseindia.com

VII) GENERAL SHAREHOLDER INFORMATION

a) Company Registration Details:

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

Corporate Identity Number (CIN No): L67190MH1993PLC071117

b) Financial Year

April 1, 2014 to March 31, 2015

c) 22nd Annual General Meeting:

Day, Date & Time
Venue: Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (E), Mumbai-400099
Date of Book Closure: September 21, 2015 to September 26, 2015
Dividend Payment Date: Within 30 days of declaration of Dividend, if any.

d) Stock Exchange Info

Stock Exchange on which shares are listed	Bombay Stock Exchange (BSE)
Stock Code	531358
Script Id	CHOICEIN

e) Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Central Government under the provisions of Section 205C of the Companies Act, 1956. Shareholders are advised to claim the Un-enchased dividend lying in the unpaid dividend account of the Company before the due date.

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

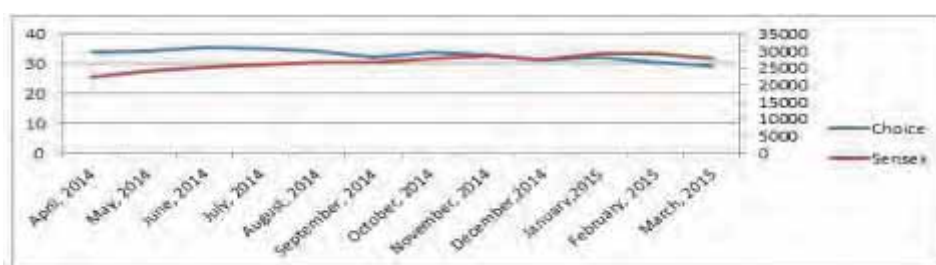
Financial Year	Type of Dividend	Date of Declaration of Dividend	Last date for claiming Unclaimed Dividend
2008-2009	Final	September 30, 2009	October 21, 2016
2009 -2010	Final	July 30, 2010	August 10, 2017
2010-2011	Final	September 30, 2011	October 21, 2018
2011-2012	Final	September 28, 2012	October 05, 2019
2012-2013	Final	September 16, 2013	September 23, 2020
2013 -2014	Final	September 27, 2014	October 3, 2021

*Indicative dates, actual dates may vary

F) Market Price Data

Month	Choice High (BSE)	Choice Low (BSE)	Close Price (BSE)	BSE Sensex High	BSE Sensex Low	BSE Sensex Close
April, 2014	42.00	33.50	33.85	22,940	22,198	22418
May, 2014	39.80	32.10	34.15	25,376	22,277	24217
June, 2014	37.00	34.00	35.5	25,725	24,270	25414
July, 2014	42.40	34.00	34.95	26,300	24,892	25895
August, 2014	35.45	33.10	34.15	26,674	25,233	26638
September, 2014	35.25	31.25	32.25	27,355	26,221	26631
October, 2014	35.30	31.50	33.8	27,894	25,911	27866
November, 2014	34.70	31.90	33.05	28,822	27,740	28694
December, 2014	33.50	30.90	31.4	28,810	26,469	27499
January, 2015	33.00	29.50	32	29,844	26,776	29183
February, 2015	33.20	29.60	30.45	29,560	28,044	29362
March, 2015	31.30	28.80	29.1	30,025	27,248	27957.

g) Stock Performance



h)Registrar & Transfer Agents (RTA) M/s. Sharex Dynamics (India) Private Limited

Unit - I, Luthra Industrial Premises,
AndheriKurla Road, Safed Pool,
Andheri (East), Mumbai - 400072
Tel No: 02228515606/44
Website: www.sharexindia.com

J)Distribution of Shareholding as on March 31, 2015

No.of Shares	No. of Shareholders	% to total No. of Shareholders	Share Amount (in Rs)	% to total share capital
UPTO TO 5000	1577	69.75	2682110	2.68
5001 TO 10000	256	11.32	2052010	2.05
10001 TO 20000	160	7.08	2428670	2.43
20001 TO 30000	74	3.27	1940900	1.94
30001 TO 40000	32	1.42	1119160	1.12
40001 TO 50000	32	1.42	1491960	1.49
50001 TO 100000	43	1.9	2959910	2.96
100001 TO ABOVE	87	3.85	85373280	85.33
Total	2,261	100	100,048,000	100

I) SHARE TRANSFER SYSTEM

The Share Transfer received in Physical form are processed by the Registrar and Transfer Agent and approved by the Board. The Share certificates are returned to the members within the stipulated period, subject to the documents being valid and complete in all respects.

K) SHAREHOLDING PATTERN AS ON MARCH 31, 2015

Category	Category of Shareholder	Total No. of Shares	As a %
(A)	Shareholding of Promoter and Promoter Group		
	1) Indian Individual Bodies Corporate	3986527 200000	39.84 2.00
	2) Foreign	0.00	0.00
	Total Promoter Shareholding	4186527	41.84
(B)	Public Shareholding		
	1) Institutions	0	0
	Mutual Funds/UTI	0	0
	Financial Institutions/ Banks	0	0
	Central/ State Government	0	0
	Venture Capital Funds	0	0
	Insurance Companies	0	0
	Foreign Institutional Investors	0	0
	Foreign Venture Capital Investor	0	0
	Qualified Foreign Investor	0	0
	2) Non – Institution		
	a) Bodies Corporate	2392111	23.91
	b) Individuals		
	i) Individuals Shareholder holding nominal share capital up to Rs. 1 Lakh	1335259	13.35
	ii) Individual Shareholders holding Nominal Share Capital in excess of Rs/. 1 Lakh	1185287	11.85
	c) Qualified Foreign Investor	0	0
	d) any other (specify)	0	0
	di) Clearing Member	851304	8.51
	dii) OCB	0.00	0.00
	NRI	48312	0.48
	Director & Relatives	6000	0.06
	Total Public Shareholding	5818273	58.16
	Grand Total	10004800	100

On behalf of the Board of Directors

Sd/-

Kamal Poddar
(Managing Director)
DIN: 01518700

Sd/-

Ajay Kejriwal
(Director)
DIN: 03051841

Mumbai, August 11, 2015

Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,
The Members of Choice International Limited

We have examined the compliance of conditions of Corporate Governance by Choice International Limited for the year ended March 31 2015, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that further compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Gupta Shyam & Co
Chartered Accountants
F.R.No.103450W

Sd/-
Shyamsundar Gupta
Proprietor
Membership No.038484

Mumbai, August 11, 2015

Chief Executive Officer's Certification

I, Kamal Poddar, Managing Director & Chief Executive Officer, responsible for the finance function certified that:

(a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of their knowledge and belief:

- I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of their knowledge and belief, no transactions entered into by the company during the year ended March 31, 2015 which are fraudulent, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I might be aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking You
Yours faithfully,

Sd/-
Kamal Poddar
(Managing Director & Chief Executive Officer)

Mumbai, August 11, 2015

INDEPENDENT AUDITORS' REPORT

To the Members of Choice International Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Choice International Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act and the rules made there under including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards & pronouncements 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 auditors consider internal control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for expressing opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and;
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanation given to us:
 - i) The Company does not have any pending litigations as at 31st March, 2015, which would impacts its financial position.
 - ii) The Company did not have any long term contracts but have derivative contracts, accordingly losses if any has already been provided as at 31st March, 2015.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2015.

For Shyam Gupta & Co.
Chartered Accountants
FRN: 103450W

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484
Mumbai; 29th May 2015

Annexure referred to in paragraph 1 under the heading “ Report on other legal and regulatory requirements” of our report of even date

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

b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. a) The inventory of shares & securities held in dematerialized format has been verified from the relevant statement received from the depository and those held in the physical format has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory and no material discrepancies has been noticed on physical verification of inventory.
- iii. According to the information and explanation given to us, the company has granted unsecured loans, to some parties covered in the register maintained under Section 189 of the companies Act, 2013. Further receipt of the principal amount and interest is regular and as per the terms decided in this respect. However, there is no overdue outstanding as informed by the management.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the companies Act, 2013 and the rules framed there under
- vi. The company being a NBFC, the rules and the guidelines to maintain the cost record as prescribed by the Central Government of India under clause (1) of Section 148 of the companies Act, 2013 are not applicable to the company.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular, except few instances, in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities. Further as per information, explanation given and examination of records, no such undisputed amount were outstanding, at the year end, for a period more than six months from the date they became payable.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.

c) There was no amount unpaid, which were required to be transferred to the Investor Education and Protection Fund by the company in accordance with the relevant provisions of the companies Act, 1956 and rules made there under

Annexure referred to in paragraph 1 under the heading “ Report on other legal and regulatory requirements” of our report of even date

- viii. The company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the current financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has generally not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by its subsidiaries from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. Based upon the audit procedures performed for the purpose of the reporting the true and fair view of the financial statement and according to the information and explanations given to us, we report that no material fraud on or by the company has been noticed or reported during the year, nor have we been informed of any such case by the Management.

For Shyam Gupta & Co.
Chartered Accountants
FRN: 103450W

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484
Mumbai; 29th May 2015

STANDALONE FINANCIAL STATEMENTS

Balance Sheet as at March 31, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	100,048,000	100,048,000
(b) Reserves and Surplus	3	398,445,971	394,786,556
		498,493,971	494,834,556
2. Non - Current Liabilities			
(a) Long - Term Borrowings	4	89,491,201	74,487,201
(b) Deferred Tax Liabilities (Net)	5	24,449,770	23,208,098
(c) Long - Term Provisions	6	340,966	295,024
		114,281,937	97,990,323
3. Current Liabilities			
(a) Short - Term Borrowings	7	195,114,637	157,691,583
(b) Trade Payables	8	980,809	933,812
(c) Other Current Liabilities	9	40,013,858	35,860,861
(d) Short - Term Provisions	10	16,410,944	15,368,530
		252,520,248	209,854,785
TOTAL		865,296,156	802,679,664
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	11		
(i) Tangible assets		243,361,419	252,117,056
(ii) Intangible assets		4,388,372	7,981,771
		247,749,791	260,098,827
(b) Non - Current Investments	12	457,664,086	312,988,372
(c) Long - Term Loans and Advances	13	879,910	1,389,910
(d) Other Non - Current Assets	14	9,560,832	8,606,161
		715,854,619	583,083,270
2. Current Assets			
(a) Inventories	15	2,618,178	2,936,133
(b) Trade Receivables	16	1,297,701	1,838,374
(c) Cash and Cash Equivalents	17	1,653,794	310,162
(d) Short - Term Loans and Advances	18	139,940,319	214,511,726
(e) Other Current Assets	19	3,931,545	-
		149,441,537	219,596,394
TOTAL		865,296,156	802,679,664

The accompanying Accounting Policies under Note-1 & Notes-2 to 28 are an integral part of the financial statements.

In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
F.R.No. : 103450W

S/d-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th May, 2015

For and on behalf of Board of Directors

S/d-
Kamal Poddar
Managing Director
(DIN-01518700)

S/d-
Manoj Singhanla
Chief Financial Officer
Mumbai: 29th May, 2015

S/d-
Ajay Kejriwal
Director
(DIN-03051841)

S/d-
Mahavir Toshniwal
Company Secretary

Standalone Financial Statements

Statement of Profit and Loss for the year ended March 31, 2015

		(Amount in ₹)	
Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
I Revenue from Operations	20	86,523,503	127,955,045
II Other Income	21	35,194	151,836
III Total Revenue (I + II)		86,558,697	128,106,881
IV Expenses			
Purchases Stock-in-Trade	22	1,422,961	52,354,188
Changes in Inventories	23	317,955	100,242
Employee Benefits Expense	24	6,424,410	5,582,847
Depreciation	11	11,415,561	9,027,001
Finance Costs	25	43,118,003	32,739,010
Other Expense	26	8,117,014	8,126,639
Total Expense		70,815,905	107,929,927
V Profit Before Tax (III-IV)		15,742,792	20,176,954
VI Tax Expense:			
(a) Current Tax Expense		1,034,000	2,003,000
(b) Earlier Year Tax Adjustments		-	2,021,532
(c) MAT Credit		(963,000)	(1,800,000)
(d) Deferred Tax		1,402,822	4,299,826
		1,473,822	6,524,358
VII Profit/(Loss) for the Period (V-VI)		14,268,970	13,652,596
VIII Earnings Per Equity Share (Face Value ₹10 Per Share):	27		
(1) Basic (₹)		1.43	1.36
(2) Diluted (₹)		1.43	1.36

The accompanying Accounting Policies under Note-1 & Notes-2 to 28 are an integral part of the financial statements

In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
F.R.No. : 103450W

For and on behalf of Board of Directors

S/d-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th May, 2015

S/d-
Kamal Poddar
Managing Director
(DIN-01518700)

S/d-
Manoj Singhania
Chief Financial Officer
Mumbai: 29th May, 2015

S/d-
Ajay Kejriwal
Director
(DIN-03051841)

S/d-
Mahavir Toshniwal
Company Secretary

Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	15,742,792	20,176,954
<u>Adjustments for:</u>		
Depreciation	11,415,561	9,027,001
Finance costs	43,118,003	32,739,010
Provision for Gratuity	35,047	261,513
Loss on disposal of fixed assets	148,427	-
Other interest income	(32,887)	(151,836)
Operating profit before Working Capital changes	70,426,943	62,052,642
<u>Changes in Working Capital</u>		
- Trade Receivables	540,673	15,823,442
- Short term loans & advances and other current assets	70,639,862	(71,547,859)
- Inventories	317,955	100,242
- Trade Payables	46,997	(792,408)
- Other current liabilities & provisions	(435,016)	593,023
<u>Cash generated from operations</u>	141,537,414	6,229,081
- Income tax paid	(1,034,000)	(4,024,532)
Net cash flow from/(used in) from Operating Activities	140,503,414	2,204,549
B. Cash flow from Investing Activities		
Other interest received	41,216	-
Purchase of fixed assets	(561,731)	(1,008,186)
Sale of Fixed Assets	580,874	-
Investment in subsidiaries	(141,475,394)	-
Investment in Associates	(3,200,320)	-
Sale of investments in other companies	-	709,440
Movement in long term loans & advances	510,000	(86,360)
Net cash flow from/(used in) Investing Activities	(144,105,355)	(385,106)
C. Cash flow from Financing Activities		
Finance costs paid	(43,476,681)	(32,957,904)
Dividend paid	(10,004,800)	(10,004,800)
Money borrowed/(repaid) from related parties	(3,058,829)	(4,237,785)
Money borrowed/(repaid) from others	61,485,884	45,202,676
Proceeds from issue of share capital / warrants	-	-
Net cash flow from/(used in) Financing Activities	4,945,573	(1,997,813)
Net Increase/(decrease) In Cash and Cash Equivalents	1,343,632	(178,371)
Opening Cash and Cash Equivalents	310,162	488,532
Closing Cash and Cash Equivalents	1,653,794	310,162

In terms of our report of even date

For Gupta Shyam & Co.

Chartered Accountants

F.R.No. : 103450W

S/d-

Shyamsunder Gupta

Proprietor

Mem. No. : 038484

Mumbai: 29th May, 2015

For and on behalf of Board of Directors

S/d-

Kamal Poddar

Managing Director

(DIN-01518700)

S/d-

Ajay Kejriwal

Director

(DIN-03051841)

S/d-

Manoj Singhania

Chief Financial Officer

Mumbai: 29th May, 2015

S/d-

Mahavir Toshniwal

Company Secretary

Significant Accounting Policies & notes forming part of the Financial Statement for the year ended on 31st, March, 2015

Note 1: SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting & preparation of Financial Statements:

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

b) Use of estimates:

The preparation of financial statement in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that effect the reported amount of assets and liabilities & disclosure of contingent liabilities at the date of financial statement and result of the operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and an estimate is recognized in the period in which the results are known.

c) Revenue Recognition:

Revenue and cost are generally recognized and accounted on accrual basis as they are earned / incurred except in cases of significant uncertainty.

1. Operational and other income are accounted for on accrual basis.
2. Revenue does not include service tax and other tax component, if any
3. Dividend income is recognized when the right to receive is established
4. Profit/loss in dealing of shares & securities are recognized on the day of settlement of the transaction.
5. Profit/loss on equity derivative transactions are accounted for as explained below:

» Initial and additional margin paid over and above Initial margin, for entering into contracts for Equity Stock/Index Futures which are released on final settlement/squaring-up of underlying contracts are disclosed under Other Current Assets. "Mark-to-market margin- Equity Stock/Index Futures" representing the amounts paid in respect of mark to market margin is disclosed under Other Current Assets.

» On final settlement or squaring up of contracts for equity stock/index futures, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the statement of Profit and Loss. When more than one contract in respect of the relevant series of equity stock/index futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

» As at the balance sheet date, the mark to market on all transactions comprising of Equity Derivatives positions is determined on a portfolio basis with net unrealized losses being recognized in the Profit and Loss Account. Unrealized gains (on portfolio basis) are not recognized in the Profit and Loss Account on grounds of prudence as enunciated in Accounting Standard – 1, Disclosure of Accounting Policies.

» In respect of other transactions, the unrealized losses on equity derivatives determined on scrip-basis are recognized in Profit and Loss Account and unrealized gains are ignored; and in case of securities (shares, etc) the net unrealized losses are recognized in Profit and Loss Account and net unrealized gains are ignored.

d) Fixed Assets

Tangible assets:

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

Intangible assets:

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

e) Depreciation & Amortization:

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. In respect of computer 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 fixed assets is provided on a pro-rata basis from the date of addition. The estimated useful life of intangible assets and the amortization period are reviewed at the end of each financial year and amortization method is revised to reflect the changed pattern.

f) Inventories:

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

g) Cash & Cash Equivalent:

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

h) Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalized up to the date when such assets are ready for its intended use and other borrowing costs are charged to profit & loss account.

i) Employees Retirement Benefits:

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

The Company has a Defined Benefit Plan viz. Gratuity, for all its employees. Gratuity liability is unfunded. Liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses, which comprise experience adjustment and the effect of changes in actuarial assumptions, are recognized in the Statement of Profit and Loss.

j) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments, all other investments are classified as non-current investments. Investments are valued in accordance with the RBI guidelines and Accounting Standard-13 on "Accounting for investments". Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

k) Impairment of Assets:

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

l) Accounting For Taxes On Income:

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

m) Provisions, contingent liabilities & assets:

A provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets” is made. Further provision is also made as per the norms prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

n) Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit (loss) before extra ordinary items is adjusted for the effects of the transactions on non cash nature. The cash flow from operating, investing and financing activities of the company are segregated based on available information. For the purpose of Cash Flow Statement, cash and cash equivalents includes fixed deposits which are freely remissible but excludes interest accrued on fixed deposits.

o) Earnings Per Share

The Earning considered in ascertaining the Company's earning per Shares (EPS) comprise of the net profit after tax to equity shares holders. Basic earnings per share are calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profits attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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

Accompanying notes to the financial statements as at March 31, 2015

		(Amount in ₹)	
Particulars	As at 31/Mar/15	As at 31/Mar/14	
2) SHARE CAPITAL			
(a) Details of authorised, issued and subscribed share capital			
Authorised Capital			
10,100,000 (PY 10,100,000) Equity Shares of ₹ 10/- each	101,000,000	101,000,000	
Issued Capital			
10,004,800 (PY 10,004,800) Equity Shares of ₹ 10/- each	100,048,000	100,048,000	
Subscribed and Paid up Capital			
10,004,800 (PY 10,004,800) Equity Shares of ₹10/- each fully paid-up	100,048,000	100,048,000	
	100,048,000	100,048,000	

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

The company has only one class of share capital, i.e. equity shares having face value of ₹10/- per share. Each holder of equity share is entitled to one vote per share.

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

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

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

Kamal Poddar	Promoter	637,600 6.37%	337,600 3.37%
Vinita Sunil Patodia	Promoter	1,028,927 10.28%	1,028,927 10.28%
Florence Securities Pvt. Ltd.		750,000 7.50%	750,000 7.50%
Anugrah Stock & Broking Pvt. Ltd		659,785 6.59%	648,100 6.48%

Accompanying notes to the financial statements as at March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
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3) RESERVES AND SURPLUS

a) Statutory reserve -

Opening Balance	19,100,000	16,350,000
Add : transferred from statement of profit & loss	2,860,000	2,750,000
Closing Balance	21,960,000	19,100,000

b) Capital reserve -

Opening Balance	869,500	869,500
Add : transferred from statement of profit & loss	-	-
Closing Balance	869,500	869,500

c) Securities premium reserve -

Opening Balance	339,217,300	339,217,300
Add : received on shares issued during the year	-	-
Closing Balance	339,217,300	339,217,300

d) Surplus in statement of profit & loss -

Opening Balance	35,599,756	34,701,960
Less: Adjustment relating to dep on fixed assets*	604,755	-
Add : profit/(loss) for the year	14,268,970	13,652,596
Less : transfer to statutory reserve	2,860,000	2,750,000
Less : proposed dividend	10,004,800	10,004,800
Closing Balance	36,399,171	35,599,756

Total (a+b+c+d)	398,445,971	394,786,556
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* Pursuant to the Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated over the remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted from the opening balance of Retained Earnings amounting to ₹6,04,755/- (net off deferred tax).

4) LONG TERM BORROWINGS

Secured loans

Debentures		
510 (PY- Nil) Index linked non convertible, reedemable debentures of Rs. 100,000 each	51,000,000	-
Term loan from SBI **	74,491,201	104,487,201
Less : current portion of long term borrowings	(36,000,000)	(30,000,000)
	89,491,201	74,487,201

Standalone Financial Statements

	(Amount in ₹)	
Particulars	As at 31/Mar/15	As at 31/Mar/14

* Non Convertible Debentures reffered above are issued on private placement basis which are secured against debtors having maturity due on 24.08.2018. The debentures are index linked ,therefore provision for Mark to Market lossess have been made.

**Term loan is secured by way of first charge on land & building at Mumbai. The loan is repayable in 72 monthly EMI, ending in April 2017. The amount of remaining EMI from April 2015 is of Rs. 30 Lacs

5) DEFERRED TAX LIABILITIES (NET)

The major components of deferred tax liabilities / assets (net) as recognised in the financial statements is as follows:

Deferred tax liability -

On difference between book balance & tax balance of fixed assets

24,565,274	23,312,773
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Deferred tax asset -

Provision for employee benefit expenses

(115,504)	(104,675)
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-

24,449,770	23,208,098
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6) LONG-TERM PROVISIONS

Provision for employee benefit expenses

340,966	295,024
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340,966	295,024
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7) SHORT TERM BORROWINGS

Secured loans

Loans taken from institutions*

191,791,813	151,968,336
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Overdraft from HDFC bank **

1,360,364	701,957
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Unsecured loans

Loans taken from related parties***

1,962,461	5,021,290
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195,114,637	157,691,583
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*Loans taken from institutions are secured against shares & securities of customers to whom loans has been given.

**Overdraft is secured against FD of subsidiary company Choice Insurance Brokers Pvt. Ltd.

***The details of the various transaction from the related parties have been detailed separately under Note No.28(K)(iii) "Related Party Disclosure".

Standalone Financial Statements

	(Amount in ₹)	
Particulars	As at 31/Mar/15	As at 31/Mar/14

8) TRADE PAYABLES

Dues to Micro, Small and Medium Enterprises	5,723	210
Other suppliers*	975,086	933,602
	980,809	933,812

*The company has not received any intimation from the other supplier regarding their status under the MSME Development Act 2006, hence disclosure if any related to amount unpaid or interest payable as required under the said Act, is not given.

9) OTHER CURRENT LIABILITIES

Current maturity of long term borrowings	36,000,000	30,000,000
Interest accrued & due on Term loan	836,692	1,195,370
Payable for staff salary	-	118,266
Advance from trade receivables	1,770,211	-
Other liabilities & statutory dues	1,406,955	4,547,225
	40,013,858	35,860,861

10) SHORT TERM PROVISIONS

Proposed dividend*	10,004,800	10,004,800
Provision for expenses	6,084,587	4,895,797
Contingent provision against standard loan assets	288,723	424,204
Provision for employee benefit expenses	32,834	43,729
	16,410,944	15,368,530

*According to the special provision of sub-section (1A) of section 115-O of the Income Tax Act, 1961, the company is not required to make provision for the dividend distribution tax on proposed dividend.

Accompanying notes to the financial statements as at March 31, 2015

11 FIXED ASSETS

Description	Gross Block			Depreciation & Amortisation			Net Block	
	As at April 1, 2014	Additions	Deductions/ Adjustment \$	As at March 31, 2015	As at April 1, 2014	Charged For the year	Deductions/ Adjustments	As at March 31, 2015
(I) Tangible Assets:								
Freehold Land	27,977,910	-	-	27,977,910	-	-	-	27,977,910
Building owned	214,776,824	-	-	214,776,824	12,486,372	3,394,592	-	198,895,860
Computer Hardwares	1,990,545	22,450	1,187,547	825,448	1,422,631	64,566	855,055	193,306
Server & Networks	2,274,470	-	-	2,274,470	672,368	484,788	-	1,117,314
Furniture & Fixtures	14,588,769	-	-	14,588,769	2,474,816	1,568,782	-	10,545,171
Vehicles	1,667,380	-	989,079	678,301	565,149	168,163	415,652	360,641
Office Equipments	7,414,008	539,281	597,576	7,355,713	951,514	2,297,145	164,163	4,271,217
Total	270,689,906	561,731	2,774,202	268,477,435	18,572,850	7,978,036	1,434,870	243,361,419
(II) Intangible Assets:								
Computer Softwares	21,735,670	-	155,874	21,579,796	13,753,899	3,437,525	-	4,388,372
Total	21,735,670	-	155,874	21,579,796	13,753,899	3,437,525	-	4,388,372
Grand Total	292,425,576	561,731	2,930,076	290,057,231	32,326,749	11,415,561	1,434,870	247,749,791
Previous Year	291,417,390	1,008,186	-	292,425,576	23,298,748	9,027,001	-	260,098,827

Accompanying notes to the financial statements as at March 31, 2015

		(Amount in ₹)
Particulars	As at 31/Mar/15	As at 31/Mar/14
12) NON-CURRENT INVESTMENTS		
(a) Trade investments in unquoted equity shares fully paid-up		
Subsidiary companies -		
5,050,000 (PY - 5,050,000) shares of ₹10/- each of Choice Capital Advisors Private Limited	50,500,000	50,500,000
1,00,000 (PY - Nil) shares of ₹10/- each of Choice Corporate Services Private Limited	75,394	-
5,650,000 (PY - 4,236,000) shares of ₹10/- each of Choice Equity Broking Private Limited	291,400,000	150,000,000
1,000,000 (PY - 1,000,000) shares of ₹10/- each of Choice Merchandise Broking Private Limited	10,000,000	10,000,000
510,000(PY - 510,000) shares of ₹ 10/- each of Choice Insurance Brokers Private Limited	5,078,857	5,078,857
10,000 (PY - 10,000) shares of ₹10/- each of Choice Business Services Private Limited	100,000	100,000
10,000 (PY - 10,000) shares of ₹10/- each of Choice Wealth Management Private Limited	100,000	100,000
	357,254,251	215,778,857
(b) Other investments in quoted equity shares fully paid-up		
Associate company -		
5,417,850 (PY - 5,257,850) shares of ₹10/- each of Choice Infra Ventures Limited	99,037,305	95,836,985
Other company -		
457,510 (PY - 457,510) shares of ₹ 10/- each of Shekhawati Poly-Yarn Limited	1,372,530	1,372,530
	100,409,835	97,209,515
Total (a+b)	457,664,086	312,988,372
Less : Provision for diminution in the value of investments	-	-
	457,664,086	312,988,372

Accompanying notes to the financial statements as at March 31, 2015

(Amount in ₹)		
Particulars	As at 31/Mar/15	As at 31/Mar/14
Aggregate book value of -		
Quoted fully paid-up investments	100,409,835	97,209,515
Unquoted fully paid-up investments	357,254,251	215,778,857
Aggregate market value of -		
Quoted fully paid-up investments	103,571,475	205,808,930
 13) LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Security deposits	79,910	89,910
Deposit with co-op credit society	800,000	1,300,000
	879,910	1,389,910
 14) OTHER NON-CURRENT ASSETS		
MAT credit entitlement	9,114,860	8,151,860
Interest accrued on term deposits	445,972	454,301
	9,560,832	8,606,161
 15) INVENTORIES		
Stock-in-trade		
Shares & securities*	2,618,178	2,936,133
(Valued at cost or net realised value , whichever is lower on cumulative basis)	2,618,178	2,936,133
 *Market value - ₹2,618,178/- (PY -₹2,936,133/-)		
 16) TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months	422,234	-
Others*	875,467	1,838,374
	1,297,701	1,838,374

*The amount of ₹. 8,92,172/-(1,838,374/-) pertains to related parties as detailed separately under Note No. 28(K)(iii) of "Related Party Transactions".

Accompanying notes to the financial statements as at March 31, 2015

(Amount in ₹)		
Particulars	As at 31/Mar/15	As at 31/Mar/14
17) CASH AND CASH EQUIVALENTS		
Cash on Hand	60,616	158,145
Bank Balances -		
In current accounts	1,030,114	67,710
In earmarked accounts	563,064	84,307
	1,653,794	310,162
18) SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans & advances to related parties*	-	21,056,355
Balance with revenue authorities (net of provisions)	6,012,417	2,397,601
Loans & advances to others	87,052,305	52,107,723
Prepaid expenses	1,680,207	1,032,588
Share application money**	-	41,400,000
Capital Advances	519,500	-
Secured, considered good		
Loans & advances to others***	44,675,890	96,517,459
	139,940,319	214,511,726

*The loans & advances given to related parties are detailed separately under the Note No.28(K)(iii) of "Related Party Transactions".

**The share application money given to related parties is detailed separately under the note no.28(K)(iii) "Related Party Transactions".

*** The amount of loans & advances of ₹ 39,497,320/- given to others are secured against security of shares & the amount of ₹.5,17,8570/- is secured against immovale property.

19) OTHER CURRENT ASSETS

Margin - Equity stock / Index futures
Less : provision for loss

4,083,225	-
(151,680)	-
3,931,545	-

Accompanying notes to the financial statements as at March 31, 2015

		(Amount in ₹)
Particulars	As at 31/Mar/15	As at 31/Mar/14
20) REVENUE FROM OPERATIONS		
Sale of shares & securities	5,447,587	56,822,460
Derivative Profit	8,822,959	-
Profit on sale of non-current investments	-	4,489
Interest income	27,727,329	33,241,689
Dividend income	10,185,001	10,286,150
Income from business support services	34,340,627	27,600,257
	86,523,503	127,955,045
21) OTHER INCOME		
Interest on deposits	32,887	151,836
Misc. income	2,307	-
	35,194	151,836
22) PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	1,422,961	52,354,188
	1,422,961	52,354,188
23) CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	2,936,133	3,036,375
Less : At the end of the period	2,618,178	2,936,133
	317,955	100,242

Accompanying notes to the financial statements as at March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
24) EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	2,089,711	753,832
Director's remuneration & Perquisites	4,200,000	4,503,000
Staff welfare expenses	99,652	64,502
Gratuity	35,047	261,513
	6,424,410	5,582,847
25) FINANCE COST		
Interest on bank borrowings	12,832,876	15,400,594
Interest on institution borrowings	28,121,990	16,886,345
Borrowing cost on debentures and others	2,163,137	452,071
	43,118,003	32,739,010
26) OTHER EXPENSES		
Bank charges	33,334	16,135
Business promotion expenses	42,454	-
Director sitting fees	600,000	370,000
Electricity Charges	1,264,910	1,062,910
Communication expenses	398,742	203,024
Computer expenses	637,385	792,207
CSR expenses	19,471	75,000
Insurance charges	73,681	87,558
Legal and professional	527,992	206,556
Loss on disposal of fixed assets	148,427	-
Marketing & advertisement expenses	120,042	291,706
Membership & subscription fees	-	4,806
Payment to auditors -		
Statutory audit fees	200,000	200,000
Tax audit fees	25,000	30,000
Limited review fees	70,000	65,000
Other certification fees	37,000	70,000
Printing and stationery	323,382	408,486
Provision on standard loan assets	(135,481)	73,358
Repairs & maintenance	873,701	803,360
Rates & taxes	1,762,597	2,518,534
Sundry expenses	256,946	320,379
Traveling & Conveyance expenses	619,227	341,732
Water charges	218,205	185,887
	8,117,014	8,126,639

Accompanying notes to the financial statements as at March 31, 2015

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14

27) EARNINGS PER EQUITY SHARE

Profit/(Loss) attributable to equity shareholders	14,268,970	13,652,596
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	1.43	1.36
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	14,268,970	13,652,596
Weighted average number of equity share after	10,004,800	10,004,800
Dilutive Earnings per Share	1.43	1.36

Accompanying notes to the financial statements as at March 31, 2015

NOTE 28 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

A Nature of business :

The company is a Non-Banking Financial Company registered with the Reserve Bank of India (RBI) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in investment, lending and allied activities. The company received the certificate of registration from the RBI on February 26, 1998, enabling the company to carry on business as a Non-Banking Finance Company.

B Statutory reserve :

The management has created a statutory reserve of ₹ 2,860,000/- (PY - ₹ 2,750,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

C Corporate social responsibility :

Although the company does not fall within the purview of Corporate Social Responsibility as per section 135 of the Companies Act 2013 ,but the company has contributed towards various corporate social responsibility initiatives like supporting under-privileged in education, medical treatments, etc. and various other charitable and noble aids, voluntarily.

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

E Balances of the trade receivables, trade payables, advances and balances of deposits are subject to confirmation, reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

F Effective from 01.04.2014, the company has charged depreciation based on the revised remaining useful life of assets as per the requirements of Schedule II of the Companies Act,2013. Due to this, depreciation charge is higher by ₹ 23,54,251/ for the year ended on March 31, 2015.

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

H Contingent liabilities not provided for :

Corporate guarantees to banks for subsidiaries -

Choice Equity Broking Pvt. Ltd.

Choice Merchandise Broking Pvt. Ltd.

31/Mar/15

1,815,600,000

50,000,000

31/Mar/14

1,820,000,000

20,000,000

Accompanying notes to the financial statements as at March 31, 2015

I Employee benefit plans :

Defined benefit plans

The Company offers the gratuity as employee benefit schemes to its employees:

The following table sets out the funded status of the Gratuity and the amount recognised in the financial statements:-

(Amount in ₹)

Particulars	As on 31.03.2015	As on 31.03.2014
Components of employer expense		
Current service cost	18,208	16,689
Interest cost	28,837	6,180
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	288,173
Actuarial losses/(gains)	(11,998)	(49,529)
Total expense recognised in the Statement of Profit & Loss	35,047	261,513
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	373,800	338,753
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	373,800	338,753

Change in fair value of defined benefits obligation representing reconciliation of the opening and closing balances thereof are as follows:

Opening fair value of plan assets	338,753	75,369
Net transfer in obligation	-	1,871
Service cost	18,208	16,689
Interest cost	28,837	6,180
Actuarial (gain) / loss	(11,998)	(49,529)
Benefits paid	-	-
Prior year charge	-	288,173
Closing fair value of plan assets	373,800	338,753

Accompanying notes to the financial statements as at March 31, 2015

Change in fair value of plan		
Plan assets at beginning of the year	-	-
Acquisition adjustment	-	-
Expected return on plan assets	-	-
Actual company contributions	-	-
Actuarial gain / (loss)	-	-
Benefits paid	-	-
Plan assets at the end of the year	-	-

Composition of the plan assets is as follows:		
Government bonds	0.00%	0.00%
PSU bonds	0.00%	0.00%
Equity mutual funds	0.00%	0.00%
Others	0.00%	0.00%

Actuarial assumptions		
Discount rate	7.90%	9.10%
Salary escalation	6.00%	6.00%

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

Accompanying notes to the financial statements as at March 31, 2015

- J** Schedule as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Liabilities side	Amount Outstanding	Amount Overdue
(1) Loans & advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures Secured	51000000	NIL
Unsecured	NIL	NIL
(other than falling within the meaning of public deposits*)		
(b) Deferred credits	NIL	NIL
(c) Term loans	75,327,893	NIL
(d) Inter-corporate loans and borrowing	1,962,461	NIL
(e) Commercial paper	NIL	NIL
(f) Other loans (specify nature)		
Bank overdraft	1,360,364	NIL
Financial institutions loan against shares & securities	191,791,813	NIL
Total -	<u>321,442,530</u>	<u>NIL</u>

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

Assets side	Amount Outstanding
(2) Break-up of loans and advances including bills receivables (other than those included in (4) below):	
(a) Secured	44,675,890
(b) Unsecured	<u>87,052,305</u>
	<u>131,728,195</u>
(3) Break-up of leased assets and stock on hire and other assets counting towards AFC activities:	
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial lease	NIL
(b) Operating lease	NIL
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed assets	NIL
(iii) Other loans counting towards AFC activities:	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL

Accompanying notes to the financial statements as at March 31, 2015

(4) Break-up of investments -

Current investments -

1) Quoted -

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (please specify)	NIL

2) Unquoted -

(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (please specify)	NIL

Long term investments -

1) Quoted -

(i) Shares (a) Equity	100,409,835
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (please specify)	NIL

2) Unquoted -

(i) Shares (a) Equity	357,254,251
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (please specify)	NIL

457,664,086

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions*		
	Secured	Unsecured	Total
1. Related parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	44,564,200	86,834,674	131,398,874
Total -	<u>44,564,200</u>	<u>86,834,674</u>	<u>131,398,874</u>

Accompanying notes to the financial statements as at March 31, 2015

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

Category	Market value / Break-up or fair value or NAV	Book value (Net of provisions)
1. Related parties**		
(a) Subsidiaries***	429,937,439	357,254,251
(b) Companies in the same group	NIL	NIL
(c) Other related parties***	103,210,043	99,037,305
2. Other than related parties***	361,433	1,372,530
Total -	<u>533,508,914</u>	<u>457,664,086</u>

(7) Other information

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

*Provisioning norms as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

** As per accounting standard of ICAI.

*** Investment in shares of related parties are taken at 'break up value' & investment in shares of other parties are taken at 'market value'.

Accompanying notes to the financial statements as at March 31, 2015

K(i) Related Party Disclosure :

Details of Related Parties -

Description of Relationship	Names of Related Parties
a. Subsidiary Companies	Choice Capital Advisors Pvt. Ltd. Choice Corporate Services Pvt. Ltd. Choice Equity Broking Pvt. Ltd. Choice Merchandise Broking Pvt. Ltd. Choice Business Services Pvt. Ltd. Choice Wealth Management Pvt. Ltd. Choice Insurance Brokers Pvt. Ltd.
b. Associate Companies	Aqua Pumps Infra Ventures Limited (APIVL) Choice Realty Pvt. Ltd. (Subsidiary of APIVL)
c. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Managing Director) Hemlata Poddar (Non-executive Director) Manoj Singhanian (CFO) Mahavir Toshniwal (Company Secretary) Savita Singhanian (Relative of KMP) Arun Poddar (Relative of KMP) Sonu Poddar (Relative of KMP)
d. Individuals owning directly or indirectly interest in voting power that gives them control & their relatives	Sunil Patodia Vinita Patodia Anil Patodia Archana Patodia
e. Enterprises over which (c) & (d) are able to exercise significant influence	S. K. Patodia & Associates The Byke Hospitality Ltd. Hotel Relax Pvt. Ltd. Manbhari Biofuel Pvt. Ltd. S. K. Patodia Advisory Services Pvt. Ltd. Upton Infrastructure Pvt. Ltd. Aqua Pumps Pvt. Ltd. M/s. Shree Shakambhari Exim Anil Patodia HUF Sunil Patodia HUF Arun Poddar HUF Kamal Poddar HUF

Accompanying notes to the financial statements as at March 31, 2015

K(ii) Details of Related Parties with whom transaction entered during the year:-

Description of Relationship	Names of Related Parties
a. Subsidiary Companies	Choice Capital Advisors Pvt. Ltd. Choice Corporate Services Pvt. Ltd. Choice Equity Broking Pvt. Ltd. Choice Merchandise Broking Pvt. Ltd. Choice Business Services Pvt. Ltd. Choice Wealth Management Pvt. Ltd.
b. Associate Companies	Aqua Pumps Infra Ventures Limited (APIVL) Choice Realty Pvt. Ltd. (Subsidiary of APIVL)
c. Key Management Personnel (KMP)	Kamal Poddar (Managing Director) Manoj Singhania (CFO) Savita Singhania (Relative of KMP)
e. Enterprises over which (c) & (d) are able to exercise significant influence	S. K. Patodia & Associates The Byke Hospitality Ltd. Aqua Pumps Pvt. Ltd.

Standalone Financial Statements

Accompanying notes to the financial statements as at March 31, 2015

K(ii): Details of Related Party transactions during the year ended March 31, 2015

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP and their relatives	Individuals owning directly or indirectly voting power that gives them	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Equity investments in	141,475,394	3,200,320	-	-	-	144,675,714
-	-	-	-	-	-	-
Amount invested in share applications	-	-	-	-	-	-
(41,400,000)	(41,400,000)	-	-	-	-	(41,400,000)
Loan/Advance taken from*	58,694,033	174,100	2,350,000	-	-	61,218,133
(96,061,419)	(96,061,419)	(2,721,240)	(1,000,000)	-	(1,019,456)	(100,802,115)
Loan/Advance repaid to	60,061,092	1,865,870	2,350,000	-	-	64,276,962
(100,939,204)	(100,939,204)	(2,081,240)	(1,000,000)	-	(1,019,456)	(105,039,900)
Loan/Advance given to*	407,991,062	-	-	-	-	407,991,062
(156,503,289)	(156,503,289)	(715,530)	-	-	(834,360)	(158,053,179)
Loan/Advance repayment recd from	429,047,417	-	-	-	-	429,047,417
(144,603,092)	(144,603,092)	(715,530)	-	-	(834,360)	(146,152,982)
Revenue from operations	27,233,200	5,700,000	-	-	11,520,000	44,453,200
(24,686,000)	(24,686,000)	(3,000,000)	-	-	(9,720,000)	(37,406,000)
Brokerage & DP charges	28,645	-	-	-	-	28,645
(178,525)	(178,525)	-	-	-	-	(178,525)
Director remuneration	-	-	4,200,000	-	-	4,200,000
-	-	-	(4,503,000)	-	-	(4,503,000)
Salary & Perquisites	-	-	265,509	-	-	265,509
-	-	-	-	-	-	-

Standalone Financial Statements

Accompanying notes to the financial statements as at March 31, 2015

Balances outstanding at the end of the year						
Non Current Investments	291,475,394 (150,000,000)	-	-	-	-	291,475,394 (150,000,000)
Short term loans & advances	- (21,056,355)	-	-	-	-	- (21,056,355)
Trade receivables	611,272 (572,474)	-	-	-	280,900 (1,265,900)	892,172 (1,838,374)
Advance from trade receivables	-	-	-	-	1,770,211	1,770,211
Trade payables	- (5,227)	-	-	-	-	- (8,027)
Short term borrowings	1,962,461 (3,329,520)	- (1,691,770)	-	-	-	1,962,461 (5,021,290)

*The maximum amount of loan given at any point of time to subsidiaries & enterprises having significant controls are ₹ 98,224,096/- and ₹408,983/- respectively and the maximum amount of loan taken from subsidiaries, associates and KMP at any point of time are ₹ 24,934,557, ₹.74,100/- & ₹.2,350,000/- respectively.

** Previous year figures are in brackets.

In terms of our report of even date

For Gupta Shyam & Co.

Chartered Accountants

F.R.No. : 103450W

Sd/-

Shyamsunder Gupta

Proprietor

Mem. No. : 038484

Mumbai: 29th May,2015

For and on behalf of Board of Directors

Sd/-

Kamal Poddar

Managing Director

(DIN-01518700)

Sd/-

Ajay Kejriwal

Director

(DIN-03051841)

Sd/-

Manoj Singhania

Chief Financial Officer

Mumbai:29th May, 2015

Sd/-

Mahavir Toshniwal

Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Choice International Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Choice International Limited (hereinafter referred as the "Holding Company"), its subsidiaries (the Company and its subsidiaries constitute the Group) and share of profit of the associated, which comprise the Consolidated Balance Sheet as at March 31, 2015, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred as "consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act and the rules made there under including the accounting standards and matters which are required to be included in the audit report.We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards& pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for expressing opinion on whether the Holding Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidences obtained by the other auditors in terms of their audit reports referred to in sub-paragraph 1 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statement.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as 31st, March, 2015 and its consolidated profit and its consolidated cash flow for the year ended on that .

Other Matter

1. We have not audited the financial statements of any of the seven (7) subsidiaries, Whose financial statements reflect the total assets of Rs.174,81,68,861 /-, revenue of Rs.54,83,67,262 /- and the net profit of Rs.3,15,50,674/- and net cash inflow amounting to Rs.(2,10,10,371)/- for the year ended on March 31, 2015, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respects of these subsidiaries, and our report in terms of sub-section 3 and 11 of the section 143 of the Companies Act, 2013, in so far it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

2. The consolidated financial statements also include the Group's share of profit of Rs.40,22,844 for the year ended 31st, March, 2015, as considered in the consolidated financial statements, in respect of an associate, whose consolidated financial statements have not been audited by us. These consolidated financial statements are audited and have been furnished to us by the management and our opinion on the Group's consolidated financial statements, in so far as it relates to the amounts and disclosures included in respects of the such associate, and our report in terms of sub-section 3 and 11 of the section 143 of the Companies Act, 2013, in so far it relates to the aforesaid associate, is based solely on such consolidated audited financial statements of the associate.

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

Report on Other Legal and Regulatory Requirements

4. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as the "Order"), based on the comments in the auditors' reports of the company and its subsidiaries, we give in the separate Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable:

5. As required by section 143(3) of the Act, we report to the extent applicable that:

- a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid consolidated financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and;
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2015, and taken on record by the Board of Directors, of the Holding Company and the reports of its subsidiaries company, none of the directors of the Group companies, is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanation given to us:

Auditor's Report

- i) The Group and its associate does not have any pending litigations as at 31st March, 2015, which would impacts its consolidated financial position.
- ii) The Group and its associate did not have any long term contracts but have derivative contracts, accordingly losses if an has already been provided as at 31st March, 2015.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate during the year ended 31st March, 2015.

For Shyam Gupta & Co.
Chartered Accountants
FRN: 103450W

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484
Mumbai; 29th May 2015

Annexure referred to in paragraph 1 under the heading “ Report on other legal and regulatory requirements” of our report of even date of Choice International Ltd.

Our report on the order includes Subsidiaries Companies on which the other auditors have reported on the Order. Our report in respect of these subsidiaries is based solely on the reports of the other auditors.

- I. a) The Holding and Subsidiaries Company is maintaining proper records showing full particulars, including quantitative details and situation,
- b) According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- II. a) According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the inventory of shares & securities held in dematerialized format has been verified from the relevant statement received from the depository and those held in the physical format has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory and no material discrepancies has been noticed on physical verification of inventory.
- III. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the holding company has granted unsecured loans, to some parties covered in the register maintained under Section 189 of the companies Act, 2013. Further receipt of the principal amount and interest is regular and as per the terms decided in this respect. However, there is no overdue outstanding as informed by the management .
- IV. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- V. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, The Holding and Subsidiaries Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the companies Act, 2013 and the rules framed there under
- VI. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the rules and the guidelines to maintain the cost record as prescribed by the Central Government of India under clause (1) of Section 148 of the companies Act, 2013 are not applicable to the holding and subsidiaries company .
- VII. a) According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries,, in our opinion, the Holding Company and subsidiaries are generally regular, except few instances, in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities. Further as per information, explanation given and examination of records , no such undisputed amount were outstanding , at the year end, for a period more than six months from the date they became payable.

b) According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.

Annexure to the Auditor's Report

Annexure referred to in paragraph 1 under the heading “ Report on other legal and regulatory requirements” of our report of even date of Choice International Ltd.

- c) According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, there was no amount unpaid , which were required to be transferred to the Investor Education and Protection Fund by the company in accordance with the relevant provisions of the companies Act, 1956 and rules made there under
- viii. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the holding and subsidiaries has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the current financial year ended on that date or in the immediately preceding financial year.
- ix. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the Holding and Subsidiaries have generally not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date
- I. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the terms and conditions of the guarantees given by the Holding Company for loans taken by its subsidiaries from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- ii. According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, the term loans taken by holding and subsidiaries have been applied for the purposes for which they were obtained.
- xii According to the information and explanation given to us and based on the reports issued by the auditors of the subsidiaries, we report that no material fraud on or by the holding and subsidiaries has been noticed or reported during the year, nor, we have been informed of any such case by the Management.

For Shyam Gupta & Co.
Chartered Accountants
FRN: 103450W

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484
Mumbai; 29th May 2015

CONSOLIDATED BALANCE SHEET 2014-15

Consolidated Balance Sheet as at March 31, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	100,048,000	100,048,000
(b) Reserves and Surplus	3	503,896,281	458,219,384
		603,944,281	558,267,384
2. Non - Current Liabilities			
(a) Long -Term Borrowings	4	128,464,075	112,187,358
(b) Deferred Tax Liabilities (Net)	5	27,214,282	26,314,767
(c) Other Long Term Liabilities	6	10,020,679	5,647,046
(d) Long - Term Provisions	7	2,237,347	1,691,237
		167,936,383	145,840,409
3. Current Liabilities			
(a) Short - Term Borrowings	8	1,042,448,118	814,029,223
(b) Trade Payables	9	366,283,096	298,873,454
(c) Other Current Liabilities	10	72,981,892	54,596,257
(d) Short - Term Provisions	11	18,556,566	20,383,440
		1,500,269,673	1,187,882,375
TOTAL		2,272,150,337	1,891,990,168
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	12		
(i) Tangible assets		303,590,949	309,899,461
(ii) Intangible assets		11,640,160	11,159,238
		315,231,109	321,058,699
(b) Non - Current Investments	13	223,858,937	260,269,819
(c) Long - Term Loans and Advances	14	38,768,909	38,298,909
(d) Other Non - Current Assets	15	11,549,819	10,447,803
		589,408,774	630,075,230
2. Current Assets			
(a) Inventories	16	107,758,870	45,537,233
(b) Trade Receivables	17	970,387,999	520,857,531
(c) Cash and Bank Balances	18	394,911,988	479,799,482
(d) Short - Term Loans and Advances	19	184,476,673	199,815,774
(e) Other Current Assets	20	25,206,034	15,904,918
		1,682,741,562	1,261,914,938
TOTAL		2,272,150,337	1,891,990,168

The accompanying Accounting Policies & Notes(1-30) are an integral part of the financial statements
In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
FRN : 103450W

Sd/-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th, May, 2015

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 29th, May, 2015

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary

Consolidated Financial Statements

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

		(Amount in ₹)	
Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
I Revenue from Operations	21	566,997,162	587,247,754
II Other Income	22	51,945,129	29,245,642
III Total Revenue (I + II)		618,942,291	616,493,396
IV Expenses			
Operating Expenses	23	136,715,688	140,495,244
Purchases Stock-in-Trade	24	129,559,086	149,524,813
Changes in Inventories	25	(62,221,637)	(34,850,858)
Employee Benefits Expense	26	125,021,650	181,711,721
Depreciation & Amortisation	12	22,745,376	13,203,099
Finance Costs	27	172,044,163	85,366,809
Other Expense	28	32,336,594	24,874,327
Total Expense		556,200,920	560,325,155
V Profit Before Tax (III-IV)		62,741,371	56,168,241
VI Tax Expense:			
(a) Current Tax Expense		15,683,440	15,864,465
(b) Earlier Year Tax Adjustments		-	2,021,532
(c) MAT Credit		(1,035,485)	(1,800,000)
(d) Deferred Tax		1,110,373	5,207,511
		15,758,328	21,293,508
VII Profit After Tax (V-VI)		46,983,043	34,874,733
VIII Share of Profit In Associates		4,022,844	
IX Profit for the Year (VII+VIII)		51,005,887	34,874,733
X Earnings Per Equity Share (Face Value ₹ 10 Per Share):	29		
(1) Basic (₹)		4.70	3.49
(2) Diluted (₹)		4.70	3.49

The accompanying Accounting Policies & Notes(1-30) are an integral part of the financial statements

In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
FRN : 103450W

Sd/-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th, May, 2015

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 29th, May, 2015

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary

Consolidated Financial Statements

Consolidated Cash Flow Statement for the year ended March 31, 2015

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	62,741,371	56,168,241
<u>Adjustments for:</u>		
Depreciation	22,745,376	13,203,099
Finance costs	172,044,163	85,366,809
Loss on disposal of fixed assets	187,967	-
Other interest income	(39,334,574)	(29,197,353)
Operating profit before Working Capital changes	218,384,302	125,540,796
<u>Changes in Working Capital</u>		
- Trade Receivables	(449,530,468)	(209,691,169)
- Short term loans & advances and other current assets	4,395,206	(54,795,695)
- Inventories	(62,221,637)	(34,850,858)
- Trade Payables & provisions	69,029,319	42,321,759
- Other current liabilities	18,536,701	9,159,118
- Other non current liabilities	4,373,632	5,647,046
<u>Cash generated from operations</u>	(197,032,945)	(116,669,002)
- Income tax paid	(18,988,514)	(20,024,028)
Net cash flow from/(used in) from Operating Activities	(216,021,459)	(136,693,030)
B. Cash flow from Investing Activities		
Other interest received	40,910,823	17,306,589
Purchase of fixed assets	(18,741,248)	(51,132,205)
Sale of Fixed Assets	695,650	-
Investment in associates	-	(64,165,368)
Sale/(Purchase) of investments in other companies	47,887,013	(42,673,672)
Change in other bank balances	57,241,999	(261,863,893)
Movement in long term loans & advances	(470,000)	(2,370,358)
Net cash flow from/(used in) Investing Activities	127,524,237	(404,898,906)
C. Cash flow from Financing Activities		
Finance costs paid	(172,402,841)	(85,585,703)
Dividend & dividend distribution tax paid	(11,441,046)	(11,674,954)
Money borrowed/(repaid) from related parties	(2,063,715)	(3,312,055)
Money borrowed/(repaid) from others	246,759,327	672,893,364
Net cash flow from/(used in) Financing Activities	60,851,726	572,320,651
Net increase/(decrease) in Cash and Cash Equivalents	(27,645,496)	30,728,715
Opening Cash and Cash Equivalents	48,062,676	17,333,961
Closing Cash and Cash Equivalents	20,417,180	48,062,676

In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
FRN : 103450W

Sd/-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th, May, 2015

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 29th, May, 2015

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary

Accompanying notes to the consolidated financial statements as at March 31, 2015

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A) 'Basis of accounting and preparation of financial statements

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements and the financial statements of Indian subsidiaries have been prepared to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014 and the other relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those of the previous year. All assets and liabilities have been classified as current or non-current as per the criteria set out in the Revised Schedule III to the Companies Act, 2013.

B) 'Principles of consolidation

The consolidated financial statements relate to Choice International Ltd. (the holding company) and its subsidiary companies (together the group). The consolidated financial statements have been prepared on the following basis:

- » the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard 21
- » Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006.
- » the difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- » the share of minority interest in the net profit/(loss) of subsidiary for the year is identified and adjusted against the income of the group to arrive at the net income attributable to the shareholders of the holding Company.
- » the share of minority interest in the net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the holding company's shareholders.
- » the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.
- » the share of profit/loss of associate companies is accounted under the 'Equity Method' as per AS 23 -Accounting for Investments in associates in consolidated financial statements, and accordingly the share of profit/loss of the associate companies has been adjusted to the cost of investment. An Associate company is an enterprise in which the Company has significant influence and which is neither a subsidiary nor a joint venture.
- » investments in associates have been accounted for as per Accounting Standard - 23 on "Accounting for Investments in associates in consolidated financial statements" prescribed by the Companies (Accounting Standard) Rules, 2006.
- » investments other than in subsidiary have been accounted as per Accounting Standard - 13 on "Accounting for Investments" prescribed by the Companies (Accounting Standard) Rules, 2006.
- » the financial statements of the subsidiary used in the consolidation are drawn upto the same reporting dates as that of the holding company i.e. March 31, 2015.
- » the subsidiary considered in the consolidated financial statements are as follows:

<u>Name of the Entity</u>	<u>Country</u>	<u>Ownership as on</u>	
		<u>31.03.2015</u>	<u>31.03.2014</u>
Choice Capital Advisors Pvt. Ltd.	India	100.00%	100.00%
Choice Equity Broking Pvt. Ltd.	India	100.00%	100.00%
Choice Merchandise Broking Pvt. Ltd.	India	100.00%	100.00%
Choice Business Services Pvt. Ltd.	India	100.00%	100.00%
Choice Wealth Management Pvt. Ltd.	India	100.00%	100.00%
Choice Insurance Brokers Pvt. Ltd.	India	100.00%	100.00%
Choice Corporate Services Pvt. Ltd.	India	100.00%	100.00%

the details of Associate company considered in the consolidated financial statements are as follows:

<u>Name of the Entity</u>	<u>Country</u>	<u>Ownership as on</u>	
		<u>31.03.2015</u>	<u>31.03.2014</u>
Aqua Pumps Infra Ventures Limited	India	39.35%	39.35%

Accompanying notes to the consolidated financial statements as at March 31, 2015

C) Use of estimates

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

D) Cash and cash equivalents

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

E) Cash flow statement

'Cash flows are reported using the indirect method set out in Accounting Standard-3 'Cash Flow Statement' notified under Companies (Accounting Standard) Rules, 2006 under section 133 of the Companies Act 2013, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. For the purpose of Cash Flow Statement, cash and cash equivalents includes fixed deposits which are freely remissible but excludes interest accrued on fixed deposits.

F) Inventories

'Inventories are valued at cost (on FIFO basis) OR the net realisable whichever is lower cumulatively for all shares. Cost includes all incidental cost of acquisition.

G) Revenue recognition

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

- (a) Revenue and cost are generally accounted on accrual basis as they are earned/incurred, except in case significant uncertainties.
- (b) Brokerage income from dealing in shares & securities is recognised on the day of settlement of the transaction.
- (c) Fees are recognised when reasonable right of recovery is established and the revenue can be reliably measured and on accrual basis. The performance of services is measured under the proportionate completion method which relates the revenue to the work accomplished.
- (d) Interest and other income is accounted on accrual basis.
- (e) Profit/loss on sale of investments are recognised on the day of confirmation of transaction.
- (f) Revenue figures excludes tax component.
- (g) Dividend is accounted when the right to receive payment is established.
- (h) Profit/loss from dealing in shares & securities are recognised on the day of settlement of transaction.
- (i) Profit/loss on equity derivative transactions are accounted for as explained below -

Initial and additional margin paid over and above Initial margin, for entering into contracts for Equity Stock/Index Futures which are released on final settlement/squaring-up of underlying contracts are disclosed under Other Current Assets. "Mark-to-market margin- Equity Stock/Index Futures" representing the amounts paid in respect of mark to market margin is disclosed under Other Current Assets.

On final settlement or squaring up of contracts for equity stock/index futures, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity stock/index futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

As at the balance sheet date, the mark to market on all transactions comprising of Equity Derivatives positions is determined on a Portfolio basis with net unrealized losses being recognized in the Profit and Loss Account. Unrealized gains (on portfolio basis) are not recognized in the Profit and Loss Account on grounds of prudence as enunciated in Accounting Standard - 1, Disclosure of Accounting Policies.

Accompanying notes to the consolidated financial statements as at March 31, 2015

In respect of other transactions, the unrealized losses on equity derivatives determined on scrip-basis are recognized in Profit and Loss Account and unrealized gains are ignored; and in case of securities (shares, etc) the net unrealized losses are recognized in Profit & Loss Account and net unrealized gains are ignored.

H) Employee benefits

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

The Company has a Defined Benefit Plan viz. Gratuity, for all its employees. Gratuity liability is unfunded. Liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses, which comprise experience adjustment and the effect of changes in actuarial assumptions, are recognised in the Statement of Profit and Loss.

I) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

J) Depreciation and amortisation

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

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

K) Fixed assets

Tangible assets

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

Intangible assets

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

L) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Accompanying notes to the consolidated financial statements as at March 31, 2015

M) Provision and Contingencies

A provision is recognised when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets" is made.

N) Investments

"Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments, all other investments are classified as non-current investments. Investments are valued in accordance with the RBI guidelines and accounting standard 13 on "Accounting for investments". Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties."

O) Impairment of assets

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

P) Service tax input credit

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

Q) Borrowing cost

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised up to the date when such assets are ready for its intended use and other borrowing costs are charged to profit & loss account.

R) Foreign currency transactions and translations

"Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are reported using the closing rates, the exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

Accompanying notes to the consolidated financial statements as at March 31, 2015

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14
2 SHARE CAPITAL		
(a) Details of authorised, issued and subscribed share capital		
Authorised Capital		
10,100,000 (PY 10,100,000) Equity Shares of ₹10/- each	101,000,000	101,000,000
Issued Capital		
10,004,800 (PY 10,004,800) Equity Shares of ₹10/- each	100,048,000	100,048,000
Subscribed and Paid up Capital		
10,004,800 (PY 10,004,800) Equity Shares of ₹10/- each fully paid-up	100,048,000	100,048,000
	100,048,000	100,048,000

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

The company has only one class of share capital, i.e. equity shares having face value of ₹10/- per share. Each holder of equity share is entitled to one vote per share.

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

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

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

Kamal Poddar	Managing Director	637,600 6.37%	337,600 3.37%
Vinita Sunil Patodia	Promoter	1,028,927 10.28%	1,028,927 10.28%
Florence Securities Pvt. Ltd.		750,000 7.50%	750,000 7.50%
Anugrah Stock & Broking Pvt. Ltd		659,785 6.59%	648,100 6.48%

Accompanying notes to the consolidated financial statements as at March 31, 2015

3) Reserves And Surplus

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14
Statutory reserve -		
Opening Balance	19,100,000	16,350,000
Add : transferred from statement of profit & loss	2,860,000	2,750,000
Closing Balance	21,960,000	19,100,000
General reserve -		
Opening Balance	952,000	555,000
Add : transferred from statement of profit & loss	-	397,000
Closing Balance	952,000	952,000
Capital reserve -		
Opening Balance	869,500	869,500
Add : transferred from statement of profit & loss	-	-
Closing Balance	869,500	869,500
Securities premium reserve -		
Opening Balance	339,217,300	339,217,300
Less : on disposal of subsidiary	-	-
Add : received on shares issued during the year	-	-
Closing Balance	339,217,300	339,217,300
Surplus in statement of profit & loss -		
Opening Balance	98,080,584	78,001,510
Less: Adjustments relating to dep on Fixed Assets*	(728,987)	-
Add- Adjustments relating to Share of Profit From Associates up to 31.03.2014	7,453,288	-
Add : profit/(loss) for the year	51,005,887	34,874,732
Less : transfer to statutory reserve	2,860,000	2,750,000
Less : transfer to general reserve	-	397,000
Less : dividend distribution tax on proposed dividend	2,048,491	1,643,858
Less : proposed dividend	10,004,800	10,004,800
Closing Balance	140,897,481	98,080,584
	503,896,281	458,219,384

* Pursuant to the Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated over the remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted from the opening balance of Retained Earnings amounting to ₹7,28,987/- (net off deferred tax).

** Pursuant to the transitional provisions of Accounting Standard-23, carrying value of the investment in associates is accounted as per "Equity Method" and corresponding adjustments in this regard have been made in the retained earnings.

Accompanying notes to the consolidated financial statements as at March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
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4) Long Term Borrowing

Secured loans

Debentures*

510 (PY- Nil) Index linked non convertible, reedemable debentures of Rs. 100,000 each

51,000,000

-

Term loan from bank**

115,987,211

142,214,744

Less : current portion of long term borrowings

(38,854,617)

(31,539,863)

77,132,595

110,674,881

Term loan from financial institution**

1,512,477

2,605,350

Less : current portion of long term borrowings

(1,180,996)

(1,092,872)

331,481

1,512,477

128,464,075

112,187,358

* Non Convertible Debentures reffered above are issued on private placement basis which are secured against debtors having maturity due on 24.08.2018. The debentures are index linked ,therefore provision for Mark to Market lossess have been made.

**Term loan is secured by way of first charge on land & building at Mumbai.The loan is repayable in 72 monthly EMI, ending in April 2017. The amount of remaining EMI from April 2015 is of Rs. 30 Lacs per month.

***The outstanding amount of loan of Rs.554418.06/-was taken from HDFC Bank Limited and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs.21,730/-, ending in July 2017.

***The outstanding amount loan of Rs. 4754912/-was taken from ICICI Bank Limited and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs.112,053/-, ending in August 2019.

***The outstanding amount of loan of Rs.351260/-was taken from HDFC Bank Limited and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs.22,490/-, ending in August 2016.

***The outstanding amount loan of Rs. 35835420/-was taken from ICICI Bank Limited and is secured by way of first charge on Non residential property at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs. 4,83,705/-, ending in October 2026.

****The outstanding amount of loan of Rs. 1177099/- was taken from BMW Financial Services and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs.82,179/-, ending in June 2016.

****The outstanding amount of loan of Rs. 335379/- was taken from Volkaswagen Finance and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest of Rs.23,450/-, ending in July 2016.

5) DEFERRED TAX LIABILITIES (NET)

The major components of deferred tax liabilities / assets (net) as recognised in the financial statements is as follows:

Deferred tax liability -

On difference between book balance & tax balance of fixed assets

27,932,302

26,857,780

Deferred tax asset -

Provision for employee benefit expenses

(718,020)

(543,013)

27,214,282

26,314,767

Consolidated Financial Statements

Accompanying notes to the consolidated financial statements as at March 31, 2015

		(Amount in ₹)
Particulars	As at 31/Mar/15	As at 31/Mar/14
6) OTHER LONG TERM LIABILITIES		
Franchisee Security Deposits	105,000	-
Other Long Term Liabilities	9,915,679	5,647,046
	10,020,679	5,647,046
7) LONG-TERM PROVISIONS		
Provision for employee benefit expenses	2,237,347	1,691,237
	2,237,347	1,691,237
8) SHORT TERM BORROWINGS		
Secured loans		
Loans taken from institutions*	320,845,784	151,968,336
Bank Overdraft/CC **	721,602,334	658,494,956
Unsecured loans		
Loans taken from others	-	1,502,217
Loans taken from related parties***	-	2,063,715
	1,042,448,118	814,029,223
*Loans taken from institutions are secured against shares & securities pledged by customers.		
**Overdraft is secured against term deposits, shares & securities.		
***The details of loan taken from related parties are referred under the heading "Short Term Borrowings of Note No.29(I)(ii) "Related Party Transactions".		
9) TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	43,366	4,620
Due to others	366,239,730	298,868,834
	366,283,096	298,873,454
10) OTHER CURRENT LIABILITIES		
Current portion of long term borrowings	40,035,613	32,632,736
Interest accrued but not due on borrowings	836,692	1,195,370
Advances from customers	11,105,156	400,000
Other liabilities & statutory dues	13,480,737	15,589,632
Payable to staff	6,273,694	4,778,519
Margin money deposit	1,250,000	-
	72,981,892	54,596,257

Consolidated Financial Statements

Accompanying notes to the consolidated financial statements as at March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
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11) SHORT TERM PROVISIONS

Provision for tax (net of taxes paid)	43,622	3,348,696
Proposed dividend	10,004,800	10,004,800
Provision for dividend distribution tax	2,048,491	1,643,858
Provision for expenses	6,084,587	4,895,797
Provision on standard loan assets	288,723	424,204
Provision for employee benefit expenses	86,343	66,085
	18,556,566	20,383,440

12 FIXED ASSETS

Description	Gross Block				Depreciation & Amortisation				Net Block	
	As at April 1, 2014	Additions	Deduction s/Adjustm ents	As at March 31, 2015	As at April 1, 2014	Charged For the year	Deduction s/Adjustm ents	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
(i) Tangible Assets:										
Freehold Land	27,977,910	-	-	27,977,910	-	-	-	-	27,977,910	27,977,910
Building owned	255,394,993	-	-	255,394,993	12,809,248	4,037,528	-	16,846,776	238,548,217	242,585,745
Computer Hardwares	14,463,344	4,020,201	1,187,547	17,295,998	5,300,545	7,392,439	681,114	12,011,870	5,284,127	9,162,798
Server & Network	3,540,409			3,540,409	946,950	698,424		1,645,374	1,895,035	2,593,459
Furniture & Fixtures	14,855,030	1,099,946	60,200	15,894,776	2,493,231	1,633,189	5,660	4,120,760	11,774,016	12,361,799
Motor Car	9,738,199	7,015,325	989,079	15,764,445	1,199,007	1,599,355	415,652	2,382,710	13,381,735	8,539,192
Motor Cycle	80,000	-	-	80,000	9,203	7,601	-	16,804	63,196	70,797
Office Equipments	7,580,794	874,917	597,576	7,858,135	973,032	2,382,552	164,163	3,191,421	4,666,713	6,607,761
Total	333,630,679	13,010,389	2,834,402	343,806,666	23,731,216	17,751,088	1,266,589	40,215,715	303,590,949	309,899,461
(ii) Intangible Assets:										
Computer Softwares	27,861,472	5,730,859	255,650	33,336,681	16,702,233	4,994,288	-	21,696,521	11,640,160	11,159,238
Total	27,861,472	5,730,859	255,650	33,336,681	16,702,233	4,994,288	-	21,696,521	11,640,160	11,159,238
Grand Total	361,492,151	18,741,248	3,090,052	377,143,347	40,433,449	22,745,376	1,266,589	61,912,236	315,231,109	321,058,699
Previous Year	310,359,946	51,132,205	-	361,492,151	27,230,353	13,203,099	-	40,433,452	321,058,699	283,129,593

Accompanying notes to the consolidated financial statements as at March 31, 2015

(Amount in ₹)

Particulars	As at 31/Mar/15	As at 31/Mar/14
13) NON-CURRENT INVESTMENTS		
(a) Other investments in quoted equity shares fully paid-up		
<u>Associate company -</u>		
5,952,850 (PY - 5,952,850) shares of ₹10/- each of Aqua	171,478,484	160,002,353
<u>Other company -</u>		
1,000,000 (PY - 19,500,000) shares of ₹10/- each of The Byke Hospitality Limited	50,096,906	97,945,280
457,510 (PY - 457,510) shares of ₹10/- each of Shekhawati Poly-Yarn Limited	1,372,530	1,372,530
58,075 (PY - 62,516) shares of ₹10/- each of Lawreshwar Polymers Limited	505,277	543,916
980 (PY - 980) shares of ₹10/- each of GSL Sec. Ltd.	5,740	5,740
 Other investments in unquoted equity shares fully paid-up		
Choice Credit Co-Operative Society Limited		
4000 (PY - 4000) shares of ₹100/- each	400,000	400,000
	223,858,937	260,269,819
Less : Provision for diminution in the value of investments	-	-
	223,858,937	260,269,819
 (b) Aggregate book value of -		
Quoted fully paid-up investments	200,704,628	259,869,819
 Aggregate market value of -		
Quoted fully paid-up investments	280,445,686	452,482,617

Accompanying notes to the consolidated financial statements as at March 31, 2015

		(Amount in ₹)	
Particulars	As at 31/Mar/15	As at 31/Mar/14	
14) LONG TERM LOANS & ADVANCES			
Unsecured, considered good			
Security deposits	31,454,911	30,264,911	
Deposit with co-op credit society	4,200,000	4,800,000	
Other deposit	2,258,998	2,178,998	
Loans & advances to others	855,000	1,055,000	
	38,768,909	38,298,909	
15) OTHER NON-CURRENT ASSETS			
MAT credit entitlement	9,114,860	8,151,860	
Interest accrued on deposit	2,434,959	2,295,943	
	11,549,819	10,447,803	
16) INVENTORIES			
Stock-in-trade			
Shares & securities*	107,758,870	45,537,233	
(valued at cost or net realised value, whichever is lower, on cumulative basis)	107,758,870	45,537,233	
*Market value ₹ 107,758,870/- (PY ₹45,537,233/-)			
17) TRADE RECEIVABLES			
Unsecured, considered good			
Outstanding for a period exceeding six months from due date	14,811,988	49,964,373	
Others	955,576,011	470,893,158	
	970,387,999	520,857,531	
18) CASH AND BANK BALANCES			
Cash & Cash Equivalents			
Cash on Hand	217,709	409,553	
Bank Balances -			
In current accounts	19,049,471	39,003,123	
Term deposits	1,150,000	8,650,000	
Other Bank Balances			
Term deposits held against bank guarantees	373,931,743	431,652,500	
In earmarked accounts	563,064	84,307	
	394,911,988	479,799,482	

Accompanying notes to the consolidated financial statements as at March 31, 2015

		(Amount in ₹)
Particulars	As at 31/Mar/15	As at 31/Mar/14
19) SHORT-TERM LOANS AND ADVANCES		
Secured, considered good		
Loans & advances to others	44,675,890	96,517,459
Unsecured, considered good		
Capital Advances	1,540,370	-
Advances to employees	491,439	487,528
Balance with statutory/revenue authorities	33,689,629	14,214,974
Loans & Advances to others	89,675,388	52,856,539
Prepaid expenses	11,013,956	8,349,274
Margin deposit	3,080,000	26,690,000
Security Deposit	310,000	700,000
	184,476,673	199,815,774
20) OTHER CURRENT ASSETS		
Margin - Equity stock / Index futures	4,083,225	-
Less : provision for loss	(151,680)	-
Accrued interests on deposits	14,178,577	15,904,918
Accrued interests on margin deposits	11,076	-
Other Current assets	7,084,835	-
	25,206,034	15,904,918
21) REVENUE FROM OPERATIONS		
Sale of shares & securities	80,638,998	83,595,946
Derivative Profit	8,822,959	-
Profit on sale of investments	-	4,489
Interest income	27,727,329	33,241,689
Income from lease and support services	17,240,627	13,200,257
Brokerage income	200,400,688	158,797,187
Professional fees	206,490,299	285,621,115
Other operating revenues	25,676,262	12,787,071
	566,997,162	587,247,754
22) OTHER INCOME		
Dividend Income	750,000	-
Interest on deposits	39,334,574	29,197,353
Misc. income	18,012	48,289
Capital Gain	11,842,543	-
	51,945,129	29,245,642

Consolidated Financial Statements

Accompanying notes to the consolidated financial statements as at March 31, 2015

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14
23) OPERATING EXPENSES		
Professional Service charges	76,409,671	93,219,542
Computer & software expenses	2,936,653	2,369,084
Membership & subscription fees	1,613,611	486,914
Sub-brokerage / Referral fees	52,691,472	43,458,188
Leaseline expenses	1,578,669	510,545
Other operating expenses	1,485,612	450,971
	136,715,688	140,495,244
24) PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	129,559,086	149,524,813
	129,559,086	149,524,813
25) CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	45,537,233	10,686,375
Less : At the end of the period	107,758,870	45,537,233
	(62,221,637)	(34,850,858)
26) EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	119,837,899	175,825,783
Director's remuneration & Perquisites	4,200,000	4,503,000
Staff welfare expenses	415,768	410,265
Gratuity	567,983	972,673
	125,021,650	181,711,721
27) FINANCE COST		
Interest on bank borrowings	111,359,203	54,373,155
Interest on institution borrowings	39,261,359	17,029,096
Other borrowing costs	21,423,601	13,964,558
	172,044,163	85,366,809

Consolidated Financial Statements

Accompanying notes to the consolidated financial statements as at March 31, 2015

Particulars	(Amount in ₹)	
	As at 31/Mar/15	As at 31/Mar/14
28) OTHER EXPENSES		
Bank charges	358,480	254,347
Bad Debts	1,161,824	-
Business promotion expenses	779,570	125,418
Director sitting fees	600,000	370,000
Donation	78,560	-
Electricity Charges	2,978,018	2,514,688
Communication expenses	1,683,493	1,162,836
Computer expenses	960,357	952,332
Conference & meeting expenses	702	121,331
CSR expenses	119,471	75,000
Insurance charges	73,681	87,558
Legal and professional	3,977,622	1,865,475
Loss on sale of fixed assets	187,967	-
Marketing & advertisement expenses	6,912,594	5,725,438
Payment to auditors -		
Statutory audit fees	330,000	204,607
Tax audit fees	100,000	50,000
Limited review Fees	70,000	65,000
Other certification fees	37,000	120,000
Printing and stationery	1,855,784	791,283
Provision on standard loan assets	(135,481)	73,358
Rent including lease rentals	1,121,196	968,729
Repairs & maintenance	1,396,367	968,161
Rates & taxes	1,943,026	3,014,403
Sundry expenses	1,010,000	741,766
Traveling & Conveyance expenses	3,963,183	3,290,431
Vehicle expenses	554,976	1,146,279
Water charges	218,205	185,887
	32,336,594	24,874,327
29) EARNINGS PER EQUITY SHARE		
Profit/(Loss) attributable to equity shareholders	46,983,043	34,874,733
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	4.70	3.49
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	46,983,043	34,874,733
Weighted average number of equity share after considering	10,004,800	10,004,800
Dilutive Earnings per Share	4.70	3.49

Accompanying notes to the consolidated financial statements as at March 31, 2015

NOTE 30 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

A Statutory reserve :

The management has created a statutory reserve of ` 2,860,000/- (PY `2,750,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

B Corporate social responsibility :

Recognising the responsibilities towards society, as a part of ongoing activities, the company has contributed towards various corporate social responsibility initiatives like supporting under-privileged in education, medical treatments, etc. and various other charitable and noble aids.

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

D Balances of the trade receivables, trade payables, advances and balances of deposits are subject to confirmation, reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

E Break up of Investment in Associate is as under:-

Name of Comapany	Cost of Acquisition	Goodwill included in cost of Acquisition	Share in Profit of Assocites	Carrying Amount of Investment
Aqua Pumps Infra Ventures Ltd.	167,455,641	42,646,980	4,022,844	171,478,484

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

G Employee benefit plans :

Defined benefit plans

The Company offers the gratuity as employee benefit schemes to its employees:

The following table sets out the funded status of the Gratuity and the amount recognised in the financial statements:

Accompanying notes to the consolidated financial statements as at March 31, 2015

Particulars	As on 31.03.2015	As on 31.03.2014
Components of employer expense		
Current service cost	685,265	552,817
Interest cost	156,763	64,963
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Prior year charge	-	288,173
Actuarial losses/(gains)	(274,043)	66,720
Total expense recognised in the Statement of Profit & Loss	567,985	972,673
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	2,323,691	1,757,322
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	2,323,691	1,757,322

Change in fair value of defined benefits obligation representing reconciliation of the the opening and closing balances thereof are as follows:		
Opening fair value of plan assets	1,757,322	799,799
Net Transfer OUT Obligation	(1,615)	-
Service cost	685,265	552,817
Interest cost	156,763	64,963
Actuarial (gain) / loss	(274,043)	66,720
Prior year charge	-	288,173
Benefits paid	-	(15,150)
Closing fair value of plan assets	2,323,692	1,757,322

Actuarial assumptions		
Discount rate	7.90%	9.10%
Salary escalation	6.00%	6.00%

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

Accompanying notes to the consolidated financial statements as at March 31, 2015

H Segment information :

The Company has identified Business segments as its primary segment. Business segments are primarily NBFC & Other services, Investment Banking services, Broking & Distribution services and Outsourcing services. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Fixed assets used in the company's business or liabilities have not been identified to any reportable segment, as the fixed assets are used interchangeably between segments. It is not possible to furnish segment disclosure relating to total assets and liabilities of the company.

Particulars	For the year ended 31 March, 2015					Total (Segments)	Total (Enterprise)
	Business segments						
	NBFC & Other services	Broking & Distribution	Investment Banking	Outsourcing			
Segment Revenue							
Sales / Income	86,523,503 (127,955,045)	301,245,206 (198,543,230)	123,462,032 (135,178,956)	83,028,267 (150,442,159)	594,259,008 (612,119,390)		-
Less: Inter-segment Sales / Income	27,233,200 (24,686,000)	28,646 (185,637)	- -	- -	27,261,846 (24,871,637)		-
Total Revenue External	59,290,303 (103,269,045)	301,216,561 (198,357,593)	123,462,032 (135,178,956)	83,028,267 (150,442,159)	566,997,162 (587,247,753)		
Total revenue of each segment as a percentage of total revenue of all segments	10.46% 17.59%	53.12% 33.78%	21.77% 23.02%	14.64% 25.62%	- -		- -
Segment Result: Profit / (Loss) before Interest and	14,630,704 (18,332,608)	44,632,788 (29,836,145)	18,704,618 (15,453,214)	10,865,726 (15,209,404)	88,833,836 (78,831,371)		88,833,836 (78,831,371)
Less: Unallocable expenses (net)	-	-	-	-	-		26,092,466 (22,663,129)
Profit before tax	-	-	-	-	-		62,741,369 (56,168,242)
Less: Tax expense	-	-	-	-	-		15,758,328 (21,293,508)
Net profit after tax	-	-	-	-	-		46,983,042 (34,874,733)
Share of Profit In Associates	-	-	-	-	-		4,022,844 -
Net Profit for the Year	-	-	-	-	-		51,005,886 (34,874,733)

* Previous year figures are in brackets

Accompanying notes to the consolidated financial statements as at March 31, 2015

I Related Party Disclosure :

(i) Details of Related Parties -

Description of Relationship	Names of Related Parties
a. Associate Companies	Aqua Pumps Infra Ventures Limited (APVL) Choice Realty Pvt. Ltd. (Subsidiary of APVL)
b. Key Management Personnel (KMP) and their relatives	Kamal Poddar (Managing Director) Hemlata Poddar (Non-executive Director) Manoj Singhania (CFO) Mahavir Toshniwal (Company Secretary) Savita Singhania (Relative of KMP) Arun Poddar (Relative of KMP) Sonu Poddar (Relative of KMP) Pankaj Bhansali (Executive Director)*
c. Individuals owning directly or indirectly interest in voting power that gives them control & their relatives	Sunil Patodia Vinita Patodia Anil Patodia Archana Patodia
d. Enterprises over which (b) & (c) are able to exercise significant influence	S. K. Patodia & Associates The Byke Hospitality Ltd. Hotel Relax Pvt. Ltd. Manbhari Biofuel Pvt. Ltd. S. K. Patodia Advisory Services Pvt. Ltd. Upton Infrastructure Pvt. Ltd. Aqua Pumps Pvt. Ltd. M/s. Shree Shakambhari Exim Anil Patodia HUF Sunil Patodia HUF Arun Poddar HUF Kamal Poddar HUF

* Pankaj Bhansali resigned from directorship wef.30th June, 2014.

Consolidated Financial Statements

Accompanying notes to the consolidated financial statements as at March 31, 2015

(II) Details of Related Party transactions during the year ended March 31, 2015

(Amount in ₹)

Particulars	Associates	KMP and their relatives	Individuals owning directly or indirectly voting power that gives them control & their relatives	Enterprises over which (b) & (c) are able to exercise significant influence	Total
Loans given to	- (715,530)	- -	- -	- (834,360)	- (1,549,890)
Loan repayment recd from	- (715,530)	- -	- -	- (834,360)	- (1,549,890)
Loans taken from	174,100 (2,721,240)	2,350,000 (1,000,000)	- -	- (1,019,456)	2,524,100 (4,740,696)
Loan repaid	1,865,870 (2,081,240)	2,350,000 (1,000,000)	- -	- (1,019,456)	4,215,870 (4,100,696)
Revenue from operations	5,700,000 (3,000,000)	- -	- -	11,520,000 (9,720,000)	17,220,000 (12,720,000)
Director Remmuneration	- -	4,200,000 (4,200,000)	- -	- -	4,200,000 (4,200,000)
Salary & Perquisites	- -	265,509 -	- -	- -	265,509 -
Balances outstanding at the end of the year					
Short term loans & advances	- -	- -	- -	- -	- -
Trade receivables	- -	- -	- -	280,900 (1,265,900)	280,900 (1,265,900)
Advance from trade receivables	- -	- -	- -	1,770,211 -	1,770,211 -
Trade payables	- -	- (2,800)	- -	- -	- (2,800)
Short term borrowings	- (1,691,770)	- -	- -	- -	- (1,691,770)

* Previous year figures are in brackets
In terms of our report of even date

For Gupta Shyam & Co.
Chartered Accountants
FRN : 103450W

Sd/-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th, May, 2015

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 29th, May, 2015

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary

CHOICE INTERNATIONAL LIMITED

CHOICE HOUSE, Shree Shakambhari Corporate Park, Plot No. 156-158,

J.B. Nagar, Andheri (east), Mumbai-400099

Tel No.: +91-22-6707 9999 Fax: +91-22-6707 9898,

Website: www.choiceindia.com,

Email ID: info@choiceindia.com CIN: L67190MH1993PLC071117

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of the Company Choice International Limited will be held at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400099 on Saturday, September 26, 2015 at 12.30 P.M. to transact with or without modifications as may be permissible, the following Businesses:

ORDINARY BUSINESS:

1. To Consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare and sanction the payment of final dividend of 10% i.e. Re. 1/- per share on equity shares of the Company for the Financial Year 2014-15.
3. To appoint a Director in place of Mr. Ajay Kejriwal (DIN 03051841) who retires by rotation and, being eligible, offers himself for re-appointment.
4. **Appointment of Auditors**

To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the company hereby ratifies the appointment of **M/S Gupta Shyam & Co.**, Chartered Accountants, (Registration Number **103450W**) Mumbai, as the statutory auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 23rd Annual General Meeting of the Company to be held in year 2016 to examine and audit the accounts of the company for Financial Year 2015-16 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

5. **Issue of Non-convertible Debentures on a Private Placement basis**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to 100 crores (Rupees One Hundred Crores only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto within the overall borrowing limits approved by the members from time to time.”

(Continue.....)

"RESOLVED FURTHER THAT the approval of the Company be and is hereby given to all offers of non –convertible debentures or invitations to subscribe to debentures during the period from the conclusion of the previous Annual General Meeting to the conclusion of this Annual General Meeting."

"RESOLVED FURTHER THAT the Board and it's Committee be and is hereby authorised to do such acts, deeds and things as the Board in its absolute discretion may deem necessary or desirable in connection with offering, inviting, issuing and allotting the debenture, and to give effect to this resolution including, without limitation, the following:

- i) offer, invite, issue and allot the debentures or any or all of them, subject to such terms and conditions, as the Board may deem fit and proper in its absolute discretion.
- ii) approve, finalise and execute any offer document including private placement offer document and to approve and finalise any term sheets in this regard.
- iii) do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, invitation, issue or allotment of securities.
- iv) finalise the basis of allotment of the securities.

6) Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves that the register of members and index of members, register and index of debenture holders, register and index of any other Security holders, Register of Renewed and Duplicate Shares / Debentures / Securities Certificates, Register of Sweat Equity Shares, Register of ESOP, and other shares related documents and books be kept at the registered office of the Company's Registrar and Transfer Agents viz. Sharex (India) Private Limited, situated at, Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072."

"RESOLVED FURTHER THAT the Registers, Indexes, Returns, documents etc. as aforesaid be kept open for inspection between the hours of 2.00 p.m. and 4.00 p.m. on any working day of the Registrars except when the Registers and Books are closed."

Your Directors recommend Resolution at Item No. 6 as a Special Resolution for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

By Order of the Board of Directors

Sd/-
Mahavir Toshniwal
(Company Secretary)

Place: Mumbai
Date : August 11, 2015

Registered Office:
Choice House, Shree Shakambhari Corporate Park,
Plot No.156-158,
J.B. Nagar, Andheri (E),
Mumbai – 400 099
email id: info@choiceindia.com

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than Forty Eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. Must be supported by an appropriate resolution/authority, as applicable.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Transfer Books of the Company will remain closed from September 21, 2015 to September 26, 2015 (both days inclusive).
6. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting, shall be paid on or within 30 days of declaration of Dividend, if any.
- (I) to those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the Company on or before September 20, 2015.
- (ii) in respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business on September 20, 2015. In respect of shares held in demat mode the dividend will be paid on the basis of beneficial ownership as per details to be furnished by NSDL and CDSL for this purpose.
7. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic India Private Limited or to their depository participants in case shares are held in depository form, so as to enable us to dispatch the future communications and dividend warrants at the correct addresses.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Sharex Dynamic (India) Pvt. Ltd. for their doing the needful.
9. Members are requested to notify change in address, if any, immediately to Sharex Dynamic (India) Pvt. Ltd. quoting their folio numbers.
10. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
11. **To support the 'Green Initiative', the Members who have not registered their e-mail addresses are hereby requested to register the same with Registrars/ Depositories and to enable us to send the communications/ informations/ Annual Reports to the shareholders thus making the process much faster.** In order to receive copies of Annual Reports and other communication through e-mail, Members are requested to register their e-mail addresses with the Company by sending an e-mail to info@choiceindia.com.
12. All documents referred to in the notice are open for inspection at the registered office of companies during the working days and office working hours.
13. As a measure to save the cost and copies of the annual report, annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.

14. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the Meeting of the company so that the information required may be made available at the meeting.
15. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with identity Proof.
16. The Notice of the AGM & the Annual Report is being sent through Electronic mode whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same. Positive consent letter is attached to the Notice being sent to the Members for giving consent to receive documents in electronic mode.
17. In future electronic copy of the Notice of General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.
18. Pursuant to clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/ reappointment at the meeting are annexed.
19. The Members desirous of obtaining any information / clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary atleast ten days before the Annual General Meeting, so that the information required may be made available at the Meeting.
20. Members may note that the Company's website is www.choiceindia.com.
21. **Voting through electronic means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 22nd AGM by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on September 22, 2015 and ends on September 25, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB#	<ul style="list-style-type: none"> Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Choice International Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Non- Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- (i) Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - (ii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of September 19, 2015.
 - (iii) M/S R. M. Mimani & Associates LLP, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (iv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
 - (v) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's [website www.choiceindia.com](http://www.choiceindia.com) and communicated to the stock exchanges.
- (I) Members who do not have access to e-voting facility may send duly completed Ballot Form enclosed with the Annual report so as to reach the Scrutinizer appointed by the Board of Directors of the Company, M/S R.M. Mimani & Associates LLP, Practising Company Secretary, at the Registered Office of the Company not later than September 25, 2015 (6.00 p.m.). Ballot Form received after this date will be treated as invalid.
- (ii) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

EXPLANATORY STATEMENT (Pursuant to sections 102 of the Companies Act, 2013)

The following Explanatory Statement sets out material facts relating to the business mentioned under Special items:

For Item No. 05:

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Companies Act, 2013 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

The company has passed a special resolution under section 180(1)© pertaining to borrowings upto ₹ 500 Crores at the Annual General Meeting held on September 27, 2014. In the ordinary course of business, there is a requirement to borrow from time to time by ways of loans, issue of debentures / bonds or other debt instruments on private placement basis or otherwise. To satisfy the requirements of funds the Company normally issues non-convertible debentures on private placement basis for meeting the medium and long term funding requirement of the Company.

In order to augment long term resources for on-lending, to grow the loan book and for general corporate purposes, specific approval of the members is therefore accorded by way of special resolution for making offer(s) or invitation(s) to eligible persons to subscribe to the Secured/ Unsecured Redeemable, Non-Convertible Debentures of the company on private placement basis during the period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, within the overall borrowing limits approved by the members approved by the members from time to time.

Your Directors commend the Resolution at Item No. 5 of the Notice for your approval. None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution

For Item No. 6

Under the provisions of the Companies Act, 2013, (the "Act") certain documents such as the register of members and index of members - separately for each class of equity and preference shares, register and index of debenture holders, register and index of any other Security holders, Register of Renewed and Duplicate Shares / Debentures / Securities Certificates, Register of Sweat Equity Shares, Register of ESOP and other shares related documents and books, are required to be maintained at the registered office of the Company unless a special resolution is passed in a general meeting authorising the keeping of the register at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside. M/s. Sharex India Private Limited, Mumbai is Company's Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares / debentures / securities held in demat mode and also acting as the Share Transfer Agent for the shares / debentures / securities held in physical segment.

In view of the enabling provisions of Companies Act, 2013 as explained above, it is proposed to keep the aforementioned Registers and documents at the premises of the R & T Agents as stated in the resolution.

Your Directors recommend Resolution at Item No. 6 as a Special Resolution for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

By Order of the Board of Directors

Sd/-

Mahavir Toshniwal
(Company Secretary)

Place: Mumbai
Date :August 11, 2015

Registered Office:
Choice House, Shree Shakambhari Corporate Park,
Plot No.156-158,
J.B. Nagar, Andheri (E),
Mumbai – 400 099
email id: info@choiceindia.com

ANNEXURE TO NOTICE

Details Of Directors Seeking Re-Appointment / Appointment

Name of the Director	Ajay Rajendra Kejriwal
Name of the Director	Ajay Rajendra Kejriwal
Date of Appointment	29 -5-2010
Date of Birth	11-2-1979
Qualification	CA
Expertise in specific functional areas	Finance
Directorship in other public companies excluding foreign companies	Nil
Membership of Committees in other public companies	Nil
Shareholding in the Company	2000 Shares

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

(Management and Administration) Rules,
2014]

CIN	L67190MH1993PLC071117
Name of the Company	Choice International Limited
Registered Office	Choice House, Shree Shakambhari Corporate Park, Plot No. 156-158, J.B. Nagar, Andheri (E), Mumbai – 400 099

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No./ Client ID	
DP ID :	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

Name			
Address			
E-mail ID		Signature	

OR FAILING HIM;

Name			
Address			
E-mail ID		Signature	

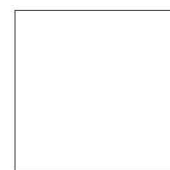
OR FAILING HIM;

Name			
Address			
E-mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22ND Annual General Meeting of the company, to be held on Saturday, September 26, 2015 at 12.30 P.M at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400099 and at any adjournment thereof in respect of such resolutions as are indicated herein:

Item no.	Resolution	For	Against
ORDINARY BUSINESS			
1	To Consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.		
2	To declare and sanction the payment of final dividend of 10% i.e. ₹ 1/- per share on equity shares of the Company for the Financial Year 2014-15.		
3	To appoint a Director in place of Mr. Ajay Kejriwal (DIN 03051841) who retires by rotation and, being eligible, offers himself for re-appointment.		
4	Appointment of M/s. Gupta Shyam & Co., Chartered Accountants as Auditors and fix their remuneration.		
SPECIAL BUSINESS			
5	Issue of Non-convertible Debentures on a Private Placement basis		
6	Maintenance of the Register of Members and Related Books at a place other than the Registered Office of the Company		

Signed this _day of _2015



Signature of shareholder: _____ Signature of Proxy holder(s) _____

Notes:

- i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- ii. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/depository participant.
- iii. A Proxy need not be a Member.
- iv. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights.
- v. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

CHOICE INTERNATIONAL LIMITED

Choice House,

Shree Shakambhari Corporate Park, Plot No. 156-158,

J.B. Nagar, Andheri (east), Mumbai-400099

Tel No.: +91-22-6707 9999 Fax: +91-22-6707 9898,

Website: www.choiceindia.com,

Email ID: info@choiceindia.com CIN: L67190MH1993PLC071117

Folio No./DP ID-Client ID No.: _____

No. of Shares held: _____

Name of the Member/ Proxy (IN BLOCK LETTERS): _____

Address of the Member:

Email ID :

I/ We hereby record my/our presence at the 22ND ANNUAL GENERAL MEETING of Choice International Limited at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400 099 on Saturday, September 26, 2015 at 12.30 P.M

Signature(s) of the Member or Proxy

Note: You are requested to bring your copy of the Annual Report to the Meeting.

E-MAIL ID REGISTRATION REQUEST

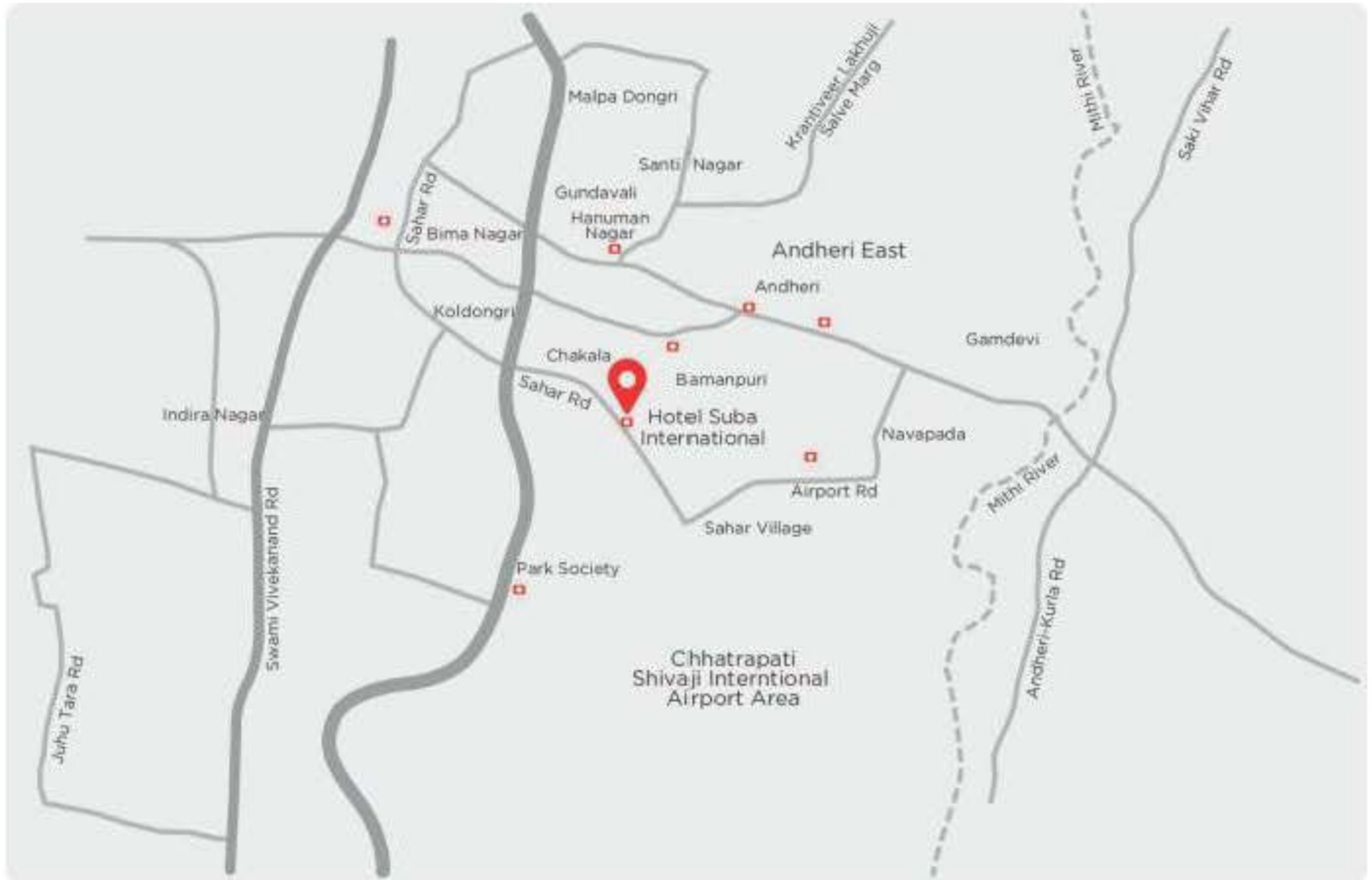
In compliance with provisions of Rule 18(3) prescribed in Chapter 18 of the Companies Act, 2013, all the Members of the Company who have not registered their email id so far with the Company/RTA and those Members who have registered their email but wish to update their email-ids, are requested to fill the below details to register or update their email-ids.

Email Id:

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(Signature of Member)

**ROUTE MAP OF 22nd AGM OF
CHOICE INTERNATIONAL LIMITED TO BE HELD ON SEPTEMBER 26, 2015**





Choice

Nurturing Financial Excellence

CHOICE HOUSE:

Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravati Ashok Society,
J.B. Nagar, Andheri (East), Mumbai-400 099.

Tel: 022-6707 9999 Tel Fax.: 022-6707 9959

Email: info@choiceindia.com | Website: www.choiceindia.com

CIN: L67190MH1993PLC071117

CHOICE INTERNATIONAL LIMITED

CHOICE HOUSE, Shree Shakambhari Corporate Park, Plot No. 156-158,

J.B. Nagar, Andheri (east), Mumbai-400099

Tel No.: +91-22-6707 9999 Fax: +91-22-6707 9898,

Website: www.choiceindia.com,

Email ID: info@choiceindia.com CIN: L67190MH1993PLC071117

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of the Company Choice International Limited will be held at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400099 on Saturday, September 26, 2015 at 12.30 P.M. to transact with or without modifications as may be permissible, the following Businesses:

ORDINARY BUSINESS:

1. To Consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare and sanction the payment of final dividend of 10% i.e. Re. 1/- per share on equity shares of the Company for the Financial Year 2014-15.
3. To appoint a Director in place of Mr. Ajay Kejriwal (DIN 03051841) who retires by rotation and, being eligible, offers himself for re-appointment.
4. **Appointment of Auditors**

To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the company hereby ratifies the appointment of **M/S Gupta Shyam & Co.**, Chartered Accountants, (Registration Number **103450W**) Mumbai, as the statutory auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 23RD Annual General Meeting of the Company to be held in year 2016 to examine and audit the accounts of the company for Financial Year 2015-16 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

5. **Issue of Non-convertible Debentures on a Private Placement basis**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to 100 crores (Rupees One Hundred Crores only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto within the overall borrowing limits approved by the members from time to time.”

(Continue.....)

“RESOLVED FURTHER THAT the approval of the Company be and is hereby given to all offers of non –convertible debentures or invitations to subscribe to debentures during the period from the conclusion of the previous Annual General Meeting to the conclusion of this Annual General Meeting.”

“RESOLVED FURTHER THAT the Board and it’s Committee be and is hereby authorised to do such acts , deeds and things as the Board in its absolute discretion may deem necessary or desirable in connection with offering, inviting, issuing and allotting the debenture, and to give effect to this resolution including , without limitation, the following:

- i) offer, invite, issue and allot the debentures or any or all of them, subject to such terms and conditions , as the Board may deem fit and proper in its absolute discretion.
- ii) approve, finalise and execute any offer document including private placement offer document and to approve and finalise any term sheets in this regard.
- iii) do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or arise in regard to or in connection with any such offer , invitation, issue or allotment of securities.
- iv) finalise the basis of allotment of the securities.

6) **Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves that the register of members and index of members , register and index of debenture holders, register and index of any other Security holders, Register of Renewed and Duplicate Shares / Debentures / Securities Certificates, Register of Sweat Equity Shares, Register of ESOP, and other shares related documents and books be kept at the registered office of the Company’s Registrar and Transfer Agents viz. Sharex (India) Private Limited, situated at, Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072.”

“RESOLVED FURTHER THAT the Registers, Indexes, Returns, documents etc. as aforesaid be kept open for inspection between the hours of 2.00 p.m. and 4.00 p.m. on any working day of the Registrars except when the Registers and Books are closed.”

Your Directors recommend Resolution at Item No. 6 as a Special Resolution for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

By Order of the Board of Directors

Place: Mumbai
Date :August 11, 2015

Sd/-
Mahavir Toshniwal
(Company Secretary)

Registered Office:
Choice House, Shree Shakambhari Corporate Park,
Plot No.156-158,
J.B. Nagar, Andheri (E),
Mumbai – 400 099
email id: info@choiceindia.com

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than Forty Eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. Must be supported by an appropriate resolution/authority, as applicable.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Transfer Books of the Company will remain closed from September 21, 2015 to September 26, 2015(both days inclusive).
6. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting, shall be paid on or within 30 days of declaration of Dividend, if any.
- (I) to those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the Company on or before September 20, 2015.
- (ii) in respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business on September 20, 2015. In respect of shares held in demat mode the dividend will be paid on the basis of beneficial ownership as per details to be furnished by NSDL and CDSL for this purpose.
7. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic India Private Limited or to their depository participants in case shares are held in depository form, so as to enable us to dispatch the future communications and dividend warrants at the correct addresses:.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Sharex Dynamic (India) Pvt. Ltd. for their doing the needful.
9. Members are requested to notify change in address, if any, immediately to Sharex Dynamic (India) Pvt. Ltd. quoting their folio numbers.
10. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
11. **To support the 'Green Initiative', the Members who have not registered their e-mail addresses are hereby requested to register the same with Registrars/ Depositories and to enable us to send the communications/ informations/ Annual Reports to the shareholders thus making the process much faster.** In order to receive copies of Annual Reports and other communication through e-mail, Members are requested to register their e-mail addresses with the Company by sending an e-mail to info@choiceindia.com.
12. All documents referred to in the notice are open for inspection at the registered office of companies during the working days and office working hours.
13. As a measure to save the cost and copies of the annual report, annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.

14. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the Meeting of the company so that the information required may be made available at the meeting.
15. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with identity Proof.
16. The Notice of the AGM & the Annual Report is being sent through Electronic mode whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same. Positive consent letter is attached to the Notice being sent to the Members for giving consent to receive documents in electronic mode.
17. In future electronic copy of the Notice of General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.
18. Pursuant to clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/ reappointment at the meeting are annexed.
19. The Members desirous of obtaining any information / clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary atleast ten days before the Annual General Meeting, so that the information required may be made available at the Meeting.
20. Members may note that the Company's website is www.choiceindia.com.
21. **Voting through electronic means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 22nd AGM by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on September 22, 2015 and ends on September 25, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB#	<ul style="list-style-type: none"> Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii)After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Choice International Limited on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii)Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv)After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi)You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii)If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii)**Note for Non- Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix)In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- (i) Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - (ii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of September 19, 2015.
 - (iii) M/S R. M. Mimani & Associates LLP, Practising Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (iv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
 - (v) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's [website www.choiceindia.com](http://www.choiceindia.com) and communicated to the stock exchanges.
- (I) Members who do not have access to e-voting facility may send duly completed Ballot Form enclosed with the Annual report so as to reach the Scrutinizer appointed by the Board of Directors of the Company, M/S R.M. Mimani & Associates LLP, Practising Company Secretary, at the Registered Office of the Company not later than September 25, 2015 (6.00 p.m.). Ballot Form received after this date will be treated as invalid.
- (ii) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

EXPLANATORY STATEMENT (Pursuant to sections 102 of the Companies Act, 2013)

The following Explanatory Statement sets out material facts relating to the business mentioned under Special items:

For Item No. 05:

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Companies Act, 2013 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

The company has passed a special resolution under section 180(1)© pertaining to borrowings upto ` 500 Crores at the Annual General Meeting held on September 27, 2014. In the ordinary course of business, there is a requirement to borrow from time to time by ways of loans, issue of debentures / bonds or other debt instruments on private placement basis or otherwise. To satisfy the requirements of funds the Company normally issues non -convertible debentures on private placement basis for meeting the medium and long term funding requirement of the Company.

In order to augment long term resources for on- lending, to grow the loan book and for general corporate purposes, specific approval of the members is therefore accorded by way of special resolution for making offer(s) or invitation(s) to eligible persons to subscribe to the Secured/ Unsecured Redeemable, Non-Convertible Debentures of the company on private placement basis during the period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, within the overall borrowing limits approved by the members approved by the members from time to time.

Your Directors commend the Resolution at Item No. 5 of the Notice for your approval. None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution

For Item No. 6

Under the provisions of the Companies Act, 2013, (the "Act") certain documents such as the register of members and index of members - separately for each class of equity and preference shares, register and index of debenture holders, register and index of any other Security holders, Register of Renewed and Duplicate Shares / Debentures / Securities Certificates, Register of Sweat Equity Shares, Register of ESOP and other shares related documents and books, are required to be maintained at the registered office of the Company unless a special resolution is passed in a general meeting authorising the keeping of the register at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside. M/s. Sharex India Private Limited, Mumbai is Company's Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares / debentures / securities held in demat mode and also acting as the Share Transfer Agent for the shares / debentures / securities held in physical segment.

In view of the enabling provisions of Companies Act, 2013 as explained above, it is proposed to keep the aforementioned Registers and documents at the premises of the R & T Agents as stated in the resolution.

Your Directors recommend Resolution at Item No. 6 as a Special Resolution for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

By Order of the Board of Directors

Sd/-

Mahavir Toshniwal
(Company Secretary)

Place: Mumbai
Date :August 11, 2015

Registered Office:
Choice House, Shree Shakambhari Corporate Park,
Plot No.156-158,
J.B. Nagar, Andheri (E),
Mumbai – 400 099
email id: info@choiceindia.com

ANNEXURE TO NOTICE

Details Of Directors Seeking Re-Appointment / Appointment

Name of the Director	Ajay Rajendra Kejriwal
Name of the Director	Ajay Rajendra Kejriwal
Date of Appointment	29 -5-2010
Date of Birth	11-2-1979
Qualification	CA
Expertise in specific functional areas	Finance
Directorship in other public companies excluding foreign companies	Nil
Membership of Committees in other public companies	Nil
Shareholding in the Company	2000 Shares

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

(Management and Administration) Rules,
2014]

CIN	L67190MH1993PLC071117
Name of the Company	Choice International Limited
Registered Office	Choice House, Shree Shakambhari Corporate Park, Plot No. 156-158, J.B. Nagar, Andheri (E), Mumbai – 400 099

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No./ Client ID	
DP ID :	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

Name			
Address			
E-mail ID		Signature	

OR FAILING HIM;

Name			
Address			
E-mail ID		Signature	

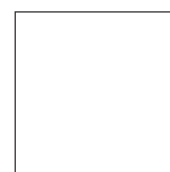
OR FAILING HIM;

Name			
Address			
E-mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22ND Annual General Meeting of the company, to be held on Saturday, September 26, 2015 at 12.30 P.M at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400099 and at any adjournment thereof in respect of such resolutions as are indicated herein:

Item no.	Resolution	For	Against
ORDINARY BUSINESS			
1	To Consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.		
2	To declare and sanction the payment of final dividend of 10% i.e. ₹ 1/- per share on equity shares of the Company for the Financial Year 2014-15.		
3	To appoint a Director in place of Mr. Ajay Kejriwal (DIN 03051841) who retires by rotation and, being eligible, offers himself for re-appointment.		
4	Appointment of M/s. Gupta Shyam & Co., Chartered Accountants as Auditors and fix their remuneration.		
SPECIAL BUSINESS			
5	Issue of Non-convertible Debentures on a Private Placement basis		
6	Maintenance of the Register of Members and Related Books at a place other than the Registered Office of the Company		

Signed this _day of _2015



Signature of shareholder: _____ Signature of Proxy holder(s) _____

Notes:

- i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- ii. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/depository participant.
- iii. A Proxy need not be a Member.
- iv. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights.
- v. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

CHOICE INTERNATIONAL LIMITED

Choice House,

Shree Shakambhari Corporate Park, Plot No. 156-158,

J.B. Nagar, Andheri (east), Mumbai-400099

Tel No.: +91-22-6707 9999 Fax: +91-22-6707 9898,

Website: www.choiceindia.com,

Email ID: info@choiceindia.com CIN: L67190MH1993PLC071117

Folio No./DP ID-Client ID No.: _____

No. of Shares held: _____

Name of the Member/ Proxy (IN BLOCK LETTERS): _____

Address of the Member:

Email ID :

I/ We hereby record my/our presence at the 22ND ANNUAL GENERAL MEETING of Choice International Limited at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400 099 on Saturday, September 26, 2015 at 12.30 P.M

Signature(s) of the Member or Proxy

Note: You are requested to bring your copy of the Annual Report to the Meeting.

E-MAIL ID REGISTRATION REQUEST

In compliance with provisions of Rule 18(3) prescribed in Chapter 18 of the Companies Act, 2013, all the Members of the Company who have not registered their email id so far with the Company/RTA and those Members who have registered their email but wish to update their email-ids, are requested to fill the below details to register or update their email-ids.

Email Id:

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(Signature of Member)

ROUTE MAP OF 22nd AGM OF
CHOICE INTERNATIONAL LIMITED TO BE HELD ON SEPTEMBER 26, 2015

