

REF: CIL/CC/BSE-20/2015-16

October 06, 2016

To,
The Department of Corporate Services,
The BSE Limited
P.J. Towers,
Dalal Street,
Mumbai – 400 001

Ref: Scrip Code: 531358

Sub: Submission of Annual Report to Stock Exchange under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 23rd Annual Report of the Company for the Financial Year 2015-16 approved and adopted by the members as per the provisions of Companies Act, 2013 at the 23rd Annual General Meeting of the Company held on Tuesday, September 20, 2016 at 11.30 a.m. at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri East, Mumbai-400099

Kindly take the same on your record and oblige us.

Thanking You,

Yours faithfully,

For **Choice International Limited**



(Karishma Shah)

Company Secretary & Compliance Officer



ANNUAL REPORT 2016



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Creating new benchmarks in service delivery

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Welcome To Annual Report 2016

"To nurture is to sustain excellence while cultivating the opportunities to grow"

At Choice we nurture Financial Excellence without compromising on Ethical values while conducting Business. Ethical Values while conducting the business forms the very base of the culture of our company.

Established in the year 1993, Choice International Limited is a one stop service providing financial hub, catering in various financial segments namely – Investment Banking, Stock Broking, Management Consultancy & E – Commerce services to its clients.

Your Company was established in the year 1993 with a vision to create new benchmarks in financial service providing industry. The group derives its strengths from the diversity of skills, knowledge & expertise of its core management team. Our Core management team has extensive experience in Indian Financial Markets; average experience of our leaders in the management team

is 26 years. The Company's leadership is seconded by a strong team of 450+ professionals which includes Chartered Accountants, CFAs, MBAs and CFPs.

Your Company extensively focuses on research and technology as core areas to shape our growth and improving client satisfaction. The group has built a robust infrastructure to meet growing requirements of our clients and to offer time bound delivery of quality services. The Company maintains a high degree of professionalism and ethical standards in all our business activities.

We combine superior execution capabilities, meticulous research, rich transaction experience and a network of global partnerships to foster our clients with excellence in services, with a closet of variety of strategic & financial transactions advisory.

We are committed to operate in a socially responsible business regime in sync with creation of stakeholder value. We recognize and realise the social issues around us and our obligation and responsibility to make a positive contribution to society and the environment.

Creating new
benchmarks in
financial services
sector

23rd

Annual Report
2015-16

Poised for growth

Our business are ready for the quantum jump

Our continous investments in building teams and supporting infrastructure has reached a level wherein we are ready for the next growth phase. We are focusing on scalling up proven business strategies to pan india level.

Besides improving our team strength across all business verticles and locations we are also investing in building new technology platforms and systems which will bring transparency and offer easier access of our services to our existing and prospective clients.

Growing acceptace of technology as a service delivery platform is changing the way we do business today. Taking que from this significant behavioural change we have started work on taking most of our services online. We are also incoporating

technolgies to capture behaviour of our clients in b2c businesses which will allow us to improve our system and processes for a easier and hassle free experince of our clients. We have also incorporated CRM and IVR systems for quicker and efficient resolution of customer queries. We are also focusing on our didgital marking strategy to build brand recall and acquire clients globally. We have setup dedicated teams to run our digital campaigns and drive online client acquisition.

Your brand is your personal lawyer
It defends and speaks for you even in your absence.

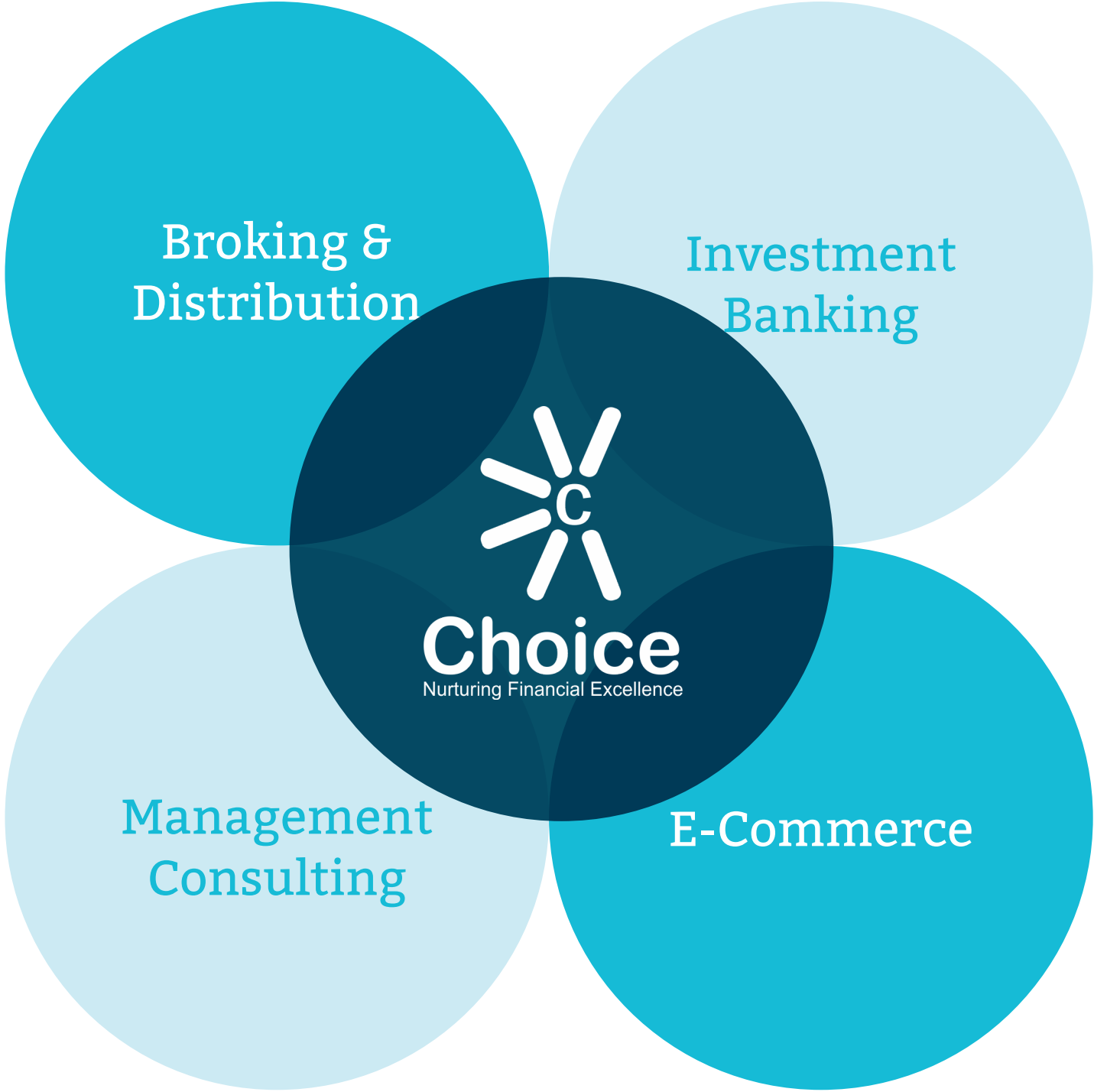
Bolstering our position As an integrated financial services firm

From asset allocation support to custom hedging strategies, covering a wide range of financial services under one platform

Our philosophy of covering all possible aspects of our client's requirements distinguish us from most of our peers. We as a group are looking to consolidate our positioning as an integrated financial services provider even further. Our platforms are being designed to leverage the benefits of bringing multiple services under one platform.

Multiple services help us to acquire clients easily since we have

something or other which suits our prospect's immediate requirement. Once we have on-boarded a new client we show them the benefits of accessing various other services using the same platform. All our online and offline media campaigns and communications are tuned to bolster our image as an integrated service provider. Our technology teams are working towards integrating multiple services in to a one platform.



As a strategy we are working on building mutple websites dedicated to our services and business verticals wheras choiceindia.com will continue

show all our businesses. Via this approach we trying to get best of both worlds wherein a prospect looking for a specific services would be able

to get all relavant information in one dedicated website wherein we will work on exisiting customers to expand their relationships with us.

Choice at a glance Growing from strength to strength

Employees

450+

We continue to focus on building strong teams to be able to implement the initiatives taken by the management.

Profit for the Year

₹4,29,73,654

Though we are still a growth company, profit numbers reinforces our belief that we are working in the right direction and provides motivation to work even harder

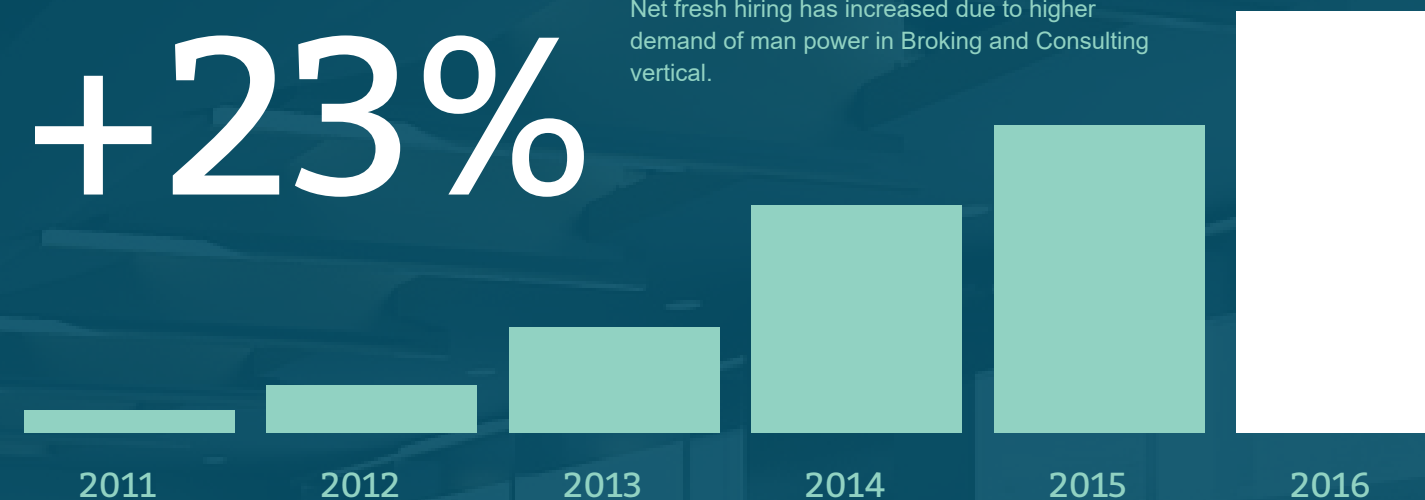
Total Revenue 2016

₹1,87,66,94,211

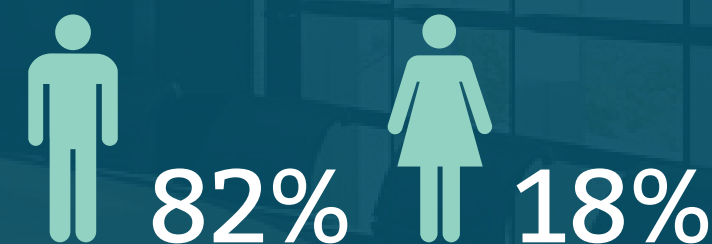
Our Hiring

+23%

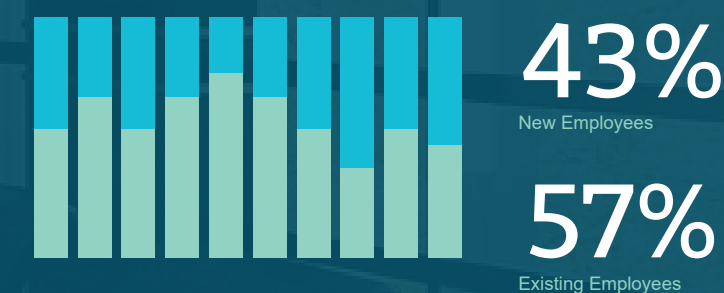
Net fresh hiring has increased due to higher demand of man power in Broking and Consulting vertical.



Gender Demographics



New Hires 2016





“From Investor meets at various cities to advertisements in leading business channels our presence is being felt”

82K
 LIKES

1.4K
 FOLLOWERS

“Have built a formidable presence over digital media platforms over the last one year”



We believe in hiring character
& then training skills

What follows is our recipe for consciously creating an organizational culture. Like all recipes, it's not perfect. But, if you use it, you will radically increase the odds of creating the culture you want.

Culture eats strategy for breakfast

- Peter Drucker

Culture sustains employee enthusiasm.

Our supreme belief at the launch of every strategic initiative is to develop a deliberate and structured change management plan to address both the hearts and minds of employees up and down the organizational hierarchy. We at choice signify Open Mind-Open-Heart Will approach which is empowered by a vibrant culture fueled and inspired

by leadership that is actively involved and informed about realities of Business. Our Culture imbibes genuine and memorable beliefs that are directional, alive and modeled through the organization daily. We are driven by a strong culture that glues the community together and engenders a sense of pride which is unparalleled. We adhere to the highest standard of Corporate Governance.



We believe in Work + Life and not Work vs Life



“ To win the market place,
you must first win the work
place”



Having Fun at Work Place :-
“The game is a lot more
enjoyable when you ‘re
trying to do more than just
make money.”
- Tony Hsieh



Sport's Day

Nurturing growth Entering into a high growth phase



Message from Managing Director



Your company made significant progress during the year towards improving operational performance across its core business, and is fully geared to Capitalize on its growth aspirations.

Dear Stakeholders,

I am pleased to share with you the 23rd Annual Report of your Company with another year of sustained growth and strong results.

Clarity of purpose aligned with consistent performance and profitable growth is first towards building a successful business, your company Choice International Limited made significant progress during the year towards improving operational performance across its core business, and is fully geared to capitalize on its growth aspirations. The Standalone Net Profit of the Company during the year end was ₹ 1,66,04,414 as compared to ₹ 1,42,68,970 in the year 2015. The core business portfolio has performed very well with all key segment posting steady growth led by NBFC, Retail and Advisory Services, all these industries grew above the Company average growth rate on constant currency basis.

The Company has the most comprehensive suite of financial services in its portfolio for establishing a wider and deeper reach with its clients compared to its peers. The Company has specialized subsidiary companies to tap into national pockets that commercial banks find difficult to access. After on - boarding clients for one specific financial service, we expand level of engagements with clients by pitching other relevant services under the same relationship which reduces their hassle of engaging

with multiple services providers for their financial needs.

We are 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.

The aim is to be the most preferred financial institution providing high class quality financial service as global player and consistently delivering quality products and services to our Clients, business partners and society.

At Choice we look forward to FY 2016-17 as a very exciting year ahead. We remain committed to delivering value for our shareholders, employees, communities and other stakeholders through our diversified portfolio of large, long-life and low-cost assets.

I express my gratitude for the sound guidance and contribution of my fellow Directors. I commend my teams as everyone at Choice has contributed to the Company's growth and their commitment, dedication and sheer hard work is indeed an inspiration. As we continue to navigate our journey of improvement, let us together amplify our rich heritage, continue building a united approach, celebrate our diverse roots and be the leader to create value for all our Stakeholders.

I believe spirit will help us turn adversity into opportunity, and we will rise to overcome every challenge the year brings.

With best Wishes,

Thanking You,

Kamal Poddar
Managing Director
DIN NO: 01518700



CA Brijmohan Agarwal
(Independent Director)



Mr. L.N. Nathuramka
Additional (Independent) Director



Mr. Lalit Menghnani
Additional (Independent) Director



Mr. Raghuvir Shrivastava
Additional (Independent) Director



CA Ajay Kejriwal
(Non-Executive Director)

BOARD OF DIRECTORS



CA Kamal Poddar
(Managing Director)



Mrs. Hemlata Poddar
(Non-Executive Director)



Mr. Debkumar Goswami
(Independent Director)



Mr. Kanhaiyalal Berwal
Additional (Independent) Director



Mr. A.K. Thakur
Additional (Independent) Director

Corporate Information

Board Of Directors		
1	CA Kamal Poddar	Managing Director
2	CA Ajay Kejriwal	Non-Executive Director
3	Mrs. Hemlata Poddar	Non-Executive Director
4	CA Brijmohan Agrawal	Independent Director
5	Mr. Debkumar Goswami	Independent Director
6	Mr. Raghuvir Shrivastava	Additional (Independent) Director
7	Mr. L.N. Nathuramka	Additional (Independent) Director
8	Mr. Ashok Kumar Thakur	Additional (Independent) Director
9	Mr.Kanhaiyalal Berwal	Additional (Independent) Director
10	Mr.Lalit Menghnani	Additional (Independent) Director

SUBSIDIARY COMPANIES:		
1	Choice Equity Broking Private Limited	
2	Choice Capital Advisors Private Limited	
3	Choice Consultancy Services Private Limited	
4	Choice Merchandise Broking Private Limited	
5	Choice Wealth Management Private Limited	
6	Choice Insurance Brokers Private Limited	
7	Choice Corporate Services Private Limited	
8	Choice E- Commerce Private Limited	
9	Choice Peers International Private Limited	
10	Choice Finserv Private Limited	

Bankers

01

ICICI

02

AXIS

03

HDFC

04

BOI

05

SBI

06

INDUSIND

07

CANARA

08

KOTAK

09

CENTRAL BANK OF INDIA



Ms. KARISHMA SHAH
Company Secretary



Mr. MANOJ SINGHANIA.
Chief Financial Officer(CFO)

Registrar and Share Transfer Agent:

SHAREX DYNAMICS (INDIA) PVT.LTD
UNIT NO - 1, LUTHARA INDUSTRIAL PREMISES,
ANDHERI KURLA ROAD SAFED POOL,
ANDHERI (E), MUMBAI - 400072,
PHONE : 022-28515606/5644
WWW.SHAREXINDIA.COM

Registered Office:

REGISTERED OFFICE:
CHOICE HOUSE,
SHREE SHAKAMBHARI CORPORATE PARK
J.B. NAGAR, ANDHERI (EAST),
MUMBAI – 400099
PHONE NO : +91- 022- 6707-9999
FAX NO: + 91-022-6707-9898
EMAIL : INFO@CHOICEINDIA.COM
WEBSITE : WWW.CHOICEINDIA.COM



Statutory Auditors



Secretarial Auditor

If you are persistent you will get it
If you are consistent you will keep it

All roads that lead to success
have to pass through hardwork

BUSINESS OVERVIEW

Despite stiff competition, the company registered substantial growth in terms of its revenue from business operations.

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

Choice House, Shree Shakambhari Corporate Park, Plot No 156-158, J.B. Nagar, Andheri (East), Mumbai - 400099. Choice International Limited is Financial Service providing company catering in to different sectors namely: - Broking & Distribution, Investment Banking,

Management Consultancy & E-Commerce Business. Your Company has performed well with a Net Profit of Rs.1,66,04,414 as on March 31, 2016 as compared to Net Profit of Rs. 1,42,68,970 for the year ended March 31, 2015. 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 799.82%.

FINANCIAL HIGHLIGHTS		(Amount in Rs.)	
Standalone		Particulars	Consolidated
31-Mar-16	31-Mar-15		
77,85,52,165	8,65,23,503	Income from Operations	1,84,22,29,194
2,196	35,194	Other Income	56,69,97,162
77,85,54,361	8,65,58,697	Total Income	3,44,65,018
2,01,74,911	1,57,42,792	Profit before Tax and Exceptional Items	5,19,45,129
35,70,497	14,73,822	Tax Expenses	1,87,66,94,211
1,66,04,414	1,42,68,970	Profit after Tax before Share of Profit from Associates Share of Profit from Associates	61,89,42,291
---	---	Share of Profit from Associates	6,78,03,655
1,66,04,414	1,42,68,970	Profit for the year	6,27,41,371
3,63,99,171	3,55,99,756	Add: Surplus brought forward from previous year	2,64,84,971
---	6,04,755	Adjustment of depreciation on Fixed Asset	1,57,58,328
---	---	Adjustment relating to share of profit from associates	4,13,18,684
5,30,03,585	3,96,77,785	Profit Available for Appropriations	4,69,83,043
33,21,000	28,60,000	Less: Appropriations Transfer to Statutory Reserve Transfer to General Reserve	16,54,969
1,00,04,800	1,00,04,800	Proposed Dividend	40,22,844
---	---	Dividend Distribution Tax on Proposed Dividend	4,29,73,654
3,96,77,785	3,63,99,171	Surplus carried forward	5,10,05,887
			14,08,97,481

Director's Reports

Dear Members,

Your Directors are pleased to present the 23rd Annual Report on the business and operations of the Company together with the Audited Financial statements for the year ended March 31, 2016.

DIVIDEND

The Board has recommended a dividend of Rs. 1 /- (10%) per Equity Share of Rs. 10/- each subject to the approval of Shareholders at the ensuing Annual General Meeting for the Year ended March 31, 2016 . The Register of Members and Share Transfer Books shall remain closed from September 13, 2016 to September 20, 2016(both days inclusive) for the purpose of Dividend. The Annual General Meeting of the Company is scheduled for September 20, 2016. The Dividend , as recommended by the Board, if sanctioned at the ensuing Annual General Meeting , 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.

RESERVES

Out of the profits generated by the Company, your Board proposes to make the following allocations to the various Reserves:

Reserves	
Particulars	(Amount in Rs.)
Transfer to Statutory Reserves	33,21,000
Dividend	1,00,04,800

RESOURCE MOBILISATION

Share Capital:

The Paid up Share Capital of the Company is Rs. 10, 00, 48, 000/- (Rs. Ten Crore Forty Eight thousand only) dividend in 1,00,04,800 Equity Shares of Rs. 10/- each.

However during the year under review, the Authorised Share Capital of the Company has increased by Rs. 10,00,00,000/- (Rupees Ten Crore Only) owing to issue of 1, 00,00,000(One Crore) Equity Warrants by the Company to be converted in to Equity Shares of Rs. 10/- each(Ten Only) at a price of Rs.40/-each (Rs. Forty only)pursuant to Special Resolution Passed by the Shareholders approving the Issue of Equity Warrants at the Extra Ordinary General Meeting of the Company held on March 15, 2016 , correspondingly the Resolution approving the Increase in Authorised Share Capital had been approved by the Shareholders at the Extra Ordinary General Meeting held on March 15, 2016.

Debentures:

During the year under review, the Company has issued 235 Secured, Redeemable, Unrated, Unlisted, Market Linked, Non – Convertible Debentures on May 23, 2015 & August 21, 2015 respectively. The total Secured, Redeemable, Unrated, Unlisted, Market Linked, Non – Convertible Debentures issued by the Company aggregates to 745 out of which 10 Debentures were redeemed on March 31, 2016, Thus the total Debentures issued by the Company stances to 735 Debentures as on March 31, 2016

Public Deposit:

You Company being a RBI Registered Non-Banking Financial Company (NBFC), the Company has not accepted any deposit from the public during the year under review.

SUBSIDIARIES & ASSOCIATES

Your Company has Ten Subsidiaries & one Associate Company incorporated in India engaged in the following Business Activities:

Company Name	Subsidiary/ Associate	Business Activity
Choice Equity Broking Private Limited	Subsidiary	Equity Broking, Currency Broking & Depository Services
Choice Capital Advisors Private Limited	Subsidiary	Equity Syndication, Debt Syndication, Advisory & Consultancy & Merchant Banking Services
Choice Consultancy Services Private Limited	Subsidiary	Providing Financial Services of Business Advisory, Regulatory Compliances, Cross Border Transactions, Accounting & Taxation and Resource Management
Choice Merchandise Broking Private Limited	Subsidiary	Carrying on the Business of Commodity Broking
Choice Wealth Management Private Limited	Subsidiary	Engaged in Mutual Fund Distribution
Choice Insurance Brokers Private Limited	Subsidiary	Providing Insurance Consultancy
Choice Corporate Services Private Limited	Subsidiary	Advisory Business
*Choice E- Commerce Private Limited	Subsidiary	E- Commerce
*Choice Peers International Private Limited	Subsidiary	Financial Advisory & Consultancy in Matters of Mergers & Amalgamations
*Choice Finserv Private Limited	Subsidiary	Proposed to carry on NBFC Activity (Post approval from RBI is received)
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 has floated a wholly owned subsidiary in the name of "Choice Finserv Private Limited" on June 1, 2016 and Choice E- Commerce Private Limited was incorporated as a Wholly owned Subsidiary of Choice International Limited on July 14, 2015.

The Company has acquired Stake in Choice Peers International Private Limited on March31, 2016 & thus is a holding Company to M/s. Choice Peers International Private Limited.

AUDITORS

Statutory Auditor:

Auditor’s Report for the year under review does not contain any qualification or adverse remarks.

Company’s Statutory Auditor, M/s. Gupta Shyam & Co. Chartered Accountant , (Registration No: 103450W) Mumbai , hold’s office till the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. They have expressed their willingness to get re-appointed at the ensuing Annual General Meeting and have confirmed their appointment, if made will be in accordance with the provisions of section 139 & 141 of the Act and that they are holding Peer review Certificate .

The Board on the recommendation of Audit Committee recommends their re-appointment for approval as members.

Secretarial Auditor:

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s. R M. Mimani & Associates LLP, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed to this Report as “Annexure in Form No: MR 3”.

Internal Auditor:

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

DIRECTORS

The Board of your Company consist of **Ten Directors** as on the date of this report, are as follows:

Category	Name of Director
Executive Director	Mr. Kamal Poddar (Managing Director)
Non- Executive Director	Mr. Ajay Kejriwal
Non- Executive Director	Mrs. Hemlata Poddar
Non- Executive Director (Independent Director)	Mr.B.M Agarwal
Non- Executive Director (Independent Director)	Mr. Debkumar Goswami
Additional (Independent) Director	Mr. A.K. Thakur
Additional (Independent) Director	Mr. Kanhaiyalal Berwal
Additional (Independent) Director	Mr. L .N. Nathuramka
Additional (Independent) Director	Mr. Lalit Menghnani
Additional (Independent) Director	Mr. Raghuvir Shrivastava

The composition of the Board is as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. All the Directors are having vast knowledge and experience in their relevant fields and the Company had benefitted immensely by their presence on the Board.

Changes in Directors and Key Managerial Personnel (KMP) during the year 2015- 16

During the year under review, Mr. A.K. Vaidyan the Independent Director of the Company resigned from the office of Directorship of the Company with effect from August 11, 2015. Mr. Kalimohan Bhattacharya the Independent Director of the Company ceased to be the Director of the Company due to his sad demise on September 26, 2015. The Company places on record the valuable contribution’s made by Mr. Bhattacharya during his association with the Company.

Mrs. Bhagyam Ramani the Independent Director of the Company resigned from the Office of Directorship with effect from June 7, 2016.

Your Director place on record appreciation for valuable services rendered by the Resigning Director during their association with the Company.

Mr. A.K. Thakur, Mr. Kanhaiyalal Berwal ,Mr. L.N. Nathuramka, Mr. Lalit Menghnani & Mr. Raghuvir Shrivastava were appointed as the Additional Director with effect from July 14, 2016 in the capacity of Independent Director subject to their appointment(Regularisation) by the Members at the ensuing Annual General Meeting for their appointment as Independent Directors.

CS Karishma Shah is appointed as the Company Secretary and Compliance Officer with effect from July 14, 2016 in place of CS Mahavir Toshniwal who tendered his resignation from the post of Company Secretary and Compliance officer.

Re- Appointment of Managing Director

The term of Mr. Kamal Poddar (DIN: 01518700) as Managing Director of the Company expires on November 1, 2016. Your Directors recomend his re-appointment as Managing Director for the further term of 3 years effective from November 1, 2016, subject to the terms and conditions mentioned in the notice to the forthcoming Annual General Meeting of the Company.

Re- appointment of retiring Director

Mrs. Hemlata Poddar (DIN: 02931322) retires at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment. The Board of Directors recommends the re-appointment of Mrs. Hemlata Poddar as Director of the Company. The detailed profile of Mrs. Hemlata Poddar , recommended for re-appointment is mentioned in the Notice for the AGM.

Women Director

In term of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 (1) (a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one Woman Director on the Board. Your Company had Mrs. Hemlata Poddar & Mrs. Bhagyam Ramani, as Woman Director on the Board of the Company for the year under review. However , Mrs. Bhagyam Ramani , the Non - Exectuive Independent Director of the Company resigned from the Directorship of the Company with effect from June 7, 2016.

Declaration by Independent Director(s) and re-appointment, if any

The Company had Five Independent Directors on the Board of Company as on April 1, 2015, the Company has received declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down in section 149(6) of the Companies Act , 2013 and subsequently the same was placed in the Board Meeting held on May 29, 2015.

During the year under review, Mr. A.K. Vaidyan the Independent Director of the Company resigned from the office of Directorship of the Company with effect from August 11, 2015. Mr. Kalimohan Bhattacharya the Independent Director of the Company ceased to be the Director of the Company due to his sad demise on September 26, 2015. Mrs. Bhagyam Ramani the Independent Director of the Company resigned from the Office of Directorship with effect from June 7, 2016.

As on the date of report there are 2 Independent Director and 5 Additional Director in capacity of (Independent Directors) to be appointed as Independent Director by the Members at the ensuing Annual General Meeting on the Board of the Company. Necessary Declaration with respect to the "Independence of the Director" is taken on note by the Board.

During the FY 2015 - 2016, the Company has conducted a familiarization programme for its Independent Directors.

Board Meetings:

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

Independent Director's Familiarization Programme:

The Company undertook Director's Familiarisation Programme for familiarizing them with Company's operations and other relevant information which would enable them to effectively discharge the responsibilities and functions conferred on them.

The Details of the familiarization programme imparted is placed on Company's website at

www.choiceindia.com

Evaluation of Board, Committees and Directors:

Pursuant to the provisions of the Act and the Listing Regulations, the Board had carried out the performance evaluation of its own, the Board Committees and of the Independent Director's. Further, Independent Directors at a separate meeting, evaluated performance of the Non- Independent Directors, Board as a whole & of the Managing Director of the Board. Manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

Policy on appointment and Remuneration of Director's.

The Board has on the recommendation of the Nomination & Remuneration Committee , formulated criteria for determining Qualifications, positive attributes and Independence of a Director as also a policy for remuneration of Director's , Key Managerial Personnel and senior Management. The details of criteria laid down of the Remuneration policy are given in the Corporate Governance Report.

Internal Control System and Compliance Framework:

The Company has well defined and adequate Internal Control system, commensurate with Size, Scale and Complexity of its operations. The Internal Financial Control are adequate and are operating effectively so as to ensure orderly and efficient conduct of Business operations.

During this year, Internal Financial Controls scrutiny was done to review adequacy and strength of Internal Financial Control tailed by the Company. As per the assessment, there are no major concerns and controls are strong.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that a robust system of risk controls and mitigation is in place. Senior Management periodically reviews this risk management framework to keep updated and address emerging challenges.

WHISTEL BLOWER POLICY / VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e www.choiceindia.com. The same is reviewed by the Audit Committee from time to time. No concerns or irregularities have been reported till date.

RELATED PARTY TRANSACTION'S AND POLICY

All the Related Part Transactions (RPTs) entered during the Financial Year were on arm's length basis and in the ordinary course of business. For Transactions which are repetitive in nature, omnibus approval of the Audit Committee is obtained as per the Related Party Transaction Policy. All the Related Party Transactions affected during the year are disclosed in the notes to Financial Statements. Related Party Transactions entered in to by the Company are disclosed in Form – AOC 2 attached as Annexure to the report. The Board has approved and adopted policy on Related Party Transactions and the same is uploaded on the Company's website at www.choiceindia.com

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

Information to be disclosed pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, this information is not sent along with this Report as per the provisions of Section 136 of the Act. Members interested in obtaining these particulars may request to the Company Secretary at the Registered Office of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements.

EXTRACTS OF ANNUAL RETURN

The Extracts of the Annual Return in Form MGT 9 is annexed to this Report as Annexure.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis (MDA) forms part of this Annual Report, which is given elsewhere in the Report.

CORPORATE GOVERNANCE

Report on Corporate Governance is annexed to this Report. Certificate from Auditors regarding compliance on Conditions of Corporate Governance as stipulated in the Listing Regulations is also appended to the report on Corporate Governance.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, you Directors Confirm.

- a) That in preparation of the annual accounts for the year ended March 31st, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures , if any.
- b) That the Director's had selected accounting policies and applied them consistently and 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 at the end of the financial year ended 31st March, 2016 and of the Profit of the Company for the year;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts / financial statements have been prepared on a going concern basis.
- e) That proper internal financial control were in place and that the financial control were adequate and were operating effectively;
- f) That the Directors had devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

HUMAN RESOURCE

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. The Company continued to conduct various employee benefit, recreational and team building programs to enhance employee skills, motivation as also to foster team spirit. Company also conducted in house training programs to develop leadership as well as technical/ functional capabilities.

POLICY ON SEXUAL HARRASEMENT OF WOMEN AT WORK PLACE

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 work place were reported to the Internal Complaints Committee.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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.

III) The Capital Investment on energy conservation equipment: Nil

TECHNOLOGY ABSORPTION

i) The efforts 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 – N.A

iii)

In case of imported technology (imported during last three years reckoned from the beginning of the financial year): N.A.

iv)

The expenditure incurred on Research and Development: Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

GRATITUDE & ACKNOWLEDGEMENTS

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 Institution and the Company's Bankers for the on-going support extended by them. Your Directors place on record their high appreciation for the unflinching commitments, dedication, hard work and valuable contribution made by employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year.

On behalf of the Board of Directors

Sd/-

Kamal Poddar

(Managing Director)

DIN NO: 01518700

Sd/-

Ajay Kejriwal

(Director)

DIN NO: 03051841

Mumbai, July 14,2016

Annexure to the Director's Report

AOC-1

Statement containing the silent features of the financial statement of subsidiaries /associate companies/ joint venture

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 Subsidiary	Reporting Period	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Choice Equity Broking Private Limited	March 31, 2016	INR	5,65,00,000	25,51,64,070	1,42,96,39,936	1,42,96,39,936	4,98,84,220	52,44,97,731	2,98,57,660	9306460	20551200	-	100
2	Choice Capital Advisory Private Limited	March 31, 2016	INR	5,05,00,000	2,09,00,120	11,49,28,106	11,49,28,106	5,00,96,906	7,15,85,906	31,86,723	2,86,727	28,99,996	-	100
3	Choice Merchandise Private Limited	March 31, 2016	INR	10,00,000	15,50,390	17,95,22,400	17,95,22,400	-	11,13,22,22	5,97,103	98570	498533	-	100
4	Choice Wealth Management Private Limited	March 31, 2016	INR	1,00,000	(65,278)	1,82,720	1,82,720	-	13,81,012	(5,32,245)	13,741	(5,45,986)	-	100
5	Choice Insurance Brokers Private Limited	March 31, 2016	INR	5,10,00,000	(5,90,885)	45,19,115	45,19,115	-	2,33,664	(5,71,722)	31	(5,71,753)	-	100

(Amt in Rs.)

6	Choice Consultancy Services Private Limited	March 31, 2016	INR	1,00,000	2,62,76,664	8,85,78,867	8,85,78,867	-	51,77,99,564	3,80,66,222	1,31,80,296	2,48,85,926	-	100
7	Choice Corporate Services Private Limited	March 31, 2016	INR	1,00,000	(10,02,831)	6,07,308	6,07,308	-	14,61,882	(9,81,983)	(12,371)	(9,69,612)	-	100
8	Choice E-Commerce Private Limited	March 31, 2016	INR	10,00,000	(1,20,21,219)	27,04,562	27,04,562	-	-	(1,19,88,013)	33,206	(1,20,21,219)	-	100
9	Choice peers International Private Limited	March 31, 2016	INR	10,00,000	(2,95,266)	10,67,172	10,67,172	-	79,600	(5,90,610)	(10,507)	(5,80,103)	-	100

Note : Choice Finserv Private Limited was Incorporated on June 01, 2016 as the wholly owned subsidiary of Choice International Limited with paid up capital of Rs. 100,000/-.

PART "B"
ASSOCIATES AND JOINT VENTURES

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

Sr. No.	Name of Associates / Joint Ventures	Aqua Pumps Infra Ventures Limited
1.	Latest audited Balance Sheet Date	31.03.2016
2.	Shares of associates/ Joint Ventures held by the company on the year end i. Amount of Investment in Associates/ Joint Ventures ii. Extent of Holding %	17,31,33,453
3.	Description of how there is significant influence	39.35%
4.	Reason why the associates/ joint venture is not consolidated	By shareholding
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Consolidated 1,304,86,474
6.	Profit/ Loss for the year i. Considered in Consolidation ii. Not considered in Consolidation	16,54,969 25,50,700

Annexure to the Director's Report
AOC-2
PARTICULARS OF CONTRACTS/ARRANGMENTS MADE WITH RELATED PARTIES

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 insub section (1) of section 188 of the Companies Act, 2013 including certain arm length transaction under third provision 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, 2016, 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 Rs.
Choice Capital Advisory Private Limited	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	84,00,000
Choice Equity Broking Private Limited	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	60,00,000
Choice Merchandise Broking Private Limited	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	14,40,000
Choice Consultancy Services Private Limited	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	36,00,000
Choice Wealth Management Private Limited	Subsidiary Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	3,60,000
Aqua Pumps Infra Ventures Limited	Associate Company	Office Rent + Service Charge	10 Years	Lease Rent for office Premises+ Service Charge	13-02-2016	84,00,000

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
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	3/12/1993
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	40.64%
2	Broking & Distribution	74	27.48%
3	Investment Banking	74	3.78%
4	Consultancy & Outsourcing	74	28.10%

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 Private Limited	U65999MH2010PTC198714	Subsidiary	100	2(87)
2	Choice Capital Advisors Private Limited	U65990MH2010PTC198262	Subsidiary	100	2(87)
3	Choice Merchandise Broking Private Limited	U65910MH2010PTC198824	Subsidiary	100	2(87)
4	Choice Wealth Management Private Limited	U65999MH2010PTC198598	Subsidiary	100	2(87)
5	Choice Insurance Brokers Private Limited	U74140MH2007PTC177075	Subsidiary	100	2(87)
6	Choice Consultancy Services Private Limited	U72900MH2010PTC198603	Subsidiary	100	2(87)
7	Choice Peers International Private Limited	U74999MH2011PTC214759	Subsidiary	100	2(87)
8	Choice Corporate Services Private Limited	U67190MH2011PTC214515	Subsidiary	100	2(87)
9	Choice E-Commerce Private Limited	U74900MH2015PTC266602	Subsidiary	100	2(87)
10	*Choice Finserv Private Limited	U74999MH2016PTC281908	Subsidiary	100	2(87)
11	Aqua Pumps Infra Ventures Limited	L45400MH1992PLC070070	Associate	35.81%	2(6)

*M/s. Choice Finserv Private Limited is incorporated on first day of June, 2016 as a wholly owned subsidiary of the Company.

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

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	3986527	-	3986527	39.84	4486527	-	4486527	44.84	4.99
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	200000	-	200000	2.00	200000	-	200000	2.00	-
d) Bank/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	4186527	-	4186527	41.84	4686527	-	4686527	46.84	4.99
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	4186527	-	4186527	41.84	4686527	-	4686527	46.84	4.99
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Cenntal govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-

(2) Non Institutions									
a) Bodies corporates	2390111	2000	2392111	23.90	3025846	2000	3027846	30.26	6.36
i) Indian	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1259557	75702	1335259	13.35	1287576	75302	1362878	13.68	0.32
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1185287	-	1185287	11.85	625148	-	625148	6.25	-5.6
c) Others (specify)									
Clearing Member	851304	-	851304	8.51	142973	-	142973	1.43	-7.08
OCB	-	-	-	-	-	-	-	-	
NRI	48312	-	48312	0.48	153428	-	153428	1.53	1.05
Directors & Relatives	6000	-	6000	0.06	6000	-	6000	0.06	0.00
SUB TOTAL (B)(2):	5740571	77702	5818273	58.15	5240971	77302	5318273	53.21	5.00
Total Public Shareholdings (B)= (B)(1)+(B)(2)	5740571	77702	5818273	58.15	5240971	0	5318273	58.15	5.00
C. Shares held by Custodian for GDRs & ADRs									
Promoter & Promoter Group	-	-	-	-	-	-	-	-	
Public	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	9927098	77702	10004800	100.00	9927498	77302	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	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares		
1	Mr. Vinita Sunil Patodia	1,028,927	10.28	7.50	1,278,927	12.78	750000.00	2.49	
2	Mrs. Hemlata Kamal Poddar	200,000	2.00	0.00	200,000	2.00	-	0.00	
3	Mr.Sunilkumar Patodia	300,000	3.00	0.00	300,000	3.00	-	0.00	
4	Mr.Kamal Poddar	637,600	6.37	0.00	887,600	8.87	-	2.49	
5	Kamal Poddar HUF	225,000	2.25	0.00	225,000	2.25	-	0.00	
6	Arunkumar Poddar	200,000	2.00	0.00	200,000	2.00	-	0.00	
7	Upton Infrastructure Private Limited	200,000	2.00	0.00	200,000	2.00	-	0.00	
8	Sonu Poddar	100,000	1.00	0.00	100,000	1.00	-	0.00	
9	Arunkumar Poddar HUF	100,000	1.00	0.00	100,000	1.00	-	0.00	
10	Anil Chotmal Patodia	250,000	2.50	0.00	250,000	2.50	-	0.00	
11	Sunil Chotmal Patodia HUF	270,000	2.70	0.00	270,000	2.70	-	0.00	
12	Archana Anil Patodia	250,000	2.50	0.00	250,000	2.50	-	0.00	
13	Anil Chotmal Patodia HUF	225,000	2.25	0.00	225,000	2.25	-	0.00	
14	Mr.Suyash Patodia	100,000	1.00	0.00	100,000	1.00	-	0.00	
15	Ms.Shreya Patodia	100,000	1.00	0.00	100,000	1.00	-	0.00	
	Total	4,186,527	41.85	7.50	4,686,527	41.84	7.50	4.98	

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

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
	Name of Shareholders					
1	Mr.Kamal Poddar					
	At the beginning of the year		637,600	6.37	637,600	6.37
	Purchase of Share	August 14, 2015	60000	0.59	697,600	6.97
	Purchase of Share	August 21, 2015	190000	1.89	887,600	8.87
	At the end of the year		887,600	8.87	887,600	8.87
2	Mrs.Vintia Patodia					
	At the beginning of the year		1,028,927	10.28	1,028,927	10.28
	Purchase of Share	August 14, 2015	60,000	0.60	1,088,927	10.88
	Purchase of Share	August 21, 2015	190,000	1.89	1,278,927	12.78
	At the end of the year		1,278,927	12.78	1,278,927	12.78

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

SR.No	Name of Shareholdres	Shareholding at the beginning of the year 01.04.2015		Brought during the year	Sold during the year	Shareholding at the end of the year 31.03.2016	
		No.of Shares	% of total shares of the Company			No.of Shares	% of total shares of the Company
	Manasvi Consultancy Private Limited	286679	2.86	743202	258351	771530	7.71
	Florence Securities Private Limited	750000	7.50	-	-	750000	7.50
	Azura Projects Private Limited	410000	4.10	-	-	410000	4.10
	Miranda Impex Private Limited	350000	3.50	-	-	350000	3.50
	Vinayaka Realestate Development Limited	187500	1.87	-	-	187500	1.87
	Emma Auto Ancillary Private Limited	185184	1.85	-	65539	119645	1.19
	Vivek Bhimsariya	35988	0.35	113812	49800	100000	1.00
	Paath Financial Services Private Limited	7684	0.07	81853	5227	84310	0.84
	Chartered Capital Research Private Limited	-	-	75844	-	75844	0.75
	Rising Stock Trade Private limited	-	-	65000	-	65000	0.65

(v) Shareholding of Directors & KMP

SR. No	For Each of the Directors & KMP	Date Of Event	Shareholding at the end of		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		637,600	6.37	637,600	6.37
	Purchase of Share	August 14, 2015	60000	0.59	697,600	6.97
	Purchase of Share	August 21, 2015	190000	1.89	887,600	8.87
	At the end of the year		887,600	8.87	887,600	8.87
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

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Standalone)						
	Secured Loans excluding deposits (Debentures)	Secured Loans excluding deposits (Long Term)	Unsecured Loans (Short Term)	Secured Loans excluding deposits (Short Term)	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year						
i) Principal Amount	51,000,000	74,491,201	-	18,68,44,661	-	31,23,35,862
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	836,692	-	49,47,152	-	57,83,844
Total (i+ii+iii)	51,000,000	75,327,893	-	191,791,813	-	318,119,706
Change in Indebtedness during the financial year						
Additions	23,500,000	-	40,603,921	-	-	64,103,921
Reduction	1,000,000	35,500,001	24,820,266	2,18,41,199	-	8,31,61,466
Net Change	22,500,000	(35,500,001)	15,783,655	(2,18,41,199)	-	-1,90,57,545
Indebtedness at the end of the financial year						
i) Principal Amount	73,500,000	38,991,200	15,783,655	16,50,03,462	-	29,32,78,317
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	428,880	-	38,54,538	-	42,83,418
Total (i+ii+iii)	73,500,000	39,420,080	15,783,655	168,858,000	-	297,561,735

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr.No	Particulars of Remuneration	Name of the MD Kamal Poddar	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	4,200,000	4,200,000
	(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:

Sr.No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	DK Goswami	B.M. Agarwal	Bhagyam Ramni	A.K. Prince Vaidyan	Kali Mohan	
	(a) Fee for attending board committee meetings	200,000	200,000	200,000	10,000	-	610,000
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	200,000	200,000	200,000	10,000	-	610,000
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	200,000	10,000	-	610,000
	Total Managerial Remuneration	200,000	200,000	200,000	10,000	-	610,000
	Overall Ceiling as per the Act.						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary Mahavir Toshniwal	CFO Manoj Singhania	TOTAL
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	657,000	1,457,810	2,114,810
	(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	657,000	1,457,810	2,114,810

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



Form No. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

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, 2016 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, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) 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 of 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, 2015;
 - c. 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. Other law applicable specifically to the Company, as detailed below;
 - i. The Reserve Bank of India Act, 1934
 - ii. Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non-Banking Financial Company (NBFC)

We have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015
- (iii) The listing agreement entered into by the Company with Stock Exchanges in India.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above, except that delay in transferring the amount of dividend declared for the financial year ended on March 31, 2015

We further report that, there was no action/event in pursuance of;

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- c) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

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

We further report that, based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department heads/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exists in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition law and environmental laws.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and 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 duly recorded and signed by the Chairman, majority decision carried through while the dissenting members’ views are captured and recorded as part of the minutes.

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: July 14, 2016

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: July 14, 2016

Combination of Multiple Businesses
will continue to power our growth in coming years



51 - 76

Management Discussion & Analysis

01

OVERVIEW

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its financial condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the differ materially from those expressed or implied. Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future.

There are forward looking statements mentioned in this report which may involve risks and uncertainties, including but not limited to the risk inherent to the Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially from those expressed or implied. prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users.

2. GLOBAL ECONOMY

In the year that went by, global economic activity remained subdued. Growth in emerging market and developing economies declined for the fifth consecutive year,

while a modest recovery continued in advanced economies. Oil prices have been declining since September, 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries

(OPEC) members amid continued global oil production in excess of oil consumption. Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen sharply. Lower oil prices have strained the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. As the oil producing countries are affected, a large Indian workforce which work in these counties would have also got effected leading to a negative impact on our country's consumption.

Overall, financial conditions within advanced economies remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies. Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies.

In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices and strains in some large emerging market economies will continue to weigh on growth prospects in 2016 - 2017. Global growth, currently estimated at 3.1% in 2015, is projected at 3.4% in 2016 and 3.6% in 2017.

3. INDIAN ECONOMY

Indian economy is the seventh largest in the world by nominal GDP and the third largest by Purchasing Power Parity (PPP). India's economy became the world's fastest growing major economy from the last quarter of 2014 onwards. India also topped the World Bank's growth outlook during the FY 2015 - 2016 for the first time as the economy has grown 7.6% during the financial year and is expected to grow 7.7% - 8.0% in the FY 2016 - 2017 due to improvement in the performance of both services as well as manufacturing sectors.

In the middle of 2015, the global stock market rout, India also witnessed a sharp fall in stock markets and the rupee weakened. It was repeated again in January, 2016. According to its latest Global Economic Prospect report which is released bi-annually, the World Bank reduced India's growth rate by a slight 0.2% in 2015 and 0.1% in both 2016 and 2017. However, India remains in the bright spot of the global economy

4. NBFC INDUSTRY

The positive trend of growth in economy should bring about lead to credit growth as well. According to Investment Information and Credit Rating Agency of India Limited (ICRA), the retail credit of Non-Banking Financial Companies (NBFCs) is expected to grow 16 to 18% in the current fiscal on the back of rising demand in the new commercial vehicle segment and also given the general pick up in business environment.

it is expected that the lifetime losses of retail focused NBFCs to remain at manageable levels. Furthermore, the Budget for the financial year 2016 had announced that NBFCs with an asset size in excess of Rs 500 crores would be permitted access to the provisions of the SARFAESI Act, which once implemented would improve NBFCs' ability to make recoveries from immovable asset financing, such financing constitutes around 18% of NBFC retail credit, largely in the mortgage segment. Reported gross Non Performing Assets (NPAs) however, would increase with migration to tighter NPA recognition norm gross NPA per cent of retail focused NBFCs.

Over the years NBFC sector has become a crucial part of the financial services sector. The growth rate of the industry is itself sufficient to indicate the impact of the industry in the financial sector. The sector has been dynamically evolving over period of time and has been witnessing constant regulatory changes. RBI has recognised the impact that the NBFCs have on the society at large and have been constantly implementing new policies for tighter controls and providing new avenues for growth.

OUR BUSINESS VERTICALS

BUSINESS STREAMS

We offer a range of Product and services such as Broking & Distribution, Institutional Equities, Wealth Management, Advisory, Investment Banking, Private Equity, Business Outsourcing etc. through various subsidiaries.

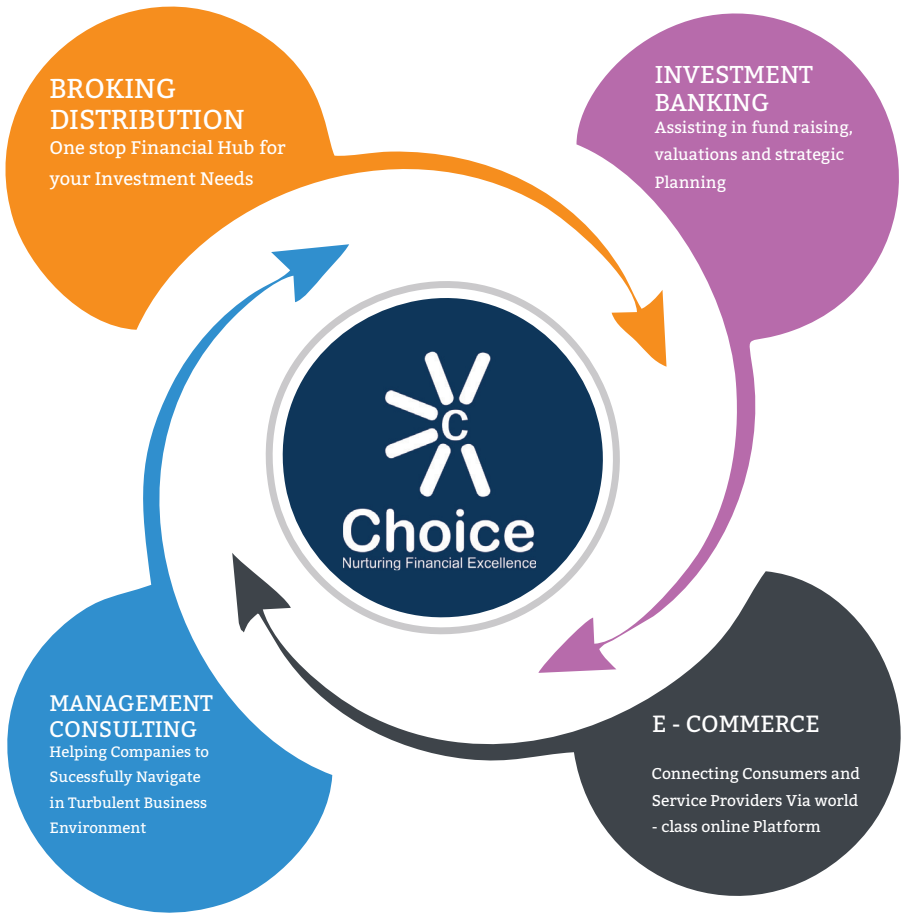
Name of the Subsidiary Company	CIL Holdings	Primary Product and Services Offered
Choice Equity Broking Pvt. Ltd (CEBPL)	100%	Equity Broking, Currency Broking & Depository Services
Choice Capital Advisors Pvt. Ltd.(CCAPL)	100%	Equity Syndication, Debt Syndication, Advisory & Consultancy & Merchant Banking Services
Choice Merchandise Broking Pvt. Ltd. (CMBPL)	100%	Carrying on Business of Commodity Broking
Choice Wealth Management Pvt. Ltd. (CWMPL)	100%	Engaged in Mutual Fund Distribution
Choice Insurance Brokers Pvt. Ltd . (CIBPL)	100%	Providing Insurance Consultancy
Choice Consultancy Services Pvt. Ltd (CCSPL) (Earlier Known as Choice Business Services Pvt. Ltd)	100%	Providing Financial Services of Business Advisory, Regulatory Compliances, Cross Border Transaction, Accounting & Taxation and Resource Management.
Choice Corporate Services Pvt. Ltd (CCSPL)	100%	Advisory Business
Choice E- Commerce Private Limited	100%	E – Commerce Business
Choice Peers International Private Limited	100%	Financial Consultancy & Advisory

BUSINESS INCOME HIGHLIGHTS

The Composition of the Consolidated Revenue has been as follows:

(Amt in Rs.)

Particulars	2016
Broking & Distribution Services	50,61,49,725
Management Consultancy & Outsourcing	51,76,70,907
Merchant Banking & Investment Banking	6,96,61,396
NBFC	74,87,47,165
Total	184,22,29,193



Presence of Choice International Limited



BROKING AND DISTRIBUTION Industry Facts:

After going through a good phase in FY2015, the Indian equity markets remained weak during most part of FY2016. Muted global growth and overall weak global sentiment affected the domestic capital markets. The total turnover at the exchanges (NSE, BSE and MSEI combined) declined (by ~9% YoY) in FY2016 when compared to FY2015.

Softening commodity prices, the first rate hike by the US Federal Reserve (in almost a decade) and other geo-political risks continued to weigh heavily on the domestic markets. On the back of assumptions that the said global risks are unlikely to soften in the near term, ICRA expects brokerage revenues and profitability of brokerage houses to witness pressure in FY17 unless corporate earnings show signs of revival.

At the industry level, Equity Average Daily Volumes (ADV) shrunk by ~10% YoY during FY16 to ~Rs 3.01

trillion. The aggregate market turnover was impacted largely by the declining activity in the largest segment – options. This was partly due to increase in minimum option contract size from November 1st, 2015 which reduced the activity of intraday traders in the options market, which, as per anecdotal evidence, contributed substantial volumes.

The increase in minimum contract size has resulted in number of option contracts reducing to almost half of previous levels. The industry Option volumes were

further exacerbated by gradual withdraw liquidity enhancement incentives by exchanges on select products. Though, ADV moderated in the cash segment as well, the decline in this was relatively lower. The volumes in the option segment revived during Q4FY2016 and ADV during the period stood at Rs. 2.5 trillion as compared to Rs. 1.8 trillion during Q3FY2016.

Turnover in the futures segment remained almost flat during FY2016 over FY2015. Consequently, the volume share in the overall market shifted away from the options

segment with Cash: Futures: Options volume proportions adjusting to 7:17:76 during FY2016 from 6:15:79 in FY2015.

The commodity broking activity levels continue to remain at muted levels, even though it is more than 30 months since the CTT (Commodity Transaction Tax) was imposed and the NSEL crisis occurred. The segment however witnessed an improvement in its activity levels (both on an ADTO as well as aggregate volume basis) albeit the pace of recovery

remains low. In terms of monthly volume movements, there was a consistent MoM improvement in commodity volumes between February and July 2015 (grew at a compounded monthly rate of ~3% during this period). Post this period, aggregate volumes have moderated and remain largely flat on a MoM basis in the months between August and October 2015 and declined in November 2015 and December 2015. During Q4 FY2016, commodity volumes improved with ADTO improving to Rs. 0.27 trillion during the quarter.

Bibliography : ICRA Research Agency



Our Broking and Distribution Business

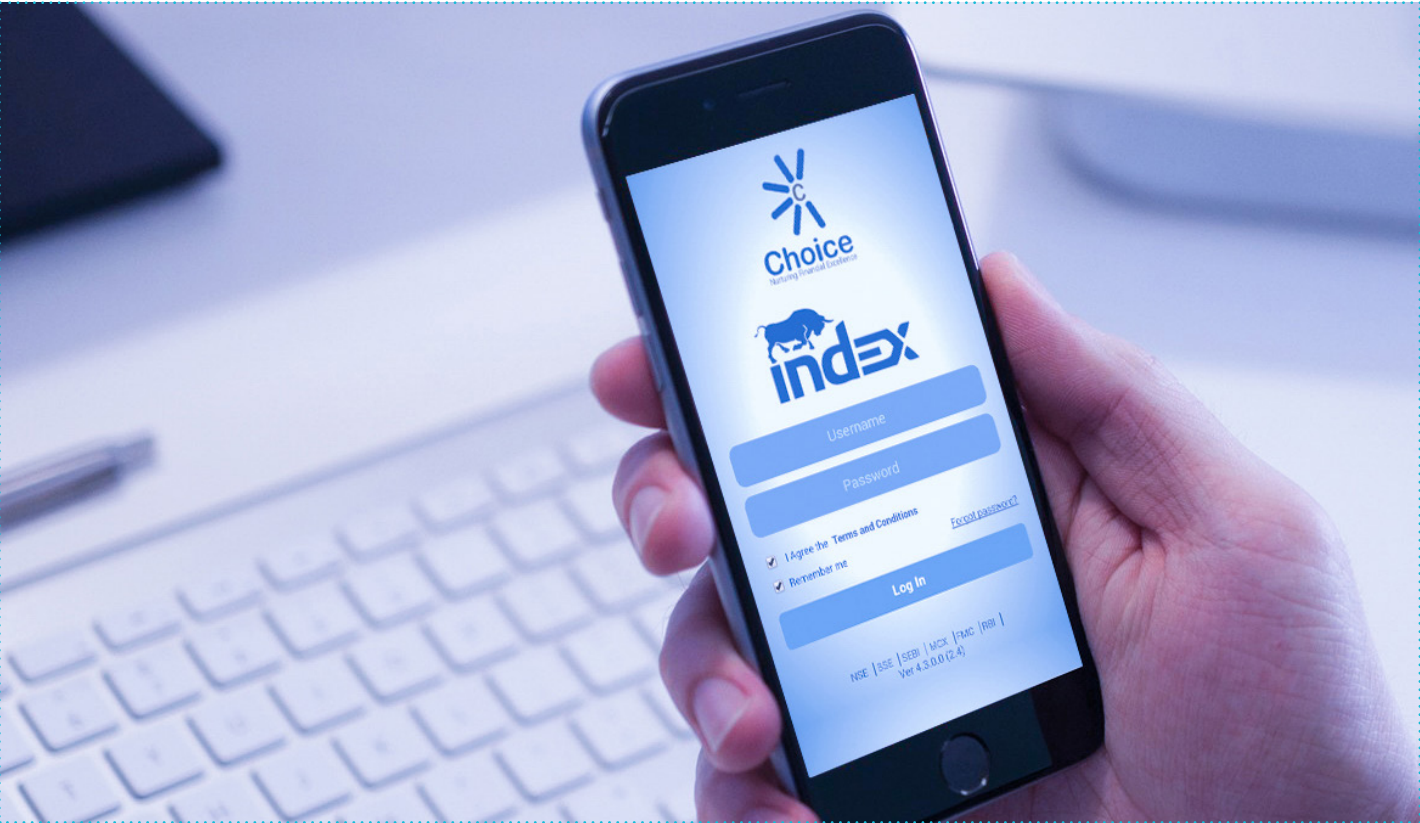
Choice is a member of NSE, BSE, MSEI, MCX, NCDEX and a depository participant with CDSL. Choice is also registered with AMFI as a distributor of Mutual Funds.

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.

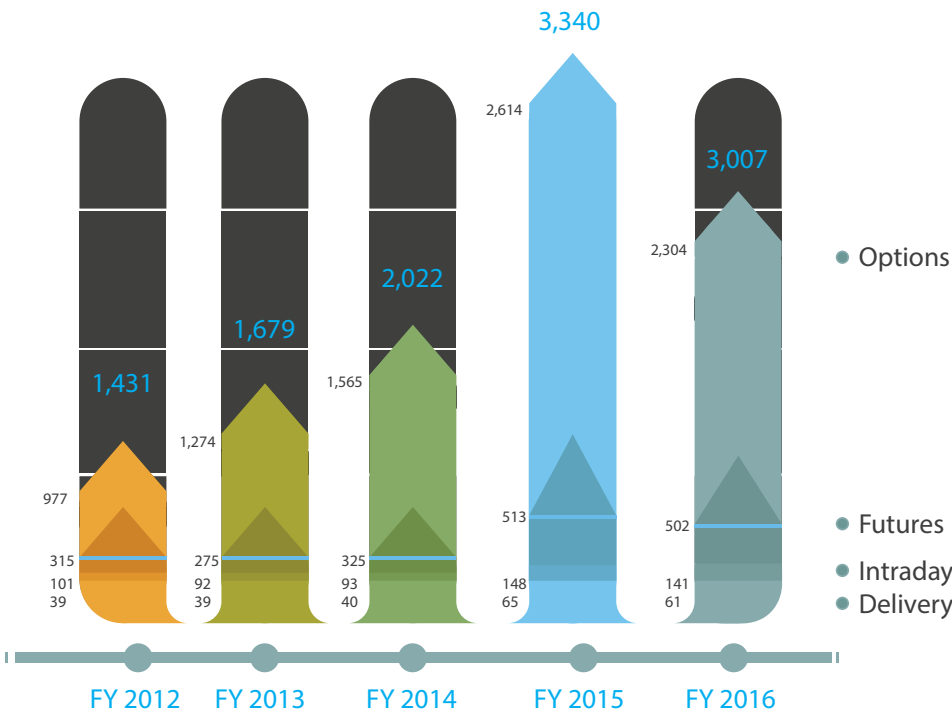
Our robust research team complements our offerings by issuing insightful reports and recommendations on securities and other investment products, which enables our clients in making informed investment decisions. Our analysts follow robust research processes and frameworks of valuing securities and have access to prominent information-research products & services which offers real time insights and data comparison & charting .

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

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 endeavour to clear these complexities and create value for investors.

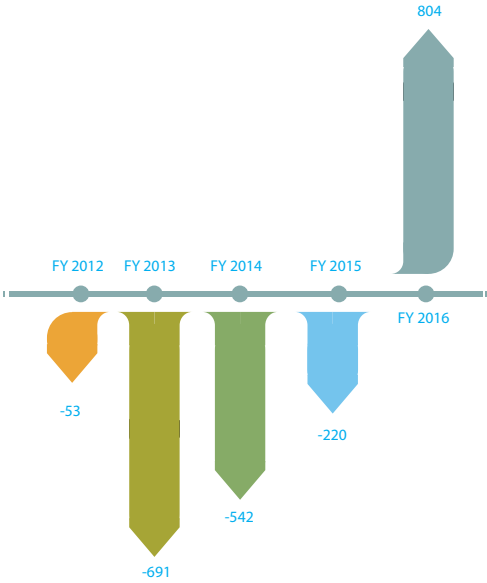


Average Daily Volumes (₹ Bn)



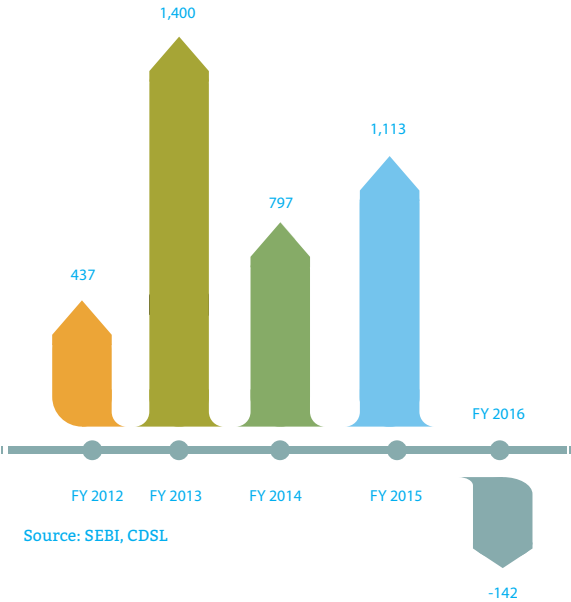
Source: BSE, NSE

DLL net inflows into equities (₹ Bn)



Source: BSE, NSE

FLL net inflows into equities (₹ Bn)



Source: SEBI, CDSL

Media Representations –

In last one year we have increased the tally of analysts representing Choice Broking on Business News Channels. Now we have five analysts who go on business channels regularly which has enabled us to share our Research & Investment Ideas in all prominent business channels. We intend to improve the number of analysts in coming year as well since this not only gives us better visibility it also or research a large platform where Investor community in general can evaluate accuracy of our research.

Digital Marketing –

In FY16 we started a dedicated vertical of digital marketing. The Internet has become an accepted medium of services delivery and its reach is growing day by day. The new age investor significantly depends on searches on internet to select their financial services partner. Broking industry today is trying to cope up with this change. First priority of our digital marketing was to build a digital footprint of Choice Broking which matches our stature. Today we occupy the first page of Google search for broking services; we have more than 85,000 followers in social media. We are actively working on digital marketing campaign to acquire clients online. We are also building a repository /knowledge base of articles explaining basics of investing and best practices. Adding quality content and analysis will help in increasing the visitor traffic to our website at the same time it will improve authority level of our website resulting in higher visibility compared to peers.

We are also working on setting up an editorial desk which will write authentic news stories which will be leveraged by our social platforms to increase use engagements. Based on our internal analysis of peers we feel that the space of authentic news stories has lot of potentials and can help us in establishing our unique identity.

Reputation Management –

Online reviews, generic comments, third party websites which rates brokers, comments and ratings on App Stores are very important for our prospective clients and it is important for us to address and resolve any outstanding queries within a very quick time. Our digital team also looks at all such complaints and reviews and tries to address them effectively.

Trading Platform –

We have started working on our own custom trading/Investment platform. Trading platform and applications today is a major criterion for new age investor while selecting their Broker. Apart from few large Broking firms very few have their own custom platform. Looking at some global markets we strongly felt that having a state of art trading platform will be a major differentiator in an already cluttered industry. Our target is to make mobile trading so easy that investors should not ask for desktop trading platform and applications. We have done thorough analysis of global brands and our products will be benchmarked to those products.

We are also building our new website for Choice Broking which shall be live by November 2016. Reason behind building a new website was to ensure that our website matches the level and design philosophy of our new platforms. In this website we are also working on presenting the financial data in our own unique way which will eventually contribute to our positioning. We are adding innovative features like HTML research reports and Blog for writing thought pieces by our senior management.

Our HTML trading application would be a responsive platform with advanced features like stock screeners, advanced trading tools and alerts from our research team. Our Mobile app will be open for public to download at App stores. The reason of keeping our trading app open is to give people a glimpse of its features and navigation which will result in better conversions at the end. This facility also allows our apps to rank higher on the App stores.

Online KYC –

This year we have implemented our online kyc system for our new clients. Via this facility now anyone from any part of India can open an account with us. This system would play an integral role in online client acquisition strategy. Currently we are integrating Aadhar based validation which will reduce the account opening time significantly. The next step of this application would be to integrate it with our mobile apps so that first time visitors can open an account with us easily.

Referral Program -

Under Broking vertical we have launched a new referral policy for our clients. In this policy we are encouraging our existing clients to refer people in their network and family to open an account with Choice Broking. Choice will share 20% of the the brokerage revenue generated from their referral contacts with the client who had referred them at the first place. This campaign will increase word of mouth publicity of our brand and since client's will also get a referral bonus, they would be motivated enough to refer people in their network with us. We truly believe that our clients are the best possible brand ambassadors we have since they are once who have experienced quality of our services and any recommendation from them will have a bigger impact than any advertisement campaign.

By this referral program, we are not just saving on our advertisement campaigns, the revenue share percentage is much lower to average industry pay to business partners. 20% share is unheard in broking today and we feel that this aggressive share allow us to further improve our client acquisition rate.

Building systems and Infrastructure
To support growing clients base and their requirements

Performace Highlights

Going to double our acquisition rate

BD team

63%



Business development team makes a significant part of our workforce today. We have build new teams at new locations.

We have added five more branches in last one year. These branches have been setup at major revenue centers across the country

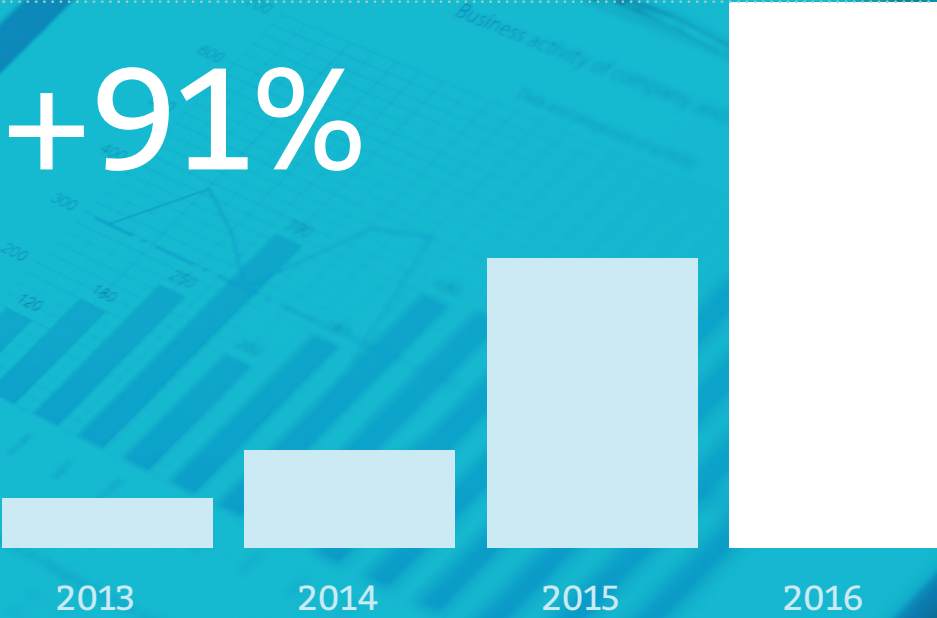
Client acquisition rate has seen a strong growth trend year on year resulting in a bigger client base year on year

Office Network

13 Branches

Client Acquisition

+91%



Network Offices

146

Our network offices have seen gradual improvement in numbers, we expect them to grow at a higher pace.

Due to new offices and higher demand at various centers we increased our hiring compared to last year

Increase in Hiring

30%

Mobile Customers



8%

Only approx 8 percent of our clients are using mobile trading platform. we hape to see growth in this share in coming years

It's our intent to have gender equality in our workforce. Our new recruitment policy factors-in this approach

Gender Demographics



87%



13%

SERVICES PROVIDED

EQUITY TRADING

- Member of BSE and NSE, MSEI offering trading services in Cash and Future segments
- Trade Online via trading website and mobile application
- Dedicated research teams offering technical and fundamental research on companies
- Equity Coverage includes both value and Growth companies
- Daily and Weekly newsletters on market trends and expectations
- Portfolio Tracker application for a quick view on status and P/L of your account
- Conduct your own research via Fundamental Screeners and Advanced Charting tools
- Bulk and Block Deals

COMMODITY DERIVATIVE TRADING

- Member of MCX, NCDEX
- Trading in Agriculture Commodities, Energy,Base and Precious Metals
- Trade online, over the phone, at our branches or on your mobile
- SMS for intra-day technical calls
- In-depth research on commodities of your interest
- Assistance in implementing trading strategies
- Daily, weekly & detail research reports on commodities
- Daily & Weekly Newsletter
- Reports on Whatsapp platform
- Call Trackers

FINANCIAL PLANNING

- Online Platform for Financial Planning
- Advice from experienced CFP Professionals on allocate of Funds
- Comprehensive Financial plan by experts to achieve long term and shortterm goals.
- Tracking of performance of all your instruments bought and their impact towards achieving your financial goals.
- Advice on investment funds and insurence products based on risk appetiteof individual.

CURRENCY FUTURES TRADING

- Trading service at NSE & MSEI Platforms
- Research Reports & Newsletters on currencies
- Assistance in implementing Hedge and Arbitrage trading strategies
- Dedicated relationship officer to help in faster execution
- Daily & weekly Newsletter
- Reporton whatsapp Platform
- Call Trackers

FUND DISTRIBUTION

- Buy Mutual Funds, Bonds, FDs and NCDs Online, Offline
- Compare Funds on our website
- Research & insights on Funds & their performance
- Assistance from certified Investment Wealth Counselors
- Get Timely update on performance of your funds

STRUCTURED PRODUCTS

- Tailored Investment products for HNI clients
- Uses Advanced hedging & diversification strategies
- Investors can select products which suits their risk return expectations
- Provides better returns than traditional investment vehicles



INVESTMENT BANKING & MERCHANT BANKING

Industry Facts:

A) Public and Rights Issues:

During 2015- 16, the Primary securities market seems to have come out of its lull. Both the total number of issues and the resources mobilized from the primary securities market have gone up. IPO’s have contributed to this performance more than public debt issues and Right Issues. During 2015- 16 so far, 87 companies have accessed the Capital Market and raised Rs. 45, 437 crore compared to Rs. 14, 185 Crore raised through 70 issues during the corresponding period 2014- 15.

B) Private Placement

QIP’S Listed at BSE and NSE

QIP is an alternative mode of resource raising available for listed companies to raise funds from domestic market. The Cumulative amount mobilised through QIP allotments route during 2015- 16, so far, stood at Rs. 14,588 Crore.

Preferential Allotment Listed at BSE & NSE

Preferential allotment also serves as an alternative mechanism of resource mobilization wherein a listed issuer issues shares or convertible securities, to a select group of persons.
 The Cumulative amount mobilised through preferential allotments route during 2015-16 , so far, stood at Rs. 48, 187 Crore through 321 issues.

Private Placement of Corporate Bonds

Private placement mechanism dominates the resource mobilization through corporate bonds. In February 2016, Rs. 33,810 crore was raised through private placement route in the corporate bond market and Rs. 1,911 crore amount was raised through public issue route. The Cumulative amount mobilised through Private Placement of Corporate Debt during 2015- 16, so far stood at Rs. 4,14,623 Crore.

OUR INVESTMENT BANKING SERVICES

Choice is a SEBI Registered Category- I Merchant Banker, offering investment banking services. A team of more than 25 Professionals at Choice Capital Advisors has a collective experience of more than 80 Years off fund raising & advisory.

We have concluded more than 100 Capital Market & Advisory transactions and raised close to INR 20,000 crores (USD 3.25billion). We are dealing with large numbers of banks, NBFC’S , DIIS , FIIS , and various Financial institution.

We provide our clients with need based solutions through our innovative structure and experience. Whether anybody is looking for a Private Placement or Private Equity, Domestic or International listing, Debt Syndication or Financial Advisory, we are your one stop shop solution.

Our team is experienced in handling complex transactions ranging from ECM & DCM, IPO’s, Rights Issues, Private Equity, M&A, Debt Restructuring, QIPs and Buy-outs. Our advisory team is well versed with the dynamics of such transactions and our understanding of the Financial market enable us to choose the appropriate parties to successfully close the transactions.

Some of the Industries Serviced by us Include:

- Energy & Resources
- Technology, Media & Telecom
- Real Estate & Infrastructure
- Financial Services , NBFC
- Life Sciences and Health Care
- Manufacturing & Logistics
- Textile
- Education Sector
- Consumer Business& Transportation



TAILORED SERVICES FOR EASY CAPITAL MARKET

CHOICE FIRST

CHOICE FIRST provides complete end-to-end solution for the IPO value journey which spans 12-15 months. CHOICE FIRST allows the organization, preparing for an IPO, to maintain focus on core operations and business while we help the organization to get ready for the IPO and help to:

- elmplement changes throughout organization and corporate culture;
- Help save time and reduce costs by adopting a structured approach to the journey;
- Help to develop systems and functions like Internal Control, Risk Policies,
- Compliance Management, Committees required pre and post IPO;
- Achieve the readiness required to ensure a strong debut in Capital Markets;
- Ensure transaction certainty through the right Team, Planning and Pricing.
- Launch the IPO at the Right Time.

CHOICE SMART

CHOICE SMART provides one stop shop for all the needs of financial services and compliances of an organization throughout its growth cycle from Startup -to- SME -to- Mid Corporate -to- Large Corporate.

Through CHOICE SMART, the organization can avail various expertise and services required in day-to-day operations and in their growth story like:

- MIS & Financial Reporting for Corporate Governance;
- Bank Compliances and Finance Cost Optimization as part of Risk Compliances;
- Compliances with regulatory authorities and maintenance of statutory registers
- Mentoring in the Growth Plans and Capital Structure advisory and optimization.



MANAGEMENT CONSULTING

Management Consulting is referred to the practice of helping businesses to improve their performance, mainly through the analysis of existing Organizational challenges as well as competitive environment. Over the years, as the Indian Industry started expanding, not only in terms of size, but also in terms of the service offerings. The Consultancy industry has witnessed a considerable increase in the number of new comers in this field exploring all the industries. Over the period, specialist consulting advice was being sought by clients in India and this opened the opportunity for a number of specialist organizations to draw on their specialist knowledge base and resources to meet the demand for specialist consulting services.

The major strength of Indian Consulting organizations include professional competence, low cost structure, diverse capabilities, high adaptability and quick learning capability of Indian Consultants.

India has been globally recognized for its fast paced development. The service sector has been growing at a fast pace and now contributes more than 50 % of GDP. Thus in the scenario, fuelled by increased demand for consultancy services by domestic and foreign firms, the sector in India is projected to grow at annual rate of 30% to become Rs. 27,000 crore industry. The Consulting industry in India currently stands at Rs. 19,000 Crore. Rising opportunities due to a booming economy and growing demand for Consultancy Services are key factor for growth. There would be over 2.2 Lakh people working in this field over the next three years in 8500-9000 consultancy firms across the country.

OUR MANAGEMENT CONSULTANCY SERVICES

Our Management Consulting services focuses 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 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 front line 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 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 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.

AUDIT AND ASSURANCE SUPPORT

- » IFRS IMPLEMENTATION & REPORTING
- » INTERNAL AUDIT & RISK ASSURANCE
- » REGULATORY COMPLIANCE
- » IMPLEMENTATION OF BEST PRACTICES

TAX

- » CORPORATE TAX PLANNING
- » TAX ADVISORY AND OPINION
- » TAX CONTROVERSY AND DISPUTE RESOLUTION
- » REPRESENTATION
- » TAX POLICY & ADMINISTRATION

CONSULTING

- » TRANSACTION ADVISORY
- » FINANCIAL MANAGEMENT
- » BUSINESS PERFORMANCE SERVICES
- » STRATEGY AND OPERATIONS
- » INTERNAL AUDIT, RISK & COMPLIANCE

CROSS BORDER TRANSACTION SUPPORT

- » FEMA ADVISORY & COMPLIANCES
- » 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

OPENION AND DUE DILIGENCE

- » TAX LAWS AND PROCEDURES
- » BUSINESS & BRAND VALUATION
- » FINANCIAL DUE DILIGENCE

COMPLIANCE

- » COMPLIANCE CHECK AND ASSURANCE
- » STATUTORY ACCOUNTING, BOOKKEEPING AND PAYROLL COMPLIANCE
- » COMPLIANCE OF INDUSTRY SPECIFIC STATUTES
- » COMPLIANCE PROCESS, TECHNOLOGY & CONTROLS ADVICE

CHOICE E- COMMERCE

Industry Facts

The E- Commerce industry in the Country is likely to be worth USD 38 billion by 2016, a 67 percent jump over the USD 23 Billion revenues for 2015, as per industry body Assocham. “ India’s E- Commerce market was worth about USD 3.8 billion in 2009, it went up to USD 17 billion in 2014 and to USD 23 billion in 2015 and is expected to touch whopping USD 38 billion mark by 2016. Increasing internet and mobile penetration, growing acceptability of online payments and favourable demographics has provided the E – Commerce sector in India the unique opportunity to companies connect with their customers. Nothing has surpassed the power of innovative e-commerce companies, which have proved to be successful. What are we witnessing today is a metamorphosis of E-Commerce in to a variation of online commerce that is adaptable and flexible. This year is going to witness an acceleration in the shift towards inbound techniques rather than outbound. The E- Commerce industry and online shopping trends in India are set to witness greater heights in the coming years.

OUR E-COMMERCE SERVICES

Our E-commerce business invests in building unique online platforms which connect Businesses and Consumers. Our projects aim to cover white spaces which exist in 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 platform which not only bridges the two but also offers assurance on quality of service, turnaround time and proactive support.



We have launched exclusive projects like:

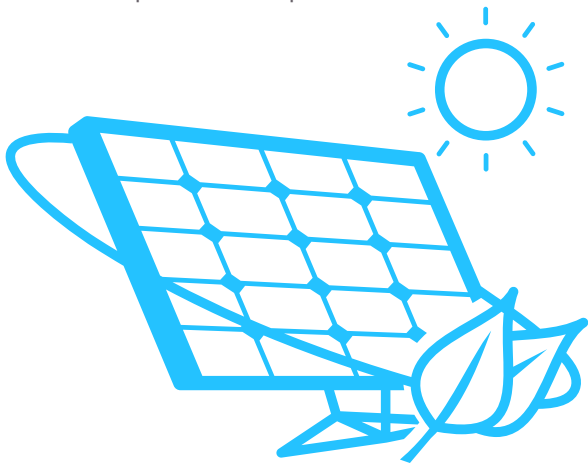
CHOICE E- PARK

With the advent of multiple online sales channels in the ever expanding world of e-commerce, we’re moving towards a far more fragmented shopping experience where the virtual store is no longer the center of the e-commerce experience. Choice E-park steps in as the future of Ecommerce selling by integrating marketplaces with a simplified ERP and offers a 360-degree online solution for all manufacturers and retailers that includes a bouquet of services including cataloging, marketing, promotions and campaign management to generate buzz, awareness and lend visibility.

Our relentless goal is about improving the landscape for small retailers. We act a one-point contact for various online marketplaces, delivering end-to-end solutions to connect our retailers online. Navigating the maze of online marketplace, our team democratizes commerce and empowers the retailer such that they focus on their core business. With the ecommerce industry pegged to reach \$100 billion by 2020, Choice E-park aims to build businesses by expanding their customer base and achieve ever-lasting success in the challenging world of online retailing with a brand-centric approach.

CHOICE SOLAR

Choice Solar originated with a perspective – ‘Empowering India’s Economic Development with Clean, Green and Renewable Energy’. In the light of above Choice Solar ventured into the renewable energy spectrum with three major solar energy offerings including Solar Parks, Rooftop Solutions and Advisory & Project Consultancy. Our diversified solar energy portfolio provides long-term value whilst mitigating risks to deliver levelized cost of electricity (LCOE). The leadership team comprises of thought leaders, growth consultants and professionals from diverse backgrounds with extensive knowledge and expertise ranging from building solar power plants, executing complex infrastructure projects and financing high growth enterprises. The team follows rigorous methodologies with a global perspective to provide accurate and significant insights and solutions that enables us to execute projects that maximize the value of our customers’ investment while minimizing their risk. Our commitment to making solar accessible and attractive is deep-rooted and long-term, and we are proud to be part of the evolution that has made solar the attractive investment it is today.



OUTLOOK & STRATEGY

In India the NDA government has been following – Minimum Government & Maximum Governance and the wide array of measures unleashed by the GOI namely – Make in India, Digital India, Skill India, Start Up India, Smart Cities, UDAY, AMRUT, NITI AAYOG, e-NAM and above all a dynamic Union Budget has made foreign institutional investors adopt a positive view on the Indian Equity markets post the budget. The huge outlay in the budget for Rural India coupled with a normal monsoon prediction by both the IMD & SKYMET lends optimism as we approach the new financial year 2016-17. India is witnessing growth in the number of DEMAT accounts which grew from 21.8million in FY14 to 23.3million in FY15 and is expected to be 25million in FY16. Retail Broking where Choice Equity is making inroads is presently witnessing a digital transformation and Mobile Trading App is the new buzz word.

Choice International Limited 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 business 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 as 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.

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 endeavour 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

OPPORTUNITES

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 strength give us the competitive advantage to position ourselves as the leading services company. The following factors present specific opportunities across our business.

1. Our position 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 experience. This Combined with our vast experience allow us to work with clients on a large scale.
4. We have developed process and framework 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 organizations that are built on successful prior engagement with them.
6. Focus on delivering quality services effectively 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 the ability to keep pace with the 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.

Any increase in interest rates may result in increasing cost of borrowings which can adversely affect our profitability.

While we carry sufficient liquid funds to meet any contingencies arising on account of shortage of funds non-receipt of fresh sanctions could seriously hinder your Company's long term growth plans. The Company is also looking at various alternate sources of funds to both diversify its borrowing profile and also lower its costs.

Our Strength

1) Experienced Top Management

The Promoter Director, Mr. Kamal Poddar is a qualified Chartered Accountant with over experience of over one decade in financial Service Industry. The top management team comprises qualified and experienced professionals with a successful track record. The Company believes that its management’s entrepreneurial spirit, strong technical expertise, leadership skills, insight into the market and customer needs provide it with a competitive strength, which will help to implement its business strategies.

2) Integrated Financial Services Provider

The Board range of offerings under Broking and Distribution, Institutional Equities, Wealth Management, Investment Banking, Private Equity & Advisory helps to foresee client requirements and provide full-fledged services under single platform. The production and distribution of all financial products and services helps the company’s advisors and clients to attain client’s financial objectives with best in class services.

3) Independent and Insightful Research

Choice believes that its understanding of Equity as an asset class and business fundamentals drives the quality of its research and differentiates it from its competitors. The research team is focused on equities, derivatives and commodities.

4) Strong Brand Name:

Choice is a well-established brand in India. Choice believes that its brand is associated with high quality research and advice as well as corporate values like integrity and excellence in execution. The Company has been able to leverage its brand awareness to grow its business, build relationships and attract and retain talented individuals.

5) Infrastructure:

Choice has consolidated its business under one corporate office- **Choice House**. The Integration of multiple Choice businesses provide a great opportunity to present a holistic solution to clients need and facilitate “One Stop Hub” philosophy. The Infrastructure has been extensively leveraged upon to build deeper connect with our customers, business partners and corporates.

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 balance between the two. The Company has consistently maintained high level 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 in sound risk management practises and effective risk management framework.

DEVELOPMENT IN HUMAN RESOURCES

People are a key resource for your Company. During the year under review, the focus was on building the organisation which sharpens the focus on efficiency and simplifications with a view to ensuring alignment to the overall business strategy and readiness to achieve your Company’s vision.

Your Company has continued on its journey to build a diverse and inclusive workforce during the year under review. All our people policies and development plans are geared towards our future focus. Our aim is to advance the competencies and abilities of employees at “Choice” so that they can execute our Corporate Strategies more effectively. While their own potential is unleashed. In turn, we offer our in house talent, attractive career opportunities as well as personal and professional growth. It is all about merit, competencies and deliveries on planned results. We offer our people an enriching work experience that is beneficial for them and the organisation in the long run.

Various unique initiatives for people development including regular training, sports, recreational tours, etc. Keeps **“Choice Team”** motivated and enable them to excel in whatever they do.



The real mechanism of corporate governance is the active involvement of the owners



Corporate Governance

LIKE ALL FADS, CORPORATE GOVERNANCE HAS ITS ZEALOSS

Corporate Governance extends beyond Corporate Law. Its fundamental objective is not mere fulfilment of the requirement of Law but in ensuring commitment of the Board in managing the Company in a transparent manner for maximizing stakeholder value.

The issues of governance, accountability and transparency in the affairs of the company, as well as about the rights of shareholders and role of Board of Directors have never been as prominent as it is today. The corporate governance has come to assume a centre stage in the Board room discussions. India has become one of the fastest emerging nations to have aligned itself with the international trends in Corporate Governance. As a result, Indian companies have increasingly been able to access to newer and larger markets around the world; as well as able to acquire more businesses. The response of the Government and regulators have also been admirably quick to meet the challenges of corporate delinquency. But, as the global environment is changing continuously, there is a greater need of adopting and sustaining good corporate governance practices for value creation and building corporations of the future.

The Corporate Governance report is pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 contains the details of Corporate Governance systems and practices at Choice International Limited (CIL).

COMPANY'S POLICY ON CORPORATE GOVERNANCE

The Governance Philosophy of your Company is founded on a bed rock of ethical values and professionalism which over the past years of the Company's existence has become a part of its culture and DNA. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Ethical View Reporting Policy and its well structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholders. organisation and create long term Shareholder value.

-Cornard Black

We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Your Company's Philosophy includes protection and facilitation of Shareholder's Rights, provide adequate and timely information, opportunity to participate effectively in General Meeting and ensure equitable treatment to all shareholders.

Your Company also ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

We firmly believe that it is only through good Corporate Governance Practices we can achieve sustainable growth as It is well recognized that an effective Board of Directors is a pre-requisite for strong and effective Corporate Governance. The Board and Committees thereof are formed as per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which oversees how the Management serves and protects the long term interests of all our stakeholders.

The Board of Directors of the Company are pleased to present the Corporate Governance Report for the year ended 31st March, 2016.

BOARD OF DIRECTORS

Mounting stakeholders' expectations, challenges faced by companies to operate under fluctuating economic conditions, pressures of globalisation and increased regulatory requirements have brought the quality of performance of the Boards of Directors under greater scrutiny. Boards have recognized that it would be important for them to continually assess how effectively they are performing their roles against the objectives and the goals they have set for themselves. This growing recognition has resulted in Board evaluations becoming widely established internationally in rules-based as well as in principles-based jurisdictions, as a critical structural tool for assessing Board with effectiveness and efficiency. In some jurisdictions, the directors are also evaluated along with the Boards.

At Choice, the Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures. The Board has optimum combination of Independent Directors who brings an objective view in Board Deliberations. Independent Director's also ensure that there is no dominance of one individual or special interest group or the stifling of health debate. They act as the guardian 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.

We believe that our Board needs to have an appropriate mix of Executive and Independent Directors to maintain its independence, and separate its function of Governance and Management. On March 31st 2016, our Board consist of Six Directors.

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

Name of the Director	Category of Director	Designation	No. of Board Meeting attended out of 4 meetings held during the year	Attendance in the Last AGM	No. of Directorship in other bodies corporate as on March 31,2016
CA Kamal Poddar	Promoter & Executive Director	Managing Director	4	✓	12
CA Ajay Kejriwal	Non Executive Director	Director	4	✓	---
Mrs. Hemlata Poddar	Promoter & Non Executive Director	Director	1	---	---
Mr. Debkumar Goswami	Independent Director	Director	4	✓	---
*Mrs. Bhagyam Ramani	Independent Director	Director	4	✓	10
CA B.M.Agarwal	Independent Director	Director	4	✓	4
**Dr. Kali Mohan Bhattacharya	Independent Director	Director	0	---	NA
***Mr. A.K. Vaidyan	Independent Director	Director	1	---	NA

Note:

- * Mrs. Bhagyam Ramani the Independent Director of the Company, resigned from the Board with effect from June 07,2016.
**Dr. Kalimohan Bhattacharya the Independent Director of the Company ceased to be the Director of the company due to his sad demise on September 26, 2015.
***Mr. A.K.Vaidyan Independent Director of the Company resigned from the Board with effect from August 11, 2015.
- Mr. Raghuvir Shrivastava, Mr. Kanhaiyalal Berwal, Mr. L. N . Nathuramka, Mr. A.K. Thakur & Mr. Lalit Menghnani are appointed as the Additional (Independent) Directors of the Company at the Board Meeting of the Company held on July 14, 2016 subject to the approval of the members for their appointment as an Independent Director's of the Company at the ensuing Annual General Meeting of the Company to be held on September 20, 2016.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/ policies and review the financial performance of the Company and its subsidiaries. The Board Meeting are pre-scheduled and a tentative annual calendar of the Board is circulated to the Director's well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The Circular Resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance

separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. The Board reviews the performance of the Company vis-a-vis the budgets /targets. In the Financial Year 2015 – 16, the Board met four times, the detail of Board Meeting’s held are as follows:

Date	Board Strength	No. of Directors Present
May 29, 2015	8	7
August 11, 2015	8	5
November 07, 2015	6	5
February 13, 2016	6	5

The Intervening period between two Board meetings was well within the time limit prescribed in the Companies Act 2013 & the Stock Exchange Requirements.

The Board Meeting are usually held at the Registered Office of the Company situated at Choice House, Shree Shakambhari Corporate Park, Plot No - 156 -158, J.B. Nagar, Andheri (East), Mumbai - 400099.

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 Meeting as and when required. So as to provide additional inputs to the items being discussed by the Board.

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.

INDEPENDENT DIRECTORS

The institution of independent directors has come a long way & has evolved over the years. In the Indian context, Companies Act, 2013 has become a turning point for independent directors. They have been assigned wide powers & responsibilities. The major reason behind this is that it is sincerely hoped that independent directors would be successful in implementing high standards of corporate governance & ensure that the companies are run in a transparent & efficient manner. They also carry with them the expectation that they would act as the protector of minority shareholder’s interests which is very important at least in the Indian context.

Independence, when it comes to boards, allows a director to be objective and evaluate the performance and wellbeing of the company without any conflict of interest or the undue influence of interested parties. Independent Directors are becoming important catalysts in Good Corporate Governance.

At Choice, Independent Directors are non –executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with section 149(6) of the Act. The Maximum tenure of Independent directors is in compliance with the act. All the Independent Director have confirmed that they meet the criteria as mentioned under Regulation 16 (1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The Terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

INDEPENDENT DIRECTOR’S MEETING

During the year under review, the separate meeting of Independent Director’s was held on February 13, 2016 inter alia to:

- I) Review the performance of Non - Independent Director’s 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 timeline 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.

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 Director 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, including the compliance required from him under Companies Act 2013, Listing Regulation and other various statues and an affirmation is obtained for the same. The Detail of the Familiarisation Programme for Directors are available on the Company’s Website – www.choiceindia.com

GOVERNANCE CODE

The Company has adopted code of Business Conduct & Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (One Level below the Board of Directors) of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed 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, 2016. A declaration to this effect signed by the Managing Director is given below:

DECLARATION ON CODE OF CONDUCT

As provided under Regulation 26 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for the year ended March 31, 2016.

Place : Mumbai

Date : July 14, 2016

Sd/-

Kamal Poddar

COMMITTEES OF THE BOARD

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective charters. These Committees play an important role in the overall management of day to day affairs and governance of the company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

A) AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Composition, quorum, powers, role and scope are in accordance with section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. All the Members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and international Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. Mr. Debkumar Goswami, Non- Executive, Independent Director is the Chairperson of the Audit Committee. The other Members of Audit Committee include Mr. B.M.Agrawal the Non- Executive Independent Director of the Company & Mr. Ajay Kejriwal the Non – Executive Director of the Company.

Meeting and Attendance

The Audit Committee met four times during the Financial Year 2015 – 16. The Maximum gap between two meetings was not more than 120 Days. The Committee met on May 29, 2015, August 11, 2015, November 7, 2015 & February 13, 2016. The necessary quorum was present for all meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

The table below provides the attendance of the Audit Committee members:

Sr. No	Name of the Directors	Position	Category	No. of Meetings attended
1	Mr. Debkumar Goswami	Chairperson	Non- Executive Independent Director	4 of 4
2	*Mr. B.M.Agrawal	Member	Non- Executive Independent Director	2 of 4
3	Mr. Ajay Kejriwal	Member	Non- Executive Director	4 of 4

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

Note: *Mr. B.M .Agrawal was appointed as the Member of Audit Committee pursuant to resignation of Mr. A.K.Vaidyan from the Board of the Company with effect from August 11, 2015. Mr. A .K. Vaidyan had attended all the Audit Committee meeting during his tenure for the year under review.

**Mr. Mahavir Toshniwal resigned from the post of Company Secretary & Compliance Officer of the Company with effect from June 1, 2016. Ms. Karishma Shah is appointed as the Company Secretary & Compliance Officer of the Company with effect from July 14, 2016 & shall act as the secretary to the committee.

Terms of Reference

The Audit committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial reporting system, discussion on financial results, interaction with statutory and Internal Auditor, recommendations for the appointment of statutory and Internal Auditors and their remuneration, Review of Business Risk Management Plan, Management Discussion and Analysis , Review of Internal Audit Reports, Significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective Compliance of Provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulation. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Functions of Audit Committee:

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards(AS) referred to in section 133 of the Companies Act, 2013. Compliance of the Accounting standard as applicable to the Company has been ensured in the preparation of the Financial Statements in accordance with the generally accepted auditing practices and issuing reports based on such audits , while the Internal Auditors are responsible for the Internal Risk controls.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Consolidated Financial & Standalone Financial Results as required by the Regulation 33 of the Listing Regulation. The Company's Financial Results are made available on the website of the company i.e www.choiceindia.com and are also sent to the stock exchange where the Company's Equity Shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism and reviews the finding of investigation in to cases of material nature and the actions taken in respect thereof.

Internal Controls and Governance Processes

The Company continuously invests in strengthening its internal control and processes. The Internal Audit Reports and the Internal Auditor’s Recommendation are placed at the Audit Committee Meeting.

B) NOMINATION & REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee comprises of three Directors, Mrs. Bhagyam Ramani Non Executive Independent Director, is the Chairperson of the Committee. The other Member of the Committee include Mr.B.M. Agrawal & Mr. DebkumarGoswami. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of section 178 of the Companies Act, 2013 & Regulation 19 of the Listing Regulation.

Meeting & Attendance

The Nomination & Remuneration Committee met once during the year on February 13, 2016. The necessary quorum was present for the Meeting. The Chairperson of the Nomination & Remuneration Committee was present at the Last Annual General Meeting of the Company. The table below provides the Attendance of Nomination & Remuneration Committee members:

Sr. No	Name of the Directors	Position	Category	No. of Meetings attended
1	Mrs Bhagyam Ramani	Chairperson	Non- Executive Independent Director	1 of 1
2	Mr Debkumar Goswami	Member	Non- Executive Independent Director	1 of 1
3	Mr. B.M.Agrawal	Member	Non- Executive Independent Director	1 of 1

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

*Mr. Mahavir Toshniwal resigned from the post of Company Secretary & Compliance Officer of the Company with effect from June 1, 2016. Ms. Karishma Shah is appointed as the Company Secretary & Compliance Officer of the Company with effect from July 14, 2016 & shall act as the secretary to the committee.

Note: Mr. B.M.Agrawal was appointed as the member of the Committee at the Board Meeting held on November 7, 2015 pursuant to the sad demise of Mr. Kalimohan Bhattacharya on September 26, 2015.

Terms of Reference

The Board has framed the Nomination & Remuneration Committee Charter which ensures effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, which are as follows:

- Reviewing the overall Compensation policy , service agreements and other employment Conditions of Managing Director and Senior Management (One Level below the Board) :
- To help in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment / re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and Independence of Directors

- To create an evaluation framework for Independent Director and the Board;
- To assist in developing a succession plan for the Board
- To assist the Board in fulfilling responsibilities entrusted from time to time
- Delegation of any of its powers to any member of the Committee or the Compliance Officer

Remuneration Policy

i) 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 fees paid to the Directors are within the limits prescribed under the Companies Act, 2013. An Independent Director shall not be eligible to get any stock options and also shall not be eligible to participate in any shares based payment schemes of the Company. The Non – Executive Independent Director do not have any material pecuniary relationship or transactions with the Company.

ii) Remuneration to Executive Directors

The Remuneration to be paid to Executive Director 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.

The Remuneration payable to the Managing Director is broadly divided in to fixed & 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 members. The details of Remuneration to Managing Director during the year is as follows:

Name of the Directors	Salary, Allowances & Perquisites as on March 31, 2016
Mr. Kamal Poddar	42,00,000/-

iii) 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 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 time 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.

iv)Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its committee and Directors individually. 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. The Performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

C) STAKEHOLDER RELATIONSHIP COMMITTEE

Composition & Attendance

The Stakeholders Relationship Committee comprises of two Directors, Mr. B.M. Agrawal the Non Executive Independent Director being the Chairperson of the Committee. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all meetings.

Sr. No	Name of the Directors	Position	Category	No. of Meetings attended
1	Mr. B.M.Agrawal	Chairperson	Non- Executive Independent Director	2 of 2
2	Mr. Ajay Kejriwal	Member	Non- Executive Director	2 of 2

*Mr. Mahavir Toshniwal Company Secretary andCompliance officer of the Company acts as the Secretary to the Committee.

*Mr. Mahavir Toshniwal resigned from the post of Company Secretary & Compliance Officer of the Company with effect from June 1, 2016. Ms. Karishma Shah is appointed as the Company Secretary & Compliance Officer of the Company with effect from July 14, 2016 & shall act as the secretary to the committee.

Terms of Reference

The Board has clearly defined the terms of reference for the committee, which generally meets at Regular Interval. The Committee looks in to the matters of Shareholders/ Investors grievances along with other matters listed below:

- Approval of Transfer of Shares/ debentures and issue of duplicate/ split/ consolidation/ sub-division of share/debenture certificates
- Consider, resolve and monitor redressal of Shareholding grievances of the Company with respect to transfer of shares, non - receipt of annual report, non - receipt of declared dividend.
- Review the Performance of the Company's Registrar & Transfer Agents.

The secretarial Department of the Company and the Registrar and Share Transfer Agent, Sharex Dynamics (India) Pvt Ltd attend to all grievances of the Shareholders received directly or through SEBI, Stock Exchanges,

Ministry of Corporate Affairs, Registrar of Companies , etc. The Minutes of the Stakeholder's Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone number and email addresses to facilitate prompt action.

Details of Shareholder's Complains Received & redressed during the year 2015- 16 are as follows:

The total number of complaints received and resolved during the year ended March 31, 2016 are as follows. There were no complaints outstanding as on March 31, 2016.

Opening Balance of Complaints received	Complaints Received During the Year	Complaints Resolved During the Year	Closing Balance of Complaints received
0	2	2	0

D) RISK MANAGEMENT COMMITTEE

The Board of the Company has formed a risk Management Committee to frame, implement and monitor the risk management plan for the company. The Committee is responsible for reviewing the risk management plan and ensuring effectiveness. Major risk identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. During the period under review, the committee meeting was conducted on February 13, 2016.

The role of 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 process.

AFFIRMATIONS AND DISCLOSURES

a) Subsidiary Companies

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

b) Related Party Transaction

All the transactions entered in to with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the Ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the Financial Year. Related Party transaction have been disclosed under the note "28 j(iii)" of significant accounting policies and notes forming part of the Financial Statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with Related Parties in Ordinary Course of Business and arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transaction. The Policy is available on the Website of the Company. i.e www.choiceindia.com.

None of the transactions with related parties were in conflict with the interest of the Company. All the transaction are in the Ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

c) Details of non- compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority , on any matter related to capital markets, during the last three years.

The Company has complied with all requirements specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non – compliance of any matter related to the capital markets during the last three years.

d) Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act , 2013 and Regulation 22 of the Listing Regulation , the Company has formulated Whistle Blower Policy for Vigil Mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct.

The mechanism provides for adequate safeguards against victimization of employees and Director's who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's Website i.e www.choiceindia.com.

e) Disclosure of Accounting Treatment

In the preparation of the Financial Statement, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The Significant accounting policies which are consistently applied are set out in the Notes to the Financial Statement.

f) Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

g) Means of Communication

- The Quarterly and year to date audited/ unaudited financial results have been published in the The Financial Express – Mumbai Edition (English Newspaper) & Apla Mahanagar- Mumbai (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 Regulation are also published on the website of the Bombay Stock Exchange i.e www.bseindia.com.

h) SEBI Complaints Redress System (SCORES)

Securities and Exchange Board of India (SEBI) administers a centralised web based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website www.scores.gov.in. It also enables the market intermediaries and listed companies to receive the Complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavours to resolve all investor complain received through SCORES.

i) Non – Mandatory Requirements

Adoption of Non - Mandatory requirement of Listing Regulation is being reviewed by the Board on timely intervals

GENERAL BODY MEETINGS

A) DETAILS OF LAST THREE ANNUAL GENERAL MEETING HELD

FINANCIAL YEAR	Date	Time	Venue	Special Resolution's Passed if any
2012-2013	September 16, 2013	12.30P.M.	Anchorage Hall, Hotel Suba International,211, Chakala Sahar Road, Andheri (East), Mumbai - 400099	Nil
2013-2014	September 27, 2014			Nil
2014-2015	September 26, 2015			Yes 1)Issue of Non Convertible Debentures on a Private Placement Basis 2) Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company

B) POSTAL BALLOT

During the year, no resolution have been passed through Postal Ballot.

SHARE HOLDERS 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, 2015 to March 31, 2016

c) 23rd ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2015- 16

DAY AND DATE	Tuesday,September 20, 2016
TIME	11:30 AM
VENUE(Registered Office of the Company)	Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri East, Mumbai- 400099
FINANCIAL YEAR	April 1, 2015 to March 31, 2016
BOOK CLOSURE DATES FOR DIVIDEND	September 13, 2016 to September 20, 2016
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) BSE Limited(BSE) P.J.Towers, Dalal Street, Mumbai - 400001
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 clamming unpaid Dividend.

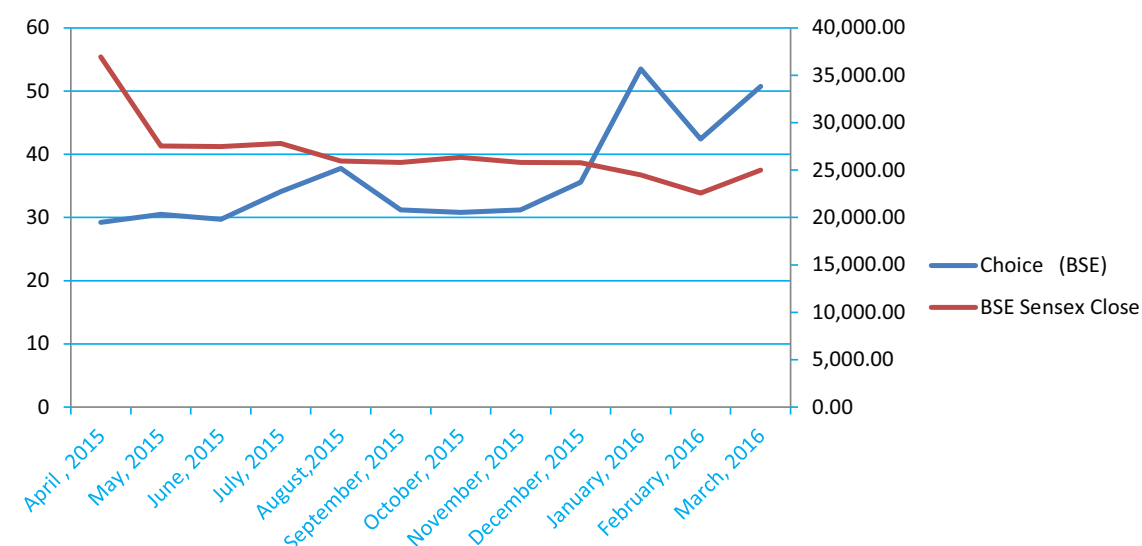
Financial Year	Type of Dividend	Date of Declaration of Dividend	Last date for Clamming Unclaimed Dividend
2008-09	Final	September 30, 2009	October 21, 2016
2009-10	Final	July 30, 2010	August 10, 2017
2010-11	Final	September 30, 2011	October 21, 2018
2011-12	Final	September 28, 2012	October 05, 2019
2012-13	Final	September 16, 2013	September 23, 2020
2013-14	Final	September 27, 2014	October 3, 2021
2014-15	Final	September 26, 2015	October 1,2022

Note: Indicative Dates and actual dates may vary.

f) Market Price Data

Market Price Data						
Month	Choice High (BSE)	Choice Low (BSE)	Close Price (BSE)	BSE Sensex High	BSE Sensex Low	BSE Sensex Close
April, 2015	29.25	29.00	29.40	29,094.61	26,897.54	37,011.31
May, 2015	30.50	28.40	29.35	28,071.16	26,423.99	27,828.44
June, 2015	29.70	27.90	28.35	27,968.75	26,307.07	27,780.83
July, 2015	34.10	28.00	33.95	28,578.33	27,416.39	28,114.56
August, 2015	37.75	29.50	29.90	28,417.59	25,298.42	26,283.09
September, 2015	31.20	29.00	30.65	26,471.82	24,833.54	26,154.83
October, 2015	30.80	29.30	30.05	27,618.14	26,168.71	26,656.83
November, 2015	31.20	29.00	30.85	26,824.30	25,451.42	26,145.67
December, 2015	35.60	30.00	33.45	26,256.42	24,867.73	26,117.54
January, 2016	53.50	32.10	40.10	26,197.27	23,839.76	24,870.69
February, 2016	42.40	34.50	36.05	25,002.32	22,494.61	23,002.00
March, 2016	50.75	35.00	43.00	25,479.62	23,133.18	25,341.86

g) Stock Performance: COMPARISON CHART



h) Registrar & Transfer Agents(RTA):

M/s. Sharex Dynamics (India) Private Limited
Unit-1, Luthra Industrial Premises
Andheri Kurla Road, Safed Pool
Andheri (East), Mumbai - 400072
Tel No: 0222 8515606/44
Website : www.sharexindia.com

i) Distribution of Shareholding as on March 31, 2016

No. of Equity Shares	No. of Shareholders	% of total No. of Shareholders	Share Amount (In Rs.)	% to total Share Capital
1 to 5000	1578	70.41	2701490	2.70
5001 to 10000	250	11.16	2010750	2.01
10001 to 20000	168	7.50	2595660	2.60
20001 to 30000	79	3.53	2066010	2.07
30001 to 40000	31	1.38	1111090	1.11
40001 to 50000	23	1.03	1075360	1.07
50001 to 100000	47	2.10	3394410	3.39
100001 to above	65	2.90	85093230	85.05
Total	2241	100	100048000	100

j) 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, 2016

Category of Shareholding as on March 31, 2016			
Category	Category of Shareholder	Total No. of Shares	As a %
(A)	Shareholding of Promoter & Promoter Group		
	1) Indian		
	a) Individuals	44,86,527	44.84
	b) Bodies Corporate	200,000	2.00
	Total Promoter Shareholding	46,86,527	46.84
(B)	Public Shareholding		
	1) Institutions		
	a) Mutual Funds/UTI	---	---
	b) Financial Institutions/ Banks	---	---
	c) Foreign Portfolio Investor	---	---
	d) Insurance Companies	---	---
	e) Foreign Financial Institution	---	---
	f) Foreign Mutual Fund	---	---

	Sub Total (B1)	---	---
	2) Non – Institution		
	a) Bodies Corporate	30,27,846	30.27
	b) Individuals		
	I) Individual Shareholding nominal share capital up to Rs. 2 Lac Individuals	16,33,213	16.32
	II) Individual Shareholding Nominal Share Capital in excess of Rs. 2 Lakh.	3,60,813	3.62
	c) Qualified Foreign Investor	---	---
	d) Clearing Members	1,42,973	1.42
	e) Non Resident Indians	153428	1.53
	Sub Total (B2)	53,18,273	53.16
	Total Public Shareholding (B)=(B1) +(B2)	53,18,273	53.16
(C)	Shares held by Custodian and against which Depository Receipts have been issued		
	a) Promoter & Promoter Group	---	---
	b) Public	---	---
	Sub Total (C)	---	---
	Grand Total (A)+(B)+(C)	1,00,04,800	100

L) Dematerialization of Shares and Liquidity

99.23% of the Equity Shares of the Company have been dematerialised (CDSL – 74.94% & NSDL – 24.29%) as on March 31, 2016. The Company has entered in to agreements with Central Depository Services (India) Limited (CDSL) & National Securities Depository Limited (NSDL) whereby the Shareholders have an option to dematerialise their shares with either of the Depositories.

M) RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) and the total issued and listed capital. The audit is carried out every quarter and the report there to is submitted to the Stock Exchanges where the Company's shares are Listed the audit confirms that the total Listed Capital and Paid up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held in CDSL & NSDL) and the total number of shares in Physical Form.

N) Top 10 Shareholders as on March 31, 2016 other than Promoter/ Promoter Group

Sr. No	Name of the Shareholder	No.of Shares Held	% of Holding
1	Manasvi Consultancy Services Private Limited	771530	7.71
2	Florence Securities Private Limited	750000	7.50
3	Azura Projects Private Limited	410000	4.10
4	Miranda Impex Private Limited	350000	3.5
5	Swasti Vinayaka Realestate Development Private Limited	187500	1.87
6	Emma Auto Ancillary Private Limited	119645	1.19
7	Vivek Bhimsariya	100000	1.00
8	Paath Financial Services Private Limited	84310	0.84
9	Chartered Capital Research Private Limited	75844	0.75
10	Rising Stock Trade Private Limited	65000	0.65

O) Address of Correspondence:

Compliance Officer	R&T Agent: Sharex Dynamics (India) Private Limited	Correspondence with the Company
Ms. Karishma Shah Company Secretary & Compliance Officer Choice House, Shree Shakambhari Corporate Park, Plot No – 156- 158, JB Nagar Andheri (East), Mumbai - 400099 EmailId: karishma.shah@choiceindia.com	Unit -1, Luthra Industrial Premises Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072. Tel No : 022 8515606/44 Website: www.sharexindia.com	Choice House, Shree Shakambhari Corporate Park, Plot No – 156- 158, Andheri (East), Mumbai - 400099 EmailId:info@choiceindia.com

On behalf of the Board of Directors

Sd/-
Kamal Poddar
(Managing Director)
DIN NO: 01518700
Mumbai, July 14,2016

Sd/-
Ajay Kejriwal
(Director)
DIN NO: 03051841

CEO/ CFO Certification

We the under signed, in our respective capacities as Managing Director (CEO) and Chief Financial Officer of Choice International Limited (" the Company") to the best of our knowledge and behalf certify that:

a.) We have reviewed financial statement and the Cash Flow statement for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:

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 listed entity's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.

b) We further state that to the best of our knowledge and belief , no transaction entered in to by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.

c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

i) Significant Changes, if any, in internal control over financial reporting during the year;

ii) Significant Changes, if any, in accounting policies during the year and the same have been disclosed in the notes to financial statements; and

iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control systems over financial reporting.

For Choice International Limited

Sd/-

(Kamal Poddar)

Managing Director

DIN No : 01518700

Sd/-

(Manoj Singhanaia)

Chief Financial Officer

Mumbai, July 14, 2016

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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, 2016 as stipulated in Regulations 17, 18, 19, 20, 21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Collectively referred to as " SEBI Listing Regulations, 2015).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the guidance Note on certification of Corporate Governance, issued by the institute of Chartered Accountant of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 explanation given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such 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, July 14, 2016

INDEPENDENT (STANDALONE) 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, 2016, 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, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

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



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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 case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in 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, 2016’ (as amended), 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 enclose in the Annexure -1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) We have also audited internal financial control over the financial reporting of the company as on 31st, March 2016 in conjunction with our audit of standalone financial statements of the company for the year ended on that date and our report with respect to the adequacy of the internal financial control over financial reporting of the company and the effectiveness of such control is referred in the Annexure 2”.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanation given to us:

- 1. The Company does not have any pending litigations as at 31st March, 2016, which would impacts its financial position.
- 2. 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, 2016.
- 3. 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, 2016.

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

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484

Mumbai; 30th May 2016

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

In terms of the information and explanation sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:-

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- b) As explained to us, all the assets have not been physically verified by the management during the year but there is regular programme of verification which, in our opinion, is reasonable having regard to size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of immoveable properties are held in the name of the company.
 - ii. As explained to us, 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 and no material discrepancy is noticed on such verification.
- 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.
 - a) In our opinion, the terms and conditions of the grant of such loans are not, prima facie, prejudicial to the company's interest.
 - b) No schedule of repayment of principal and payment of interest has been stipulated.
 - c) No schedule of repayment of principal and payment of interest has been stipulated and therefore the question of overdue amount does not arise.
- iv. In our opinion, in respect of loans, investment guarantees, and security if any given, the provision of section 185 and 186 of the Companies Act, 2013 have been complied with to the extent applicable to the company.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit in contravention of Directives issued by Reserve Bank of India and the provisions of Section 73 to 76 of the Act, 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 record of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, excise duty, custom duty, cess and other material statutory dues applicable to it. further , no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March ,2016 for a period of more than six month form the date they become 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.

viii. Based on our Audit procedures and according to the information and explanations given to us, we are of the opinion, the company has not generally defaulted in repayment of dues to financial institution, bank, Government or dues to debenture holders.

ix. The company has not raised money by way of initial public offer or further public offer. However the moneys were raised by way of term loans which were applied for the purpose for which those were raised.

x. Based upon the audit procedures performed and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.

xi. The Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act,

xii. The company is not a Nidhi Company hence this clause is not applicable.

xiii. The company has not made any preferential allotment or private placement of shares, however , non convertible Redeemable fully paid up secured Debentures are issued on private placement basis during the year under review.

xiv. Based upon the audit procedures performed and according to the information and explanations given to us, All transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.

xv. The company has not entered into any non-cash transactions with directors or persons Connected with him.

xvi. The company is already registered under section 45-IA of Reserve Bank of India Act,1934.

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

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484

Mumbai; 30th May 2016

Annexure – 2 to the Auditors’ Report Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Choice International Limited (“the Company”) as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484

Mumbai; 30th May 2016



Standalone Financials 2015 - 2016

Annual Report 2015-2016

Choice International Limited Balance Sheet as at March 31, 2016

(Amount in ₹)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	100,048,000	100,048,000
(b) Reserves and Surplus	3	405,045,585	398,445,971
		505,093,585	498,493,971
2. Non - Current Liabilities			
(a) Long -Term Borrowings	4	76,496,081	89,491,201
(b) Deferred Tax Liabilities (Net)	5	26,223,157	24,449,770
(c) Long - Term Provisions	6	504,554	340,966
		103,223,792	114,281,937
3. Current Liabilities			
(a) Short - Term Borrowings	7	185,400,314	195,114,637
(b) Trade Payables	8	8,724,044	980,809
(c) Other Current Liabilities	9	39,322,142	40,013,858
(d) Short - Term Provisions	10	10,392,695	16,410,944
		243,839,194	252,520,248
TOTAL		852,156,571	865,296,156
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	11		
(i) Tangible assets		237,602,135	243,361,419
(ii) Intangible assets		2,525,150	4,388,372
		240,127,285	247,749,791
(b) Non - Current Investments	12	458,291,556	457,664,086
(c) Long - Term Loans and Advances	13	192,000	879,910
(d) Other Non - Current Assets	14	9,393,860	9,560,832
		708,004,701	715,854,619
2. Current Assets			
(a) Inventories	15	1,331,260	2,618,178
(b) Trade Receivables	16	6,929,028	1,297,701
(c) Cash and Cash Equivalents	17	2,214,520	1,653,794
(d) Short - Term Loans and Advances	18	128,707,020	139,940,319
(e) Other Current Assets	19	4,970,043	3,931,545
		144,151,871	149,441,537
TOTAL		852,156,571	865,296,156

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

Sd/-
Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 30th May, 2016

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 30th May, 2016

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary
Mumbai: 30th May, 2016

Choice International Limited
Statement of Profit and Loss for the year ended March 31, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
I Revenue from Operations	20	778,552,165	86,523,503
II Other Income	21	2,196	35,194
III Total Revenue (I + II)		778,554,361	86,558,697
IV Expenses			
Purchases Stock-in-Trade	22	678,596,159	1,422,961
Changes in Inventories	23	1,286,918	317,955
Employee Benefits Expense	24	10,446,800	6,424,410
Depreciation	11	11,141,787	11,415,561
Finance Costs	25	46,375,794	43,118,003
Other Expense	26	10,531,992	8,117,014
Total Expense		758,379,450	70,815,905
V Profit Before Tax (III-IV)		20,174,911	15,742,792
VI Tax Expense:			
(a) Current Tax Expense		2,076,110	1,034,000
(b) MAT Credit		(279,000)	(963,000)
(c) Deferred Tax		1,773,387	1,402,822
		3,570,497	1,473,822
VII Profit/(Loss) for the Period (V-VI)		16,604,414	14,268,970
VIII Earnings Per Equity Share (Face Value ₹ 10 Per Share):	27		
(1) Basic (₹)		1.66	1.43
(2) Diluted (₹)		1.66	1.43

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

Sd/-
Shyamsunder Gupta
Proprietor

Mem. No. : 038484
Mumbai: 30th May, 2016

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 30th May, 2016

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary
Mumbai: 30th May, 2016

Choice International Limited

Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	20,174,911	15,742,792
Adjustments for:		
Depreciation	11,141,787	11,415,561
Finance costs	46,375,794	43,118,003
Provision for Gratuity	165,406	35,047
Loss on disposal of fixed assets	-	148,427
Loss on sale Investments	526,137	-
Other interest income	-	(32,887)
Operating profit before Working Capital changes	78,384,034	70,426,943
Changes in Working Capital		
- Trade Receivables	(5,631,327)	540,673
- Short term loans & advances and other current assets	10,194,802	70,639,862
- Inventories	1,286,918	317,955
- Trade Payables	7,743,235	46,997
- Other current liabilities & provisions	(6,299,091)	(435,016)
Cash generated from operations	85,678,571	141,537,414
- Income tax paid	(2,076,110)	(1,034,000)
Net cash flow from/(used in) from Operating Activities	83,602,461	140,503,414
B. Cash flow from Investing Activities		
Other interest received	445,972	41,216
Purchase of fixed assets	(3,519,281)	(561,731)
Sale of Fixed Assets	-	580,874
Investment in subsidiaries	(2,000,000)	(141,475,394)
Investment in Associates	-	(3,200,320)
Sale of investments in other companies	846,394	-
Movement in long term loans & advances	687,910	510,000
Net cash flow from/(used in) Investing Activities	(3,539,006)	(144,105,355)
C. Cash flow from Financing Activities		
Finance costs paid	(46,788,486)	(43,476,681)
Dividend paid	(10,004,800)	(10,004,800)
Money borrowed/(repaid) from related parties	(1,882,727)	(3,058,829)
Money borrowed/(repaid) from others	(20,826,717)	61,485,884
Net cash flow from/(used in) Financing Activities	(79,502,730)	4,945,573
Net increase/(decrease) in Cash and Cash Equivalents	560,726	1,343,632

Opening Cash and Cash Equivalents

1,653,794

310,162

Closing Cash and Cash Equivalents

2,214,520

1,653,794

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

Sd/-

Kamal Poddar

Managing Director

(DIN-01518700)

Sd/-

Ajay Kejriwal

Director

(DIN-03051841)

Sd/-

Shyamsunder Gupta

Proprietor

Mem. No. : 038484

Mumbai: 30th May, 2016

Sd/-

Manoj Singhania

Chief Financial Officer

Mumbai: 30th May, 2016

Sd/-

Mahavir Toshniwal

Company Secretary

Mumbai: 30th May, 2016

CHOICE INTERNATIONAL LIMITED

**Significants Accounting Policies & notes forming part of the Financial Statement for the year ended on
31st, March, 2016**

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, 2013.

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

**Significants Accounting Policies & notes forming part of the Financial Statement for the year ended on
31st, March,2016**

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 software which are amortized over a period of five years in accordance with the Accounting Standard 26 "Accounting for Intangible Assets". Depreciation on addition to fixed assets is provided on a pro-rata basis from the date of addition.

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

f) Inventories:

Inventories of share & securities 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.

**Significants Accounting Policies & notes forming part of the Financial Statement for the year ended on
31st, March,2016**

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 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.

**Significants Accounting Policies & notes forming part of the Financial Statement for the year ended on
31st, March,2016**

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.

**Significants Accounting Policies & notes forming part of the Financial Statement for the year ended on
31st, March,2016**

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.

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
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2 SHARE CAPITAL

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

Authorised Capital

20,100,000 (PY 10,100,000) Equity Shares of ₹10/- each

201,000,000 101,000,000

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	887,600 8.87%	637,600 6.37%
Vinita Sunil Patodia	Promoter	1,278,927 12.78%	1,028,927 10.28%
Florence Securities Pvt. Ltd.		750,000 7.50%	750,000 7.50%
Mansavi Consultancy Pvt Ltd		771,530 7.71%	-
Anugrah Stock & Broking Pvt. Ltd		-	659,785 6.59%

Accompanying notes to the financial statements as at March 31, 2016

3 RESERVES AND SURPLUS

a) Statutory reserve -

Opening Balance	21,960,000	19,100,000
Add : transferred from statement of profit & loss	3,321,000	2,860,000
Closing Balance	25,281,000	21,960,000

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	36,399,171	35,599,756
Less: Adjustment relating to dep on fixed assets*	-	604,755
Add : profit/(loss) for the year	16,604,414	14,268,970
Less : transfer to statutory reserve	3,321,000	2,860,000
Less : proposed dividend	10,004,800	10,004,800
Closing Balance	39,677,785	36,399,171

Total (a+b+c+d)

405,045,585 398,445,971

* 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 CY- Nil (PY- ₹6,04,755/- net off deferred tax).

4 LONG TERM BORROWINGS

Secured loans

Debentures*		
735 (PY- 510) Index linked non convertible, reedemable debentures of Rs. 100,000 each	73,500,000	51,000,000
Term loan from SBI **	38,996,081	74,491,201
Less : current portion of long term borrowings	(36,000,000)	(36,000,000)
	76,496,081	89,491,201

* Non Convertible Debentures reffered above are issued on private placement basis which are secured against loans & advances. 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.

Accompanying notes to the financial statements as at March 31, 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

26,389,772 24,565,274

Deferred tax asset -

Provision for employee benefit expenses

(166,615) (115,504)

26,223,157 24,449,770

6 LONG-TERM PROVISIONS

Provision for employee benefit expenses

504,554 340,966

504,554 340,966

7 SHORT TERM BORROWINGS

Secured loans

Loans taken from others*

168,858,000 191,791,813

Overdraft from HDFC bank **

758,659 1,360,364

Unsecured loans

Loans taken from related parties***

79,734 1,962,461

Loan from others

15,703,921 -

185,400,314 195,114,637

*Loans taken from NBFC & other companies 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 transactions entered with the related parties have been detailed separately under Note No.28(j)(iii) "Related Party Disclosure".

Accompanying notes to the financial statements as at March 31, 2016

8 TRADE PAYABLES

Dues to Micro, Small and Medium Enterprises

3,990 5,723

Other suppliers*

8,720,054 975,086

8,724,044 980,809

*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 36,000,000

Interest accrued & but not due on Term loan

424,000 836,692

Payable for staff salary

140,576 -

Advance from trade receivables

- 1,770,211

Other liabilities & statutory dues

2,757,566 1,406,955

39,322,142 40,013,858

10 SHORT TERM PROVISIONS

Proposed dividend*

10,004,800 10,004,800

Provision for expenses

51,087 6,084,587

Contingent provision against standard loan assets

302,156 288,723

Provision for employee benefit expenses

34,652 32,834

10,392,695 16,410,944

*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.

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2016

11 FIXED ASSETS

Description	Gross Block			Depreciation & Amortisation			Net Block	
	As at April 1, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 1 2015	Charged For the year	As at March 31, 2016	As at March 31, 2015
(i) Tangible Assets:								
Freehold Land	27,977,910	-	-	27,977,910	-	-	27,977,910	27,977,910
Building owned	214,776,824	-	-	214,776,824	15,880,964	3,394,594	195,501,266	198,895,860
Computer Hardwares*	825,448	658,001	-	1,483,449	632,142	131,501	719,806	193,306
Server & Networks	2,274,470	1,217,957	-	3,492,427	1,157,156	657,490	1,677,781	1,117,314
Furniture & Fixtures	14,588,769	-	-	14,588,769	4,043,598	1,568,784	8,976,387	10,545,171
Vehicles	678,301	-	-	678,301	317,660	93,096	267,545	360,641
Office Equipments	7,355,713	532,543	-	7,888,256	3,084,496	2,322,320	2,481,440	4,271,217
Total	268,477,435	2,408,501	-	270,885,936	25,116,016	8,167,785	237,602,135	243,361,419
(ii) Intangible Assets:								
Computer Softwares	21,579,796	1,110,780	-	22,690,576	17,191,424	2,974,002	2,525,150	4,388,372
Total	21,579,796	1,110,780	-	22,690,576	17,191,424	2,974,002	2,525,150	4,388,372
Grand Total	290,057,231	3,519,281	-	293,576,512	42,307,440	11,141,787	240,127,285	247,749,791
Previous Year	292,425,576	561,731	2,930,076	290,057,231	32,326,749	11,415,561	247,749,791	260,098,827

* Addition in Computer hardware includes Rs. 59150/- has not put to use till 31st march, 2016, hence depreciation has not been charged.

Accompanying notes to the financial statements as at March 31, 2016

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 - 1,00,000) shares of ₹ 10/- each of Choice Corporate Services Private Limited

75,394 75,394

5,650,000 (PY - 5,650,000) shares of ₹10/- each of Choice Equity Broking Private Limited

291,400,000 291,400,000

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 Consultancy 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

100,000(PY - Nil) shares of ₹10/- each of Choice E-Commerce Private Limited

1,000,000 -

100,000(PY - Nil) shares of ₹10/- each of Choice Peers International Private Limited

1,000,000 -

359,254,251 357,254,251

(b) Other investments in quoted equity shares fully paid-up

Associate company -

5,417,850 (PY - 5,417,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited

99,037,305 99,037,305

Other company -

Nil (PY - 457,510) shares of ₹10/- each of Shekhawati Poly-Yarn Limited

- 1,372,530

Total (a+b)

99,037,305 100,409,835

458,291,556 457,664,086

Less : Provision for diminution in the value of investments

- -

458,291,556 457,664,086

Accompanying notes to the financial statements as at March 31, 2016

Aggregate book value of

Quoted fully paid-up investments	99,037,305	100,409,835
Unquoted fully paid-up investments	359,254,251	357,254,251

Aggregate market value of -

Quoted fully paid-up investments	59,596,350	103,571,475
----------------------------------	------------	-------------

13 LONG TERM LOANS & ADVANCES

Unsecured, considered good		
Security deposits	192,000	79,910
Deposit with co-op credit society	-	800,000
	192,000	879,910

14 OTHER NON-CURRENT ASSETS

MAT credit entitlement	9,393,860	9,114,860
Interest accrued on term deposits	-	445,972
	9,393,860	9,560,832

15 INVENTORIES

Stock-in-trade		
Shares & securities*	1,331,260	2,618,178
(Valued at cost or net realised value, whichever is lower on cumulative basis)	1,331,260	2,618,178

*Market value -₹1,331,260/- (PY - ₹2,618,178/-)

16 TRADE RECEIVABLES

Unsecured, considered good		
Outstanding for a period exceeding six months	348,972	422,234
Others*	6,580,056	875,467
	6,929,028	1,297,701

*The amount of ₹. 69,29,028/- (₹8,92,172/-) pertains to related parties as detailed separately under Note No. 28(J)(iii) of "Related Party Transactions".

Accompanying notes to the financial statements as at March 31, 2016

17 CASH AND CASH EQUIVALENTS

Cash on Hand	13,155	60,616
Bank Balances -		
In current accounts	1,147,471	1,030,114
In earmarked accounts	1,053,894	563,064
	2,214,520	1,653,794

18 SHORT-TERM LOANS AND ADVANCES

Unsecured, considered good		
Advance to Employees	129,000	-
Loans given to related parties*	15,858,544	-
Balance with revenue authorities (net of provisions)	6,529,860	6,012,417
Loans & advances to others	35,262,281	70,035,538
Prepaid expenses	1,106,987	1,680,207
Capital Advances	-	519,500
Secured, considered good		
Loans given to others**	69,820,347	61,692,657
	128,707,020	139,940,319

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

** The amount of loans of ₹69,820,347/- (₹56,51,4087/-) given to others are secured against security of shares & the amount of ₹-Nil (₹.5,17,8570/-) is secured against immovable property.

19 OTHER CURRENT ASSETS

Margin - Equity stock / Index futures	4,970,043	4,083,225
Less : provision for loss	-	(151,680)
	4,970,043	3,931,545

20 REVENUE FROM OPERATIONS

Sale of shares & securities	699,805,550	5,447,587
Derivative Profit	-	8,822,959
Interest income	26,595,815	27,727,329
Dividend income	10,005,800	10,185,001
Income from business support services	42,145,000	34,340,627
	778,552,165	86,523,503

Accompanying notes to the financial statements as at March 31, 2016

21 OTHER INCOME

Interest on deposits	-	32,887
Misc. income	2,196	2,307
	2,196	35,194

22 PURCHASE OF STOCK-IN-TRADE

Shares & Securities	678,596,159	1,422,961
	678,596,159	1,422,961

23 CHANGES IN INVENTORIES

Shares & Securities		
At the beginning of the period	2,618,178	2,936,133
Less : At the end of the period	1,331,260	2,618,178
	1,286,918	317,955

24 EMPLOYEE BENEFIT EXPENSES

Salaries, allowances and incentives	6,013,656	2,089,711
Director's remuneration & Perquisites	4,200,000	4,200,000
Staff welfare expenses	65,280	99,652
Gratuity	167,864	35,047
	10,446,800	6,424,410

25 FINANCE COST

Interest on borrowings from banks	7,324,073	12,832,876
Interest on borrowings from others	27,105,558	28,121,990
Interest & borrowing cost on debentures	11,946,163	2,163,137
	46,375,794	43,118,003

Accompanying notes to the financial statements as at March 31, 2016

26 OTHER EXPENSES

Bank charges	11,348	33,334
Business promotion expenses	89,084	42,454
Director sitting fees	610,000	600,000
Electricity Charges	1,534,110	1,264,910
Communication expenses	217,698	398,742
Computer expenses	826,461	637,385
CSR expenses	-	19,471
Insurance charges	70,148	73,681
Legal and professional	1,697,684	527,992
Loss on disposal of fixed assets	-	148,427
Loss on sale of Investments	526,137	-
Marketing & advertisement expenses	253,865	120,042
Payment to auditors -		
Statutory audit fees	175,000	175,000
Tax audit fees	60,000	25,000
Limited review fees	70,000	70,000
Other certification fees	53,031	62,000
Printing and stationery	204,452	323,382
Provision on standard loan assets	13,433	(135,481)
Repairs & maintenance	906,962	873,701
Rates & taxes	1,618,373	1,762,597
Sundry expenses	289,937	256,946
Traveling & Conveyance expenses	1,012,684	619,227
Water charges	291,587	218,205
	10,531,992	8,117,014

27 EARNINGS PER EQUITY SHARE

Profit/(Loss) attributable to equity shareholders	16,604,414	14,268,970
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	1.66	1.43
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	16,604,414	14,268,970
Weighted average number of equity share after considering potential equity shares	10,004,800	10,004,800
Dilutive Earnings per Share	1.66	1.43

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2016

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 ₹ 3,321,000/- (PY- ₹ 2,860,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

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, loans & 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 Effective from 01.04.2014, the company has charged depreciation based on the revised remaining useful life of assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this, depreciation charge is higher by Nil (PY- ₹ 23,54,251/-) for the year ended on March 31, 2016.

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

G	Contingent liabilities not provided for :	31-Mar-16	31-Mar-15
	Corporate guarantees to banks for subsidiaries -		
	Choice Equity Broking Pvt. Ltd.	1,560,000,000	1,815,600,000
	Choice Merchandise Broking Pvt. Ltd.	35,000,000	50,000,000

H 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 financial statements as at March 31, 2016

(Amount in ₹)

Particulars	As on 31.03.2016	As on 31.03.2015
Components of employer expense		
Current service cost	45,344	18,208
Interest cost	28,233	28,837
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Actuarial losses/(gains)	94,287	(11,998)
Total expense recognised in the Statement of Profit & Loss	167,864	35,047
Net asset / (liability) recognised in the Balance Sheet	As on 31.03.2016	As on 31.03.2015
Present value of defined benefit obligation	539,206	373,800
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	539,206	373,800

Change in fair value of defined benefits obligation representing reconciliation of the opening and closing balances thereof are as follows:	As on 31.03.2016	As on 31.03.2015
Opening Defined Benefit Obligation	373,800	338,753
Net transfer in obligation	(2,458)	-
Service cost	45,344	18,208
Interest cost	28,233	28,837
Actuarial (gain) / loss	94,287	(11,998)
Closing Defined Benefit Obligation	539,206	373,800

Experience Adjustments	As at March 31,			
	2016	2015	2014	2013
Experience adjustments on plan liabilities	100,325	(56,334)	(15,808)	-
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	(6,038)	44,336	(33,721)	(67,156)
Experience adjustments on plan assets	-	-	-	-
Net Actuarial loss/(gain) for the year	94,287	(11,998)	(49,529)	(67,156)

Actuarial assumptions	As on 31.03.2016	As on 31.03.2015
Discount rate	8.00%	7.90%
Salary escalation	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

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

Accompanying notes to the financial statements as at March 31, 2016

I 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	73,500,000	NIL
Unsecured	NIL	NIL
(other than falling within the meaning of public deposits*)		
(b) Deferred credits	NIL	NIL
(c) Term loans	39,420,081	NIL
(d) Inter-corporate loans and borrowing	15,703,921	NIL
(e) Commercial paper	NIL	NIL
(f) Other loans (specify nature)		
Bank overdraft	758,659	NIL
Financial institutions loan against shares & securities	168,858,000	NIL
Other- related party	79,734	
Total -	298,240,660	NIL

*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	69,820,347
(b) Unsecured	51,120,825
	<u>120,941,172</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	202,430,294
(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

(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	99,037,305
	(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	359,254,251
	(b) Preference	NIL
(ii) Debentures and bonds		NIL
(iii) Units of mutual funds		NIL
(iv) Government securities		NIL
(v) Others (please specify)		NIL

458,291,556

(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	13,050,275	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	2,768,623	NIL
2. Other than related parties	69,645,797	35,174,125	104,819,922
Total -	<u>69,645,797</u>	<u>50,993,023</u>	<u>104,819,922</u>

(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***	448,615,971	359,254,251
(b) Companies in the same group	NIL	NIL
(c) Other related parties***	59,596,350	99,037,305
2. Other than related parties***	NIL	NIL
Total -	508,212,321	458,291,556

(7) Other information

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

*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, 2016

J(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 Consultancy Services Pvt. Ltd. (Formerly known as Choice Business Services Private Ltd) Choice Wealth Management Pvt. Ltd. Choice Insurance Brokers Pvt. Ltd. Choice E-Commerce Private Limited* Choice Peers International Private Limited**
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 Singhania (CFO) Mahavir Toshniwal (Company Secretary) Savita Singhania (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. Wheresmypandit.com 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, 2016

* Wholly owned subsidiary of Choice International Ltd incorporated effective 14th July 2015.

** On 31st March, 2016, Choice International Limited acquired 100% shareholding in Choice Peers International Private Limited.

J(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 Consultancy Services Pvt. Ltd.(Formerly known as Choice Business Services Pvt. Ltd.) Choice Wealth Management Pvt. Ltd. Choice E-Commerce Private Limited Choice Peers International Private Limited
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. Wheresmypandit.com Pvt Ltd

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2016

J(iii): Details of Related Party transactions during the year ended March 31, 2016

(Amount in ₹)

Particulars	Subsidiaries	Associates	KMP and their relatives	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Equity investments in	2,000,000 (141,475,394)	- (3,200,320)	- -	- -	2,000,000 (144,675,714)
Loan/Advance taken from*	925,047,363 (58,694,033)	- (174,100)	3,900,000 (2,350,000)	-	928,947,363 (61,218,133)
Loan/Advance repaid to	927,009,823 (60,061,092)	- (1,865,870)	3,820,266 (2,350,000)	- -	930,830,089 (64,276,962)
Loan/Advance given to*	516,298,304 (407,991,062)	- -	- -	2,785,247 -	519,083,551 (407,991,062)
Loan/Advance repayment recd from	658,453,447 (429,047,417)	- -	- -	9,685 -	658,463,132 (429,047,417)
Revenue from operations	32,465,323 (27,233,200)	8,400,000 (5,700,000)	- -	13,945,000 (11,520,000)	54,810,323 (44,453,200)
Brokerage & DP charges	97,130 (28,645)	- -	- -	- -	97,130 (28,645)
Director remuneration	- -	- -	4,200,000 (4,200,000)	- -	4,200,000 (4,200,000)
Salary & Perquisites	- -	- -	1,759,572 (265,509)	- -	1,759,572 (265,509)

Accompanying notes to the financial statements as at March 31, 2016

Balances outstanding at the end of the year					
Non Current Investments	2,000,000 (291,475,394)	- -	- -	- -	2,000,000 (291,475,394)
Short term loans & advances	13,082,982 -	- -	- -	2,775,562 -	15,858,544 -
Trade receivables	- (611,272)	- -	- -	6,929,028 (280,900)	6,929,028 (892,172)
Advance from trade receivables	- -	- -	- -	- (1,770,211)	- (1,770,211)
Trade payables	1,876,061 -	- -	- -	- -	1,876,061 -
Payable for staff salaries	- -	- -	140,576 -	- -	140,576 -
Short term borrowings	- (1,962,461)	- -	79,734 -	- -	79,734 (1,962,461)

** 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: 30th May, 2016

For and on behalf of Board of Directors

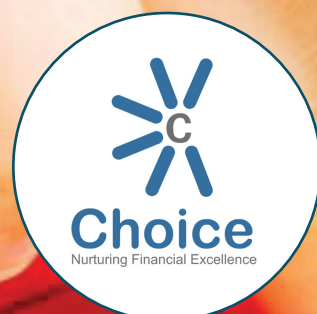
Sd/-
Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai: 30th May, 2016

Sd/-
Mahavir Toshniwal
Company Secretary
Mumbai: 30th May, 2016





Consolidated Auditor's Report 2015-2016

Annual Report 2015-2016

INDEPENDENT AUDITORS' (CONSOLIDATED) 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, 2016, 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.

The respective board of directors of the companies included in the group and associates are responsible for 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit we have taken into account the provisions of the Act and the rules made there under including the accounting & auditing 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 auditor consider internal financial 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. 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, 2016 and its consolidated profit and its consolidated cash flow for the year ended on that .

Other Matter

1. We did not audit the financial statements of any of the nine (09) subsidiaries , Whose financial statements reflect the total assets of Rs.182,17,50,185/-, revenue of Rs.112,80,91,980 /- and the net profit of Rs.3,47,27,084/- and net cash inflow amounting to Rs.10,81,31,235/- for the year ended on March 31, 2016, 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.16,54,969 for the year ended 31st, March,2016, 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

As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of certain subsidiaries, as noted in sub-paragraph-1 of Other Matters paragraph above , we report to the extent applicable that:

- a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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 maintained for the purpose of preparation of Consolidated Financial Statements;
- 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.
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2016, 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, 2016, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer our separate audit report in Annxure-1, which is based on the auditor's reports of the Holding Company, Subsidiaries and Associate Companies in India.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanation given to us:
- i) The Group and its associate does not have any pending litigations as at 31st March, 2016, 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 any has already been provided as at 31st March, 2016.
- 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, 2016.

For Gupta Shyam & Co.

Chartered Accountants

FRN: 103450W

**Sd/-
Shyamsunder Gupta
(Proprietor)**

M.N.: 038484

Mumbai; 30th May 2016

Annexure – 1 to the Independent Auditors’ Report (Refer in paragraph(f) under the Report on Other Legal and Regulatory Requirements of our report of even date

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

We have audited the internal financial controls over financial reporting of Choice International Limited (“the Holding Company”) and its subsidiaries companies as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

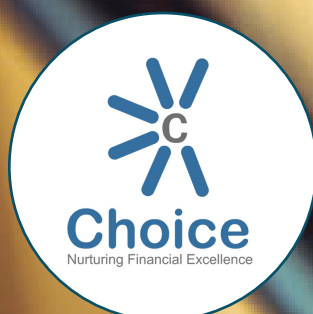
In our opinion and to the best of our information and according to the information given to us , the Holding Company and its subsidiaries company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to nine (9) subsidiaries companies in India, is entirely based on the corresponding reports of the auditors of such companies.

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

Sd/-
Shyamsunder Gupta
(Proprietor)
M.N.: 038484
Mumbai; 30th May 2016



Consolidated Financials 2015-2016

Annual Report 2015-2016

Choice International Limited

Consolidated Balance Sheet as at March 31, 2016

(Amount in ₹)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	100,048,000	100,048,000
(b) Reserves and Surplus	3	534,816,644	503,896,281
		634,864,644	603,944,281
2. Non - Current Liabilities			
(a) Long -Term Borrowings	4	137,351,507	128,464,075
(b) Deferred Tax Liabilities (Net)	5	30,588,746	27,214,282
(c) Other Long Term Liabilities	6	2,357,667	10,020,679
(d) Long - Term Provisions	7	3,749,359	2,237,347
		174,047,279	167,936,383
3. Current Liabilities			
(a) Short - Term Borrowings	8	1,015,232,648	1,042,448,118
(b) Trade Payables	9	411,994,896	366,283,096
(c) Other Current Liabilities	10	64,525,746	72,981,892
(d) Short - Term Provisions	11	18,335,317	18,556,566
		1,510,088,608	1,500,269,673
TOTAL		2,319,000,531	2,272,150,337
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	12		
(i) Tangible assets		333,642,855	303,590,951
(ii) Intangible assets		8,520,210	11,640,160
(iii) Intangible assets under development		3,757,117	-
		345,920,182	315,231,111
(b) Non - Current Investments	13	223,427,710	223,858,937
(c) Long - Term Loans and Advances	14	33,784,009	38,768,909
(d) Other Non - Current Assets	15	9,442,857	11,549,819
		612,574,757	589,408,776
2. Current Assets			
(a) Inventories	16	78,063,056	107,758,870
(b) Trade Receivables	17	869,962,988	970,387,998
(c) Cash and Bank Balances	18	452,157,345	394,911,988
(d) Short - Term Loans and Advances	19	285,189,854	184,476,673
(e) Other Current Assets	20	21,052,530	25,206,034
		1,706,425,774	1,682,741,561
TOTAL		2,319,000,531	2,272,150,337

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: 30th May, 2016

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 30th May, 2016

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary
Mumbai 30th May, 2016

Choice International Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
I Revenue from Operations	21	1,842,229,194	566,997,162
II Other Income	22	34,465,018	51,945,129
III Total Revenue (I + II)		1,876,694,211	618,942,291
IV Expenses			
Operating Expenses	23	449,769,216	136,715,688
Purchases Stock-in-Trade	24	867,332,115	129,559,086
Changes in Inventories	25	29,695,814	(62,221,637)
Employee Benefits Expense	26	181,131,616	125,021,650
Depreciation & Amortisation	12	20,711,056	22,745,376
Finance Costs	27	187,198,799	172,044,163
Other Expense	28	73,051,940	32,336,594
Total Expense		1,808,890,556	556,200,920
V Profit Before Tax (III-IV)		67,803,655	62,741,371
VI Tax Expense:			
(a) Current Tax Expense		23,803,420	15,683,440
(b) Earlier Year Tax Adjustments		19,938	-
(c) MAT Credit		(695,680)	(1,035,485)
(d) Deferred Tax		3,357,293	1,110,373
		26,484,971	15,758,328
VII Profit After Tax (V-VI)		41,318,684	46,983,043
VIII Share of Profit in Associates		1,654,969	4,022,844
IX Profit for the Year (VII+VIII)		42,973,654	51,005,887
X Earnings Per Equity Share (Face Value ₹10 Per Share):	29		
(1) Basic (₹)		4.13	4.70
(2) Diluted (₹)		4.13	4.70

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

For and on behalf of Board of Directors

Sd/-

Kamal Poddar
Managing Director
(DIN-01518700)

Sd/-

Ajay Kejriwal
Director
(DIN-03051841)

Sd/-

Shyamsunder Gupta
Proprietor
Mem. No. : 038484
Mumbai: 30th, May, 2016

Sd/-

Manoj Singhania
Chief Financial Officer
Mumbai: 30th, May, 2016

Sd/-

Mahavir Toshniwal
Company Secretary
Mumbai: 30th, May, 2016

Choice International Limited

Consolidated Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	67,803,655	62,741,371
Adjustments for:		
Depreciation	20,711,056	22,745,376
Finance costs	187,198,799	172,044,163
Bad debts	1,307,201	1,161,824
Balance written off	658,214	-
Loss on disposal of fixed assets	1,564,637	187,967
Loss on sale of Investments	526,137	-
Provision for Standard loan assets	13,433	(135,481)
Provision for Gratuity	1,804,342	567,983
Gain on sale of Investments	(1,597,829)	-
Other interest income	(29,487,932)	(39,334,574)
Dividend income	(1,000,000)	(750,000)
Rental Income	(2,358,065)	-
Operating profit before Working Capital changes	247,143,647	219,228,628
Changes in Working Capital		
- Trade Receivables	99,117,809	(450,692,291)
- Short term loans & advances and other current assets	(101,736,961)	4,395,206
- Inventories	29,695,814	(62,221,637)
- Trade Payables & provisions	39,555,400	68,596,817
- Other current liabilities	(9,114,281)	18,536,701
- Other non current liabilities	(7,663,012)	4,373,632
Cash generated from operations	296,998,416	(197,782,944)
- Income tax paid	(17,982,989)	(18,988,514)
- Gratuity paid	(160,745)	-
Net cash flow from/(used in) from Operating Activities	278,854,682	(216,771,458)
B. Cash flow from Investing Activities		
Other interest received	36,751,876	40,910,823
Dividend Income	1,000,000	750,000
Rental Income	2,358,065	-
Purchase of fixed assets	(53,525,971)	(18,741,248)
Sale of Fixed Assets	935,500	695,650
Investment in subsidiary	(1,000,000)	-
Sale/(Purchase) of investments in other companies	3,157,890	47,887,013
Change in other bank balances	50,862,799	57,241,999
Movement in long term loans & advances	4,984,900	(470,000)
Net cash flow from/(used in) Investing Activities	45,525,059	128,274,237

C. Cash flow from Financing Activities

Finance costs paid	(187,611,491)	(172,402,841)
Dividend & dividend distribution tax paid	(11,305,482)	(11,441,046)
Money borrowed/(repaid) from related parties	79,734	(2,063,715)
Money borrowed/(repaid) from others	(18,407,772)	246,759,327
Net cash flow from/(used in) Financing Activities	(217,245,011)	60,851,726
Net increase/(decrease) in Cash and Cash Equivalents	107,134,729	(27,645,496)
Opening Cash and Cash Equivalents	20,417,180	48,062,676
Add- Recd on acq of subsidiary	973,427	-
Closing Cash and Cash Equivalents	128,525,337	20,417,180

In terms of our report of even date

For Gupta Shyam & Co.

Chartered Accountants

FRN : 103450W

For and on behalf of Board of Directors

Sd/-

Kamal Poddar

Managing Director
(DIN-01518700)

Sd/-

Ajay Kejriwal

Director
(DIN-03051841)

Sd/-

Shyamsunder Gupta

Proprietor

Mem. No. : 038484

Mumbai: 30th May,2016

Sd/-

Manoj Singhania

Chief Financial Officer

Mumbai: 30th May,2016

Sd/-

Mahavir Toshniwal

Company Secretary

Mumbai: 30th May,2016

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

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 guidelines issued by the SEBI. 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.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

- 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, 2016.
- the subsidiary considered in the consolidated financial statements are as follows:

Name of the Entity	Country	Ownership as on	
		31.03.2016	31.03.2015
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 Consultancy 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%
Choice E-Commerce Private Limited	India	100.00%	-
Choice Peers International Pvt. Ltd.	India	100.00%	-

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

Name of the Entity	Country	Ownership as on	
		31.03.2016	31.03.2015
Aqua Pumps Infra Ventures Limited	India	39.35%	39.35%

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.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

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:-

- Revenue and cost are generally accounted on accrual basis as they are earned/incurred, except in case significant uncertainties.
- Brokerage income from dealing in shares & securities is recognised on the day of settlement of the transaction.
- Fees for services 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.
- Interest and other income is accounted on accrual basis.
- Profit/loss on sale of investments are recognised on the day of confirmation of transaction.
- Revenue figures excludes tax component.
- Dividend is accounted when the right to receive payment is established.
- Profit/loss from dealing in shares & securities are recognised on the day of settlement of transaction.

Accompanying notes to the consolidated financial statements as at March 31, 2016

(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.

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**a) Short term 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.

b) Post Employment benefits:**i) Defined Contribution Plan:**

The company has Defined contribution plan for Post employment benefits in the form of Provident Fund for eligible employees. The contribution paid/payable under Provident Fund Scheme is recognised as expenditure in the period in which the employee renders the related service.

ii) Defined benefit Plans:

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.

Accompanying notes to the consolidated financial statements as at March 31, 2016

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**

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.

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.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

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.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
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2 SHARE CAPITAL

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

Authorised Capital 20,100,000 (PY 10,100,000) Equity Shares of ₹10/- each	201,000,000	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	887,600 8.87%	637,600 6.37%
Vinita Sunil Patodia	Promoter	1,278,927 12.78%	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%
Mansavi Consultancy Pvt Ltd		771,530 7.71%	- -

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
3 RESERVES AND SURPLUS		
<u>Statutory reserve -</u>		
Opening Balance	21,960,000	19,100,000
Add : transferred from statement of profit & loss	3,321,000	2,860,000
Closing Balance	25,281,000	21,960,000
<u>General reserve -</u>		
Opening Balance	952,000	952,000
Add : transferred from statement of profit & loss	-	-
Closing Balance	952,000	952,000
<u>Capital reserve -</u>		
Opening Balance	869,500	869,500
Add : transferred from statement of profit & loss	-	-
Closing Balance	869,500	869,500
<u>Securities premium reserve -</u>		
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
<u>Surplus in statement of profit & loss -</u>		
Opening Balance	140,897,481	98,080,585
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	42,973,654	51,005,887
Less : transfer to statutory reserve	3,321,000	2,860,000
Less : dividend distribution tax on proposed dividend	2,048,491	2,048,491
Less : proposed dividend	10,004,800	10,004,800
Closing Balance	168,496,844	140,897,481
	534,816,644	503,896,281

* 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 CY -Nil (PY- ₹ 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.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
4 LONG TERM BORROWINGS		
<u>Secured loans</u>		
Debentures*		
735 (PY- 510) Index linked non convertible, reedemable debentures of Rs. 100,000 each	73,500,000	51,000,000
Term loan from bank**	103,735,946	115,987,211
Less : current portion of long term borrowings	(39,884,439)	(38,854,617)
	63,851,507	77,132,595
Term loan from financial institution**	-	1,512,477
Less : current portion of long term borrowings	-	(1,180,996)
	-	331,481
	137,351,507	128,464,075

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

**The outstanding amount of Term loan of Rs. 38996081/-(PY 74491201) 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 CY- Nil (PY-Rs.554418/-)was taken from HDFC Bank Limited and is secured by way of first charge on Vehicle at Mumbai.

**The outstanding amount loan of Rs.3851642/- (PY-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 CY- Nil (PY- Rs.351260/-)was taken from HDFC Bank Limited and is secured by way of first charge on Vehicle at Mumbai.

**The outstanding amount loan of Rs.34338611/- (PY- 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 ₹2883691/-(PY- Nil) was taken from ICICI Bank and is secured by way of first charge on Vehicle at Mumbai. The loan is repayable in monthly principal instalments and interest, ending in February ,2021.

**The outstanding amount of loan of ₹23665921/-(PY -Nil) was taken from ICICI Bank and is secured by way of first charge on Office Premises at Delhi. The loan is repayable in monthly principal instalments and interest, ending in May ,2030.

***The outstanding amount of loan of CY- Nil (PY-Rs. 1177099/-) was taken from BMW Financial Services and is secured by way of first charge on Vehicle at Mumbai.

***The outstanding amount of loan of CY- Nil (PY- Rs. 335379/-) was taken from Volkaswagen Finance and is secured by way of first charge on Vehicle at Mumbai.

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
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	31,783,539	27,932,302
Deferred tax asset -		
Provision for employee benefit expenses	(1,194,792)	(718,020)
	30,588,746	27,214,282
6 OTHER LONG TERM LIABILITIES		
Other Long Term Liabilities	2,357,667	10,020,679
	2,357,667	10,020,679
7 LONG-TERM PROVISIONS		
Provision for employee benefit expenses	3,749,359	2,237,347
	3,749,359	2,237,347
8 SHORT TERM BORROWINGS		
Secured loans		
Loans taken from institutions*	513,165,289	320,845,784
Bank Overdraft/CC **	486,283,704	721,602,334
Unsecured loans		
Loans taken from others	15,703,921	-
Loans taken from related parties***	79,734	-
	1,015,232,648	1,042,448,118

*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.30(j)(ii) "Related Party Transactions".

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
9 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	21,105	43,366
Due to Others	411,973,791	366,239,730
	411,994,896	366,283,096
10 OTHER CURRENT LIABILITIES		
Current portion of long term borrowings	39,884,439	40,035,613
Interest accrued & due on borrowings	424,000	836,692
Advances from customers	-	11,105,156
Other liabilities & statutory dues	14,904,339	13,480,737
Payable to staff	7,562,969	6,273,694
Margin money deposit	1,750,000	1,250,000
	64,525,746	72,981,892
11 SHORT TERM PROVISIONS		
Provision for tax (net of taxes paid)	5,811,506	43,622
Proposed dividend	10,004,800	10,004,800
Provision for dividend distribution tax	2,048,491	2,048,491
Provision for expenses	51,087	6,084,587
Provision on standard loan assets	302,156	288,723
Provision for employee benefit expenses	117,277	86,343
	18,335,317	18,556,566

12 FIXED ASSETS

Description	Gross Block			Depreciation & Amortisation			Net Block	
	As at April 1, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Charged For the year	As at March 31, 2016	As at March 31, 2015
(i) Tangible Assets:								
Freehold Land	27,977,910	-	-	27,977,910	-	-	27,977,910	27,977,910
Building owned	255,394,993	26,984,744	-	282,379,737	16,846,776	4,401,578	261,131,383	238,548,217
Computer Hardwares	17,272,898	4,776,289	40,500	22,008,687	11,997,847	3,566,523	6,457,557	5,275,051
Server & Network	3,563,509	2,774,141	21,674	6,315,976	1,659,397	972,418	2,630,147	1,904,112
Furniture & Fixtures	15,894,776	703,920	-	16,598,696	4,124,802	1,721,352	5,846,154	11,769,974
Motor Car	15,764,445	9,634,471	3,265,433	22,133,483	2,382,710	1,998,877	3,545,224	13,381,735
Motor Cycle	80,000	-	-	80,000	16,804	7,600	24,404	63,196
Office Equipments	7,858,135	2,932,565	26,300	10,764,400	3,187,379	2,585,741	4,993,779	4,670,756
Total	343,806,666	47,806,130	3,353,907	388,258,889	40,215,715	15,254,089	54,616,034	303,590,951
(ii) Intangible Assets:								
Goodwill on consolidation	-	295,266	-	295,266	-	-	-	-
Computer Softwares	33,336,681	2,041,751	-	35,378,432	21,696,521	5,456,967	27,153,488	11,640,160
Total	33,336,681	2,337,017	-	35,673,698	21,696,521	5,456,967	8,520,210	11,640,160
(iii) Intangible assets under development								
	377,143,347	53,900,264	3,353,907	427,689,704	61,912,236	20,711,056	81,769,522	315,231,111
Grand Total	377,143,347	53,900,264	3,353,907	427,689,704	61,912,236	20,711,056	81,769,522	315,231,111
Previous Year	361,492,151	18,741,248	3,090,052	377,143,347	40,433,449	22,745,376	61,912,236	321,058,702

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
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13 NON-CURRENT INVESTMENTS

(a) Other investments in quoted equity shares fully paid-up

Associate company -

5,952,850 (PY - 5,952,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited

173,133,454 171,478,484

Other company -

1,000,000 (PY - 1,000,000) shares of ₹10/- each of The Byke Hospitality Limited

50,096,906 50,096,906

Nil (PY - 457,510) shares of ₹10/- each of Shekhawati Poly-Yarn Limited

- 1,372,530

58,075 (PY - 62,516) shares of ₹10/- each of Lawreshwar Polymers Limited

191,610 505,277

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

Nil (PY - 4000) shares of ₹100/- each

- 400,000

223,427,710 223,858,937

- -

223,427,710 223,858,937

Less : Provision for diminution in the value of investments

(b) Aggregate book value of -

Quoted fully paid-up investments

199,018,431 223,458,937

Aggregate market value of -

Quoted fully paid-up investments

222,849,484 280,445,686

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
14 LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Security deposits	29,667,001	31,454,911
Deposit with co-op credit society	1,500,000	4,200,000
Other deposit	1,912,008	2,258,998
Loans & advances to others	705,000	855,000
	33,784,009	38,768,909
15 OTHER NON-CURRENT ASSETS		
MAT credit entitlement	9,393,860	9,114,860
Interest accrued on deposit	48,997	2,434,959
	9,442,857	11,549,819
16 INVENTORIES		
Stock-in-trade		
Shares & securities*	78,063,056	107,758,870
(valued at cost or net realised value, whichever is lower, on cumulative basis)	78,063,056	107,758,870
*Market value - ₹95,245,552/- (PY - ₹114,682,918/-)		
17 TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months	6,266,761	14,811,988
Others	863,696,228	955,576,010
	869,962,988	970,387,998

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
18 CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Cash on Hand	203,423	217,709
Cheques in hand	102,930,468	-
Bank Balances -		
In current accounts	25,391,445	19,049,471
Other Bank Balances		
Term deposits	1,593,638	1,150,000
Term deposits held against bank guarantees	320,984,476	373,931,743
In earmarked accounts	1,053,894	563,064
	452,157,345	394,911,988
19 SHORT-TERM LOANS AND ADVANCES		
Secured, considered good		
Loans given to others*	69,820,347	44,675,890
Unsecured, considered good		
Loans given to related parties**	2,775,562	-
Capital Advances	-	1,540,370
Advances to employees	1,609,635	491,439
Balance with statutory/revenue authorities	43,113,365	33,689,629
Loans & Advances to others	38,777,560	89,675,388
Prepaid expenses	7,400,065	11,013,956
Margin deposit	120,158,000	3,080,000
Security Deposit	1,535,320	310,000
	285,189,854	184,476,673
* The amount of loans of ₹69,820,347/- (₹ 56,51,4087/-) given to others are secured against security of shares & the amount of ₹-Nil (₹.5,17,8570/-) is secured against immovale property.		
**The loans given to related parties are detailed separately under the Note No.30(j)(ii) of "Related Party Transactions".		
20 OTHER CURRENT ASSETS		
Margin - Index futures	4,970,043	4,083,225
Less : provision for loss	-	(151,680)
Accrued interests on deposits	8,643,270	14,178,577
Accrued interests on margin deposits	10,187	11,076
MAT Credit Entitlement	416,680	72,485
Other Current assets	7,012,350	7,012,350
	21,052,530	25,206,034

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
21 REVENUE FROM OPERATIONS		
Sale of shares & securities	946,064,895	80,638,998
Derivative Profit	-	8,822,959
Interest income	26,595,815	27,727,329
Income from lease and support services	22,345,000	17,240,627
Brokerage income	233,625,397	200,400,688
Professional fees	587,332,303	206,490,299
Other operating revenues	26,265,783	25,676,262
	1,842,229,194	566,997,162
22 OTHER INCOME		
Dividend Income	1,000,000	750,000
Rent Income	2,358,065	-
Interest on deposits	29,487,932	39,334,574
Misc. income	21,191	18,012
Profit on sale of investment	1,597,829	11,842,543
	34,465,018	51,945,129
23 OPERATING EXPENSES		
Professional Service charges	407,731,780	76,409,671
Computer & software expenses	3,938,707	2,936,653
Membership & subscription fees	4,749,426	1,613,611
Sub-brokerage / Referral fees	29,228,393	52,691,472
Leaseline expenses	2,015,710	1,578,669
Other operating expenses	2,105,200	1,485,612
	449,769,216	136,715,688
24 PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	867,332,115	129,559,086
	867,332,115	129,559,086
25 CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	107,758,870	45,537,233
Less : At the end of the period	78,063,056	107,758,870
	29,695,814	(62,221,637)

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

Particulars	(Amount in ₹)	
	As at 31-Mar-16	As at 31-Mar-15
26. EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	174,480,459	119,837,899
Director's remuneration & Perquisites	4,200,000	4,200,000
Staff welfare expenses	260,088	415,768
Contribution to provident fund & charges	386,727	-
Gratuity	1,804,342	567,983
	181,131,616	125,021,650
27. FINANCE COST		
Interest on bank borrowings	107,787,389	111,359,203
Interest on institution borrowings	57,769,713	39,261,359
Other borrowing costs	21,641,698	21,423,601
	187,198,799	172,044,163
28. OTHER EXPENSES		
Bank charges	244,157	358,480
Bad Debts	1,307,201	1,161,824
Balance written off	658,214	-
Business promotion expenses	1,616,596	779,570
Director sitting fees	610,000	600,000
Donation	1,214,500	78,560
Electricity Charges	3,796,462	2,978,018
Communication expenses	3,604,422	1,683,493
Computer maintenance expenses	1,293,505	960,357
Conference & meeting expenses	1,382,085	702
CSR expenses	-	119,471
Insurance charges	70,148	73,681
Legal and professional	18,162,140	3,977,622
Loss on sale of fixed assets	1,564,637	187,967
Loss on sale of Investments	526,137	-
Marketing & advertisement expenses	12,756,210	6,912,594
Subscription Charges	182,700	-
Payment to auditors -		
Statutory audit fees	314,200	330,000
Tax audit fees	155,000	100,000
Limited review Fees	70,000	70,000
Other certification fees	53,031	37,000
Printing and stationery	2,524,541	1,855,784
Provision on standard loan assets	13,433	(135,481)
Rent including lease rentals	2,816,416	1,121,196
Repairs & maintenance	1,985,446	1,396,367
Rates & taxes	2,582,398	1,943,026
Sundry expenses	3,162,713	1,010,000
Traveling & Conveyance expenses	8,338,383	3,963,183
Vehicle expenses	1,581,973	554,976
Warehousing Expenses	173,707	-
Water charges	291,587	218,205
	73,051,940	32,336,594

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

(Amount in ₹)

Particulars	As at 31-Mar-16	As at 31-Mar-15
29 EARNINGS PER EQUITY SHARE		
Profit/(Loss) attributable to equity shareholders	41,318,684	46,983,043
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	4.13	4.70
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	41,318,684	46,983,043
Weighted average number of equity share after considering Potential	10,004,800	10,004,800
Diluted Earnings per Share	4.13	4.70

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2016

NOTE 30 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

A Statutory reserve :

The management has created a statutory reserve of ₹ 3,321,000/- (PY ₹2,860,000/-) 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 Company	Cost of Acquisition	Goodwill included in cost of Acquisition	Share in Profit of Associates	Carrying Amount of Investment
Aqua Pumps Infra Ventures Ltd.	171,478,484	42,646,980	1,654,969	173,133,454

F Expenditure in Foreign Currency

Particulars	As on 31.03.2016	As on 31.03.2015
Foreign Travelling	521,224	-
Meeting & Seminar Expenses	233,025	-
Total	754,249	-

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

H Employee benefit plans :

The Company has classified the various benefits provided to employees as under:

1. Defined Contribution Plan

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

Particulars	As on 31.03.2016	As on 31.03.2015
Employers' Contribution to Provident Fund	386,727	-
Total	386,727	-

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 31.03.2016	As on 31.03.2015
Components of employer expense		
Current service cost	1,228,923	685,265
Interest on obligation	180,161	156,763
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Prior year charge	-	-
Actuarial losses/(gains)	395,258	(274,043)
Total expense recognised in the Statement of Profit & Loss	1,804,342	567,985

Net asset / (liability) recognised in the Balance Sheet	As on 31.03.2016	As on 31.03.2015
Present value of defined benefit obligation	3,701,230	2,323,691
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	3,701,230	2,323,691

Change in fair value of defined benefits obligation representing reconciliation of the the opening and closing balances thereof are as follows:	As on 31.03.2016	As on 31.03.2015
Opening fair value of defined benefit obligation	2,323,692	1,757,322
Net Transfer OUT Obligation	(112,900)	(1,615)
Service cost	1,236,979	685,265
Interest cost	180,161	156,763
Actuarial (gain) / loss	399,451	(274,043)
Prior year charge	-	-
Benefits paid	(160,745)	-
Closing defined benefit obligation	3,866,638	2,323,692

Experience Adjustments	As at March 31,			
	2016	2015	2014	2013
Experience adjustments on plan liabilities	10,034	(270,765)	271,784	-
Acturial loss/(gain) due to change in demographic assumptions	-	-	-	-
Acturial loss/(gain) due to change in financial assumptions	111,740	274,399	(277,680)	(103,307)
Experience adjustments on plan assets	-	-	-	-
Net Acturial loss/(gain) for the year	121,774	3,634	(5,896)	(103,307)

Actuarial assumptions	As on 31.03.2016	As on 31.03.2015
Discount rate	8.00%	7.90%
Salary escalation	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

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

Accompanying notes to the consolidated financial statements as at March 31, 2016

I 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, Consulting & Outsourcing services and E-Commerce 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 (Enterprise)
	Business segments					Total (Segments)	
	NBFC & Other services	Broking & Distribution	Investment Banking	Consulting & Outsourcing	E-Commerce		
Segment Revenue							
Sales / Income	778,552,165 (86,523,503)	506,246,856 (301,245,206)	69,661,396 (123,462,032)	517,670,907 (83,028,267)	- -	1,872,131,324 (594,259,008)	
Less: Inter-segment Sales / Income	29,805,000 (27,233,200)	97,130 (28,646)	- -	- -	- -	29,902,130 (27,261,846)	
Total Revenue External	748,747,165 (59,290,303)	506,149,725 (301,216,561)	69,661,396 (123,462,032)	517,670,907 (83,028,267)	- -	1,842,229,194 (566,997,162)	
Total revenue of each segment as a percentage of total revenue of all segments	40.64% (10.46%)	27.47% (53.12%)	3.78% (21.77%)	28.10% (14.64%)	0.00% -		
Segment Result: Profit / (Loss) before interest and	22,574,188 (14,630,704)	37,103,666 (44,632,788)	10,604,740 (18,704,618)	41,616,222 (10,865,726)	(11,988,013) -	99,910,803 (88,833,836)	99,910,803 (88,833,836)
Less: Unallocable expenses (net)							32,107,147 (26,092,466)
Profit before tax							67,803,655 (62,741,369)
Less: Tax expense							26,484,971 (15,758,328)
Net profit after tax							41,318,685 (46,983,042)
Share of Profit in Associates							1,654,969 (4,022,844)
Net Profit for the Year							42,973,654 (51,005,886)

* Previous year figures are in brackets

J Related Party Disclosure :

(i) Details of Related Parties -

Description of Relationship	Names of Related Parties
a. Associate Companies	Aqua Pumps Infra Ventures Limited (APIVL) Choice Realty Pvt. Ltd. (Subsidiary of APIVL)
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)
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. Wheresmypandit.com Pvt. Ltd. M/s. Shree Shakambhari Exim Anil Patodia HUF Sunil Patodia HUF Arun Poddar HUF Kamal Poddar HUF

(ii) Details of Related Party transactions during the year ended March 31, 2016

(Amount in ₹)

Particulars	Associates	KMP and their relatives	Enterprises over which (b) & (c) are able to exercise significant influence	Total
Loans given to	-	-	2,785,247	2,785,247
	-	-	-	-
Loan repayment recd from	-	-	9,685	9,685
	-	-	-	-
Loans taken from	-	3,900,000	-	3,900,000
	(174,100)	(2,350,000)	-	(2,524,100)
Loan repaid	-	3,820,266	-	3,820,266
	(1,865,870)	(2,350,000)	-	(4,215,870)
Revenue from operations	8,400,000	-	13,945,000	22,345,000
	(5,700,000)	-	(11,520,000)	(5,820,000)
Director Remmuneration	-	4,200,000	-	4,200,000
	-	(4,200,000)	-	(4,200,000)
Salary & Perquisites	-	1,759,572	-	1,759,572
	-	(265,509)	-	(265,509)
<u>Balances outstanding at the end of the year</u>				
Short term loans & advances	-	-	2,775,562	2,775,562
	-	-	-	-
Trade receivables	-	-	6,929,028	6,929,028
	-	-	(280,900)	(280,900)
Advance from trade receivables	-	-	-	-
	-	-	(1,770,211)	(1,770,211)
Payable for staff salaries	-	140,576	-	140,576
	-	-	-	-
Short term borrowings	-	79,734	-	79,734
	-	-	-	-

* 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: 30th May, 2016

For and on behalf of Board of Directors

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

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 30th May, 2016

Sd/-
Ajay Kejriwal
Director
(DIN-03051841)

Sd/-
Mahavir Toshniwal
Company Secretary
Mumbai 30th May, 2016



AGM Notice -2015-16



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

Email Id: info@choiceindia.com; CIN No: L67190MH1993PLC071117

Web: www.choiceindia.com

Notice is hereby given that 23rd Annual General Meeting (AGM) of the members of Choice International Limited will be held on Tuesday, September 20, 2016 at 11:30 A.M. at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400099 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon.

2. To declare a final dividend of Rs. 1/- per equity share for the Financial Year 2015-16.

3. To appoint a Director in place of Mrs. Hemlata Poddar (DIN No: 02931322), who retires by rotation and, being eligible, offers herself for re-appointment.

4. To appoint Statutory Auditors and to fix their remuneration and in this regard,

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Gupta Shyam & Co. Chartered Accountants, (Registration Number 103450W) of Mumbai, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company to be held in the year 2017 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017, as may be determined by the Audit Committee in Consultation with the Auditors.”

SPECIAL BUSINESS

5. To appoint Mr. Raghuvir Shrivastava (DIN No: 01199531) as an Independent Director.

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013,

the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force),

Mr. Raghuvir Shrivastava (DIN 01199531), who was appointed as an Additional Independent Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company, by the Board of Directors with effect from July 14, 2016, and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a term of 5 (five) consecutive years commencing from July 14, 2016”.

6. To appoint Mr. Kanhaiyalal Berwal (DIN No: 07535424) as an Independent Director.

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Kanhaiyalal Berwal (DIN 07535424), who was appointed as an Additional Independent Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company, by the Board of Directors with effect from July 14, 2016, and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a term of 5 (five) consecutive years commencing from July 14, 2016”.

7. To appoint Mr. Lalit Menghnani (DIN No: 06614582) as an Independent Director.

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Lalit Menghnani (DIN 06614582), who was appointed as an Additional Independent Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company, by the Board of Directors with effect from July 14, 2016, and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a term of 5 (five) consecutive years commencing from July 14, 2016”.

8. To appoint Mr. L.N Nathuramka (DIN No: 07535408) as an Independent Director.

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), Mr. L.N. Nathuramka(DIN 07535408), who was appointed as an Additional Independent Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company, by the Board of Directors with effect from July 14, 2016, and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a term of 5 (five) consecutive years commencing from July 14, 2016”.

9. To appoint Mr. A.K. Thakur (DIN No: 07573726) as an Independent Director.

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), Mr. A.K. Thakur (DIN 07573726), who was appointed as an Additional Independent Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company, by the Board of Directors with effect from July 14, 2016, and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a term of 5 (five) consecutive years commencing from July 14, 2016”.

10. To reappoint Mr. Kamal Poddar (DIN No: 01518700) as Managing Director 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 recommendation of the Nomination & Remuneration Committee and approval of the Board, and pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof), read with Section II , Part II of Schedule V,

consent of the Members of the Company be and is hereby accorded to the reappointment of Mr. Kamal Poddar (DIN:01518700) as Managing Director of the Company for a period of 3 years with effect from November 1, 2016 to 31st October, 2019 on the terms and conditions as specified in the Explanatory Statement annexed to this notice and on the remuneration not exceeding amount of Rs. 42,00,000/-p.a. including perquisites/ Benefits limited to Rs. 2,31,000/- p.a. (hereinafter referred to as “remuneration”), with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall deemed to include any Committee of the Board constituted to exercise its powers including the powers conferred by this resolution) to alter and vary the terms and conditions of the said reappointment and/or remuneration.

RESOLVED FURTHER THAT the Managing Director shall be entitled to reimbursement of all expenses incurred for the purpose of the business of the Company and shall not be entitled to any sitting fees for attending meeting of the Board of Director’s and Committee (s) thereof

RESOLVED FURTHER THAT the above mentioned remuneration will be considered as minimum remuneration payable to Mr. Kamal Poddar, even in the absence of or inadequacy of profits in any Financial Year, for the entire tenure or such period as may be approved by the Shareholders of the Company and / or Central Government, if required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings, as in its absolute discretion, it may consider, necessary, expedient or desirable in order to give effect to this resolution. ”

Place : Mumbai

By Order of the Board of Directors

Date : July 14, 2016

**Sd/-
(Karishma Shah)
Company Secretary**

**Registered Office:
Choice House, Shree Shakambhari Corporate Park,
Plot No., 156-158, J.B. Nagar,
Andheri (East),
Mumbai - 400099
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 13, 2016 to September 20, 2016(both days inclusive).

6. Transfer of Unclaimed/ Unpaid dividends to the Investor Education and Protection Fund (IEPF)

Pursuant to Section 205 A (5), 205 C and other applicable provisions , if any, of the Companies Act, 1956 , any money transferred to Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government and the Shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company thereafter.

Members who have not yet encashed their dividend warrant(s) for the FY 2008-2009 onwards are requested to make their claims to the Company.

7. 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 12 , 2016.

(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 12, 2016. 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.

8. 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.

9. 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.

10. Members are requested to notify change in address, if any, immediately to Sharex Dynamic (India) Pvt. Ltd. quoting their folio numbers.

11. 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.

12. 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.

13. 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.

14. 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.

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 Listing Regulations, 2015 , 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’ 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 23rd 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 17, 2016 at 9.00 A.M. and ends on September 19, 2016 at 5.00 P.M. 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 12, 2016, 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	
For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN fieldIn case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two character of the name in Capital letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
	of 0's before the number after the first two character of the name in Capital letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	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 OR Date	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both 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 12, 2016.
- (iii) M/S R.M.Mimani & Associates LLP, Company, 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 a 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 alongwith the Scrutinizer’s Report shall be placed on the Company’s website 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 Notice 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 18, 2016 (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 Section 102 of the Companies Act, 2013)

The following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5, 6, 7, 8 & 9

Mr. Raghuvir Shrivastava (DIN 01199531), Mr. Kanhaiyalal Berwal (DIN 07535424), Mr. Lalit Menghnani (DIN 06614582), Mr. L.N. Nathuramka (DIN 07535408), Mr. A.K. Thakur (DIN 07573726) were appointed as an Additional Independent Directors of the Company with effect from July 14, 2016 to hold office upto the date of this Annual General Meeting of the Company pursuant to Section 161 of the Companies Act, 2013 (the “Act”).

The Company has received a notice in writing from members along with the deposit of requisite amount as required under Section 160 of the Act proposing their candidature for the office of Independent Director of the Company. Mr. Raghuvir Shrivastava, Mr. Kanhaiyalal Berwal, Mr. Lalit Meghnani, Mr. L.N. Nathuramka & Mr. A.K. Thakur have given a declaration to the Board of Directors of the Company that they met the criteria of Independence as required under Section 149 of the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Mr. Raghuvir Shrivastava, Mr. Kanhaiyalal Berwal, Mr. Lalit Meghnani, Mr. L.N. Nathuramka & Mr. A.K. Thakur are not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Pursuant to the provisions of Section 149 and other applicable provisions of the Act with respect to appointment and tenure of the Independent Directors, an Independent Director shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation.

On the recommendation of Nomination and Remuneration Committee, the Board agrees that, Mr. Raghuvir Shrivastava, Mr. Kanhaiyalal Berwal, Mr. Lalit Meghnani, Mr. L.N. Nathuramka & Mr. A.K. Thakur fulfils the conditions specified in the Act, rules made thereunder and the Listing Regulations for his appointment as an Independent Director for a term upto five consecutive years.

Save and except Mr. Raghuvir Shrivastava, Mr. Kanhaiyalal Berwal, Mr. Lalit Meghnani, Mr. L.N. Nathuramka & Mr. A.K. Thakur being appointees and his relatives, to the extent of their shareholding, if any, in the Company, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No 5, 6, 7, 8 & 9 of the Notice.

Item No. 10

The term of Mr Kamal Poddar (holding DIN: 01518700) as Managing Director of the Company shall end on October 31, 2016. Considering his vast experience in the business operations of Non-Banking Financial activities and other relevant areas the Board of Directors of the Company, on the recommendation of the Nomination & Remuneration Committee, at their meeting held on July 14, 2016 has re-appointed Mr Kamal Poddar as Managing Director for a period of 3 years w.e.f. November 1, 2016 subject to the approval of the Members in the Annual General Meeting.

The re- appointment will be made in terms of Article of Association of the Company. The terms of the proposed appointment & remuneration are in conformity with the provisions of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013. His outstanding exposure in the business field of the Company will be beneficial for the future growth of the Company.

The approval of members is being sought for re-aapointment of Mr Kamal Poddar as Managing Director of the Company for a further period of 3 Years, with effect from November 1, 2016 on the terms and conditions as mentioned below:

The Remuneration and other terms as approved by the Board are as follows:

a	Period	3 Years with effect from November 1, 2016
b	Salary	39,69,000/- P.A
c	Commission	-
d	Medical Expenditure	-
e	Leave Travel Assistance	2,31,000/- P.A
f	Personal Accident Insurance	-
g	Company's contribution to provident Fund	-
h	Company's Contribution to pension/ superannuation Fund	-
i	Gratuity	-
j	Encashment of leave	-
k	Company's Car	-
l	Telephone, cell phone, fax, computer system with internet facilities and other communication equipment at residence	-
m	Leave	-

A statement containing information required to be provided to the shareholders as per the provision of Schedule V of Companies Act, 2013 in respect of re-appointment of Mr Kamal Poddar is given below:

STATEMENT AS PER PART II SECTION II OF SCHEDULE V

Sr.No	Particulars	Comments	
	General Information		
1	Nature of Industry	Non Banking Financial Company The Company Choice International Limited is a Non Banking Financial Company established in the year 1993 is an integrated financial service provider firm, founded with a vision to create new bench marks in financial service industry. The Company through it's Subsidiaries offers Broking & Distribution, Investment Banking Management Consultancy & E – Commerce Services	
2	Date or expected date of Commencement of Commercial production	Not Applicable	
3	In case of new companies, expected date of commencement of activities as per project approved by Financial Institution appearing in the prospectus	Not Applicable	
4	Financial Performance based on given indicators	Financial Year 2015- 16 (Amount in ₹)	Financial Year 2014- 15 (Amount in ₹)
	Total Income	77,85,54,361	8,65,58,697
	Profit/ (Loss) before tax	2,01,74,911	1,57,42,792
	Net Profit after taxation	1,66,04,414	1,42,68,970
5	Export performance and net foreign exchange eared	---	
6	Foreign Investments or Collaborators , if any	---	
Information about Appointee			
1	Information about appointee	Mr. Kamal Poddar is a Fellow Member of the Institute of Chartered Accountant of India. He is a visionary and is currently working on the vision of creating our country's first National level financial services hub. His vision has resulted in to rapid and multifold growth of Choice Group. Under his leadership, Choice has grown significantly and today, choice is one of the few financial services firm having the fastest growing customer base.	

Information about Appointee		
2	Past Remuneration	Rs. 42,00,000/- P.A
3	Job Profile and his suitability	Mr. Kamal Poddar being the Managing Director & Promoter of the Company, the overall responsibility of the Company's working lies on his shoulder.
4	Remuneration Proposed	As detailed above
5	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The proposed remuneration is commensurate with size and nature of business of the Company and the huge responsibility the appointee who is also the promoter of the company are carrying. The remuneration do differ from Company to Company in the industry depending on the respective operations.
6	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	The appointee is the Promoter & Managing Director of the Company.

Other Information				
1	Reasons of loss or Inadequate Profit	The Main Business activities are conducted in the subsidiary Company's , thus the revenue generated in the holding company is inadequate.		
2	Steps taken or proposed to be taken for improvement	The Company is in the process of increasing the number of its Business Segments.		
3	Expected increase in productivity in profits in measurability terms	(Amount in ₹) (Consolidated)		
		Financial Year	Expected Turnover	Net Profit (Loss) after Tax
		2016-17	200 Cr	9 Cr
		2017-18	250 Cr	12 Cr
		2018-19	300 Cr	15 Cr

Except Mr Kamal Poddar and Mrs. Hemlata Poddar, none of other the Directors or Key Managerial Personnel of the Company or their relatives, financially or otherwise, is in any way concerned or interested in the aforesaid Special Resolution.

The Board recommends the resolution set forth in item no.10 for the approval of the Members

Details of Directors seeking appointment/ re appointment at the Annual General Meeting scheduled to be held on September 20, 2016 (Pursuant to Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015.

Name of the Director	Raghuvveer Shrivastava (Appointment)	Kanhaiya Lal Berwal (Appointment)	Lalit Menghnani (Appointment)	Laxmi Narain Nathuramka (Appointment)	Ashok Kumar Thakur (Appointment)	Hemlata Kamal Poddar (Reappointment)
Date of Birth	January 15, 1956	October 02, 1954	May 07, 1959	February 04, 1929	August 10, 1954	March 08, 1982
Age						
Date of Appointment	September 20, 2016	September 20, 2016	September 20, 2016	September 20, 2016	September 20, 2016	September 20, 2016
Relationship with Directors & Key Managerial Personnel	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Non – Executive Director
Expertise in specific Functional area	Economics & Finance	Finance	Technology & Management	Economics & Management	Finance & Banking	Management Practices
Qualification	P.G. in Economics	M.Com (A.B.St.)	ME(Hons) GeoTech. Engg., B.E. (Hons) Civil Engg.	Gold Medalist in M.A. Economics	M.Com	Post Graduate degree in Political Science
Board Membership of other Listed Companies	NIL	NIL	1	NIL	NIL	NIL
Chairman/ Member of the Committee of the Board of Director	NIL	NIL	NIL	NIL	NIL	NIL

a) Audit Committee	NIL	NIL	NIL	NIL	NIL	NIL
b) Nomination & Remuneration Committee	NIL	NIL	NIL	NIL	NIL	NIL
c) Stakeholder Relationship Committee	NIL	NIL	NIL	NIL	NIL	NIL
No. of Shares held in the Company	NIL	NIL	NIL	NIL	NIL	2,00,000

Note:

1. Detailed profile of the above Director's are given as part of the Annual Report. The Directorship, Committee Memberships and Chairmanships does not include positions in foreign companies, unlisted companies and private companies, position as an advisory board member and position in companies under section 8 of the Companies Act, 2013.

2. The proposal for appointment/ re-appointment and revision in terms of remuneration of Directors has been approved by the Board pursuant to the recommendation of the Nomination & Remuneration Committee considering their skills, experience and knowledge and positive outcome of performance evaluation.

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (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 23rd Annual General Meeting of the company, to be held on Tuesday, September 20, 2016 at 11:30 AM 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			
01	To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon.		
02	To declare a final dividend of Rs. 1/- per equity share for the Financial Year 2015- 16.		
03	To appoint a Director in place of Mrs. Hemlata Poddar (DIN No: 02931322), who retires by rotation and, being eligible, offers herself for re-appointment.		
04	To appoint Statutory Auditors and to fix their remuneration		
SPECIAL BUSINESS			
05	To appoint Mr. Raghuvir Shrivastava (DIN No: 01199531) as an Independent Director.		
06	To appoint Mr. Kanhaiyalal Berwal (DIN No: 07535424) as an Independent Director		
07	To appoint Mr. Lalit Menghnani (DIN No: 06614582) as an Independent Director.		
08	To appoint Mr. L.N Nathuramka (DIN No: 0735408) as an Independent Director.		
09	To appoint Mr. A.K. Thakur (DIN No: 07573726) as an Independent Director.		
10	To reappoint Mr. Kamal Poddar as Managing Director of the Company		

Signed this _____ day of _____ 2016

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

Notes:

- 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.
- The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/ depository participant.
- A Proxy need not be a Member.
- 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.

CHOICE INTERNATIONAL LIMITED

Registered Office: 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

ATTENDANCE SLIP

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

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 23RD ANNUAL GENERAL MEETING of Choice International Limited at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400099 on Tuesday, September 20, 2016 at 11:30 AM

Signature(s) of the Member or Proxy _____

NOTES: 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: _____

(Signature of Member)



Choice House, Shree
Shakambhari Corporate
Park, Plot No. 156-158,
J B Nagar, Andheri(E),
Mumbai - 400099, India.

(T) +91-22-6707 9999
(F) +91-22-6707 9898
info@choiceindia.com
www.choiceindia.com