

REF: CIL/CC/BSE-19/2017-18

September 22, 2017

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

Sub: Submission of Annual Report under regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Ref: Scrip Code: 531358

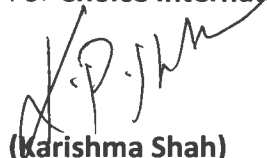
Dear Sir/Madam,

Pursuant to Regulation 34 of (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find enclosed herewith 24th Annual Report of Choice International Limited for the Financial Year 2016-17 duly approved and adopted by the shareholders at the 24th Annual General Meeting of the Company held on Monday, September 18th 2017 at 12:00 P.M. at Anchorage Hall, Hotel Suba International , 211, Chakala Sahar Road, Andheri East, Mumbai- 400099

Kindly take the same on your record.

Thanking You,
Yours truly,

For **Choice International Limited**



(Karishma Shah)

Company Secretary & Compliance Officer

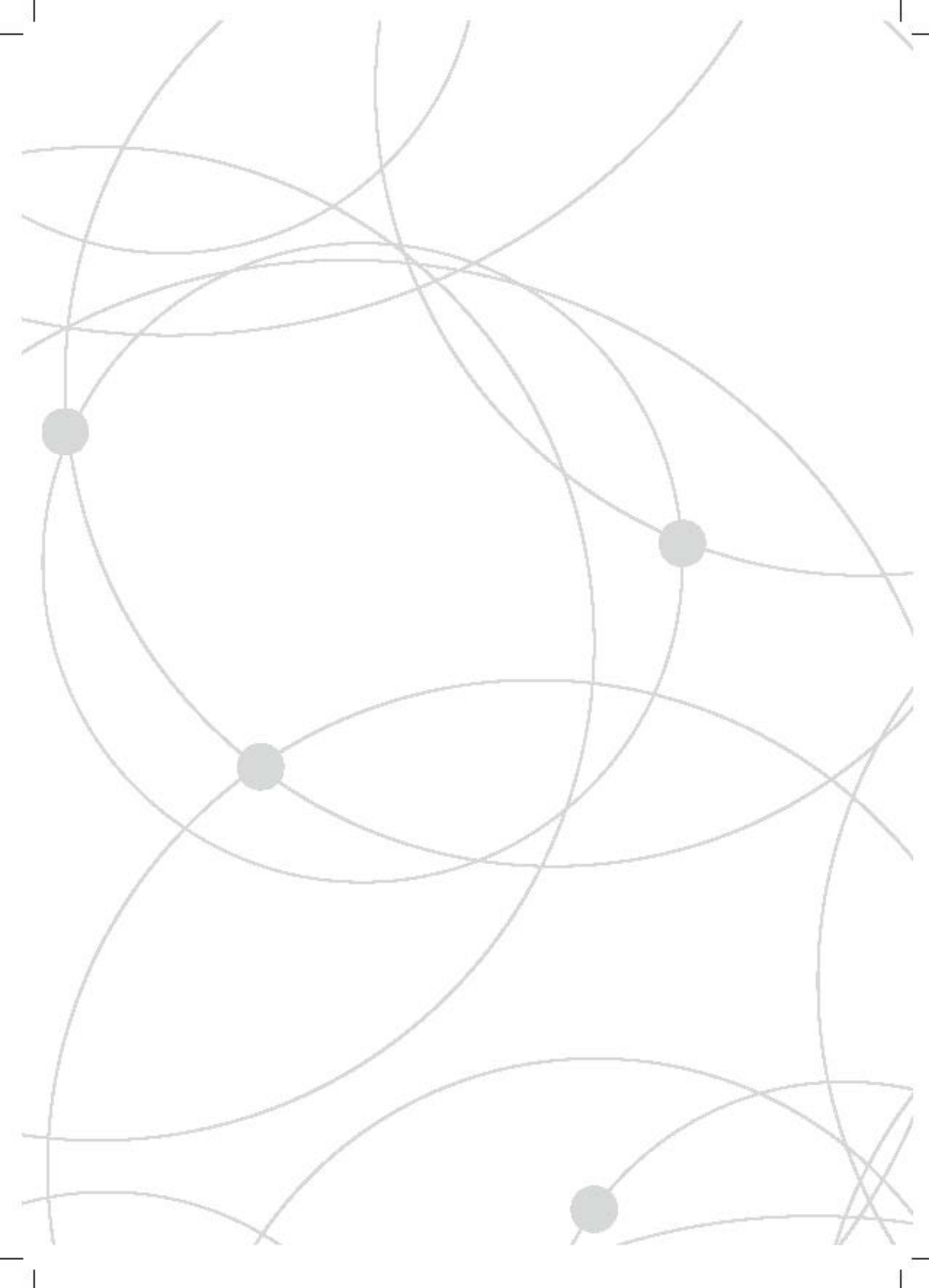


Choice International Limited

Choice House, Shree Shakambhari Corporate Park, Plot No 156-158, J.B. Nagar, Andheri (East), Mumbai – 400 099.
Tel.: +91-22- 6707 9999 **Email ID:** info@choiceindia.com **Website:** www.choiceindia.com **CIN No.** L67190MH1993PLC071117

ANNUAL REPORT 2017





**INVESTMENT
BANKING**

**BROKING &
DISTRIBUTION**



**MANAGEMENT
CONSULTING**

**E-COMMERCE &
TECHNICAL
SERVICES**



WELCOME TO ANNUAL REPORT 2017



II THE VISION OF BEING सर्वश्रेष्ठ II

Established in the year 1993, Choice International Limited is the financial hub, catering in a widespread financial segments viz. Investment Banking, Broking & Distribution, Management Consultancy, E-Commerce, IT Solution, Cross Boarder Consultancy, to its clients.

Your Company which began with a small foundation, went on to being one of the most proficient financial center of the Country and ventured to materialize the vision of being सर्वश्रेष्ठ by setting new yardsticks and holding the faith and conviction which you had shown in your Company.

The group derives its strength from the diversity of skills and strengths of the members of the Leadership Team. Our leadership has extensive experience in Indian financial markets. Average experience of our leadership team members is 27 years. Members have worked in key positions with prominent financial services firm for decades. Choice group 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.

We maintain 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 help our clients close a variety of strategic and financial transactions. Our team of seasoned professionals has extensive experience in a variety of disciplines.

Over the years, your Company has garnered such goodwill in the market that clients today lay their complete trust and confidentiality on us thus perpetuation the same we believe in our mantra-

“आप कीजिए कामयाबी की तैयारी.... बाकी हमारी जिम्मेदारी”

We believe in working in a socially responsible environment wherein client satisfaction and meticulous work are the chief ingredients required to craft the growth of our company in becoming one of the topmost Companies in the country and to further take a step forward in fulfilling the dream of being the unsurpassed.

Commitment, perseverance, teamwork and a far fetched vision are the four wheels which keep the vehicle of Choice moving forward to attain endless heights...and with this we cordially present the Annual Report of 2017.

conte

*Creating new
benchmarks in
service delivery*



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**“At Choice we
Nurture Financial
Excellence, without
compromising on our
ethical values”**

LETTER FROM MANAGING DIRECTOR

Dear Stakeholders,

It gives me immense pleasure to present the 24th Annual Report of your company with another year receding our journey of going Stronger & larger by each passing day.

The aim is to be India's one of the largest One Stop Financial Hub providing an array of Financial Services under one roof. The "Choice" group has the most comprehensive pool of Financial services & is one of its kind for instituting an extensive spread with its clients compared to its peer groups.

The company strongly believes in generating wealth for each of its clients and stakeholders, thus provides Financial services for Creating wealth for itself and its valued stakeholder.

The drive is to be the only "Choice" of the client for availing all the mottled Financial Services under one ridge. The objective is to be the most preferred Financial establishment providing high quality products and services to our clients, business partners and society.

The Financial Year 2016 - 17 was a distinctive year both for the Nation as well as our business, even in the changing dynamics of the law of the land & government policies, demonetization etc, your Company has managed to Book Increase in Consolidated Profits from Rs. 4,29,73,654/- in the year 2015-16 to Rs. 6,29,01,062/- in the Financial Year 2016-17.

The Core Business activities of the Company includes Broking & Distribution, Management Consultancy, Capital Advisory & E - Commerce - Technical Services, most of the verticals of the Company have come out with new Business Regime, Increase in Cliental & also offering investor friendly way of creating wealth, the detail working of each of

our Business vertical is explained in the Management Discussion & Analysis Report. We at Choice are building awareness and promoting benefits of financial planning and thus stimulating wealth creation for all its stakeholders.

At Choice we look forward to FY 2017-18 as a very vigorous year ahead. We shall remain committed to delivering value for our Shareholders, employees & other stakeholders through our diversified portfolio of Financial services.

I express my gratitude for the sound guidance and contribution of my fellow Directors. I commend my team as everyone at Choice has contributed to the Company's growth and their commitment and dedication and sheer hard work is an indeed an inspiration. As we move forward, the caprices of uncertain environment would continue to confront all the business. The Company is poised of navigating these uncertainties and would continue to invest in its capabilities to deliver sustainable long term performance.

I take this opportunity to thank all our stakeholders for the faith rested in the Company and look forward to your continued support in the journey.

With Best wishes,
Thanking You,



KAMAL PODDAR
Managing Director

DDM No: 0981700

CORPORATE CULTURE

A group of people, primarily women in blue sarees with gold borders and white flowers in their hair, are standing in a line. They have their hands pressed together in a prayer-like gesture (Anjali Mudra). In the background, several men in white shirts and light-colored trousers are also visible. The scene is dimly lit with warm, golden light, suggesting an indoor setting with stage lighting.

“

**Hire great people
and give them
the freedom to
be awesome**

— Andrew Mason



Business in today's era operates in a very volatile and elusive manner and to uphold the integrity of the management under such circumstances calls for a strong corporate culture edifice.



Choice group is a staunch believer in this ideal and thus freedom to work and ability to widen the horizon of one's creativity is a primary facet found in each of Choice's employees. One of the fundamental roles of leadership is to create and maintain a culture that reinforces the company's core values, encourages employees to do the right thing and helps drive the company's long term strategy. Given the importance of maintaining a healthy corporate culture in such a challenging environment it is predominantly the Board's role to reinforce access and oversee the establishment of a healthy management system.





A good culture always flows from the top. As an executive, identifying, understanding, and influencing the organizational culture can ensure corporate agility and financial success. Likewise, as a potential employee, catching a glimpse of the true culture of an organization will help one decide if the company is a place where one can contribute and flourish. In both cases, misunderstanding the culture can lead to adversity. Corporate cultures have both gross and subtle manifestations that provide clues to the underlying norms and beliefs. Paying attention to the work practices, environment, communication paths, and even the level of humor in a company, will give one a hint of the dominant organizational culture. Identification and understanding the culture is necessary to affect any minute or large scale changes in response to market imperatives. If one does not have a clear picture of the culture one cannot effectively modify it and the modus operandi for an efficacious system would be-



“Customers will never love a company until the employees love it first

— Sheela Shankar



There are several definitions of corporate culture. One view is that culture represents the unspoken code of communication among members of an organization. A related view is that culture is a convention that helps coordination, like which side of the road we drive on. Parit Pasau, at Choice we believe that the culture of our work environment reflects the Company's personality in the open markets. Our goal is to make sure that if we are fortunate enough to have employees working for our Company's success, then

it is our moral obligation to make sure they have something to look forward to every morning they step their foot out for work or if we go by what Louis Gerstner (Former Chairman & CEO IBM) famously said "I came to see, in my time at IBM, that culture isn't just one aspect of the game, it is the game. In the end, an organization is nothing more than the collective capacity of its people to create value."

As the foundation of Choice was laid, we consciously knew that we are building something that will





eventually grow beyond any of us. It will exist, grow, sustain even if we are not here. Like any individual it has its own identity and it is precise to quote that all the employees and people working with and for Choice are diverse fragmented parts that hold the edifice together. Thus to keep this foundation flourishing and expanding we believe in establishing a culture that will persist and values that will persevere. A hallmark of a healthy creative culture is that its people feel free to share ideas, opinions, and criticisms. Lack of candour, if unchecked, ultimately leads to dysfunctional environments.

At Choice, we only set the vision and the freedom to choose the pathway for achieving that vision is what our

employees breakthrough for. Levying our employees with such responsibilities and bestowing them with equivalent freedom is our vehicle for change. Apart from this we believe in regularly keeping in touch with our employees and clientele because conversation is solution to most of the hitches. When all these elements are blended well together, a new leaf is turned by which an organization touches new heights.

Summing it up in a nutshell, at Choice we believe that-

“
A Company sans
a good corporate
culture, is like a
body sans soul.”

BOARD OF DIRECTORS



CA Karmel Poddar
Managing Director



CA Ajay Kajfraz
Executive Director



Mrs. Harshita Poddar
Non-Executive Director



Mr. Deb Kumar Goswami
Independent Director



Mr. A.K. Thakur
Independent Director



Mr. Lalit Mehta
Independent Director



Mr. Raghuvir Shrivastava
Independent Director



Mr. L.N. Mathuramika
Independent Director



Mr. Kanchanlal Bhowal
Independent Director



Mr. Vinod Kumar Shah
(Additional) Independent Director

CORPORATE INFORMATION



Ms. Karishma Shah
Company Secretary



Mr. Nimaj Singhania
Chief Financial Officer



BANKERS

- > ICICI > BOI > CANARA > INDUSIND > CENTRAL BANK OF INDIA
- > AXIS > SBI > KOTAK > HDFC > PUNJAB NATIONAL BANK



SUBSIDIARY COMPANIES

- > CHOICE EQUITY BROKING PRIVATE LIMITED > CHOICE CONSULTANCY SERVICES PRIVATE LIMITED > CHOICE MERCHANDISE BROKING PRIVATE LIMITED
- > CHOICE CAPITAL ADVISORS PRIVATE LIMITED > CHOICE MERCHANDISE BROKING PRIVATE LIMITED > CHOICE WEALTH MANAGEMENT PRIVATE LIMITED
- > CHOICE PORTFOLIO MANAGEMENT SERVICES PRIVATE LIMITED > CHOICE CORPORATE SERVICES PRIVATE LIMITED > CHOICE E - COMMERCE PRIVATE LIMITED
- > CHOICE FINSERV PRIVATE LIMITED > CHOICE PEERS INTERNATIONAL PRIVATE LIMITED > CHOICE TECH LAB SOLUTIONS PRIVATE LIMITED



REGISTER AND SHARE TRANSFER AGENT

> SHAREX DYNAMICS (INDIA) PRIVATE LIMITED

UNIT NO -1, LUTHARA INDUSTRIAL PREMISES,
ANDHERI KURLA ROAD SAFED POOL,
ANDHERI (E), MUMBAI - 400072

Phone: 022-28515606/5644

www.sharexindia.com



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

> M/s. Gupta Shyam & Co.

Chartered Accountants,
Mumbai.



SECRETARIAL AUDITORS

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

DIRECTOR'S REPORT



Dear Members,
The Directors have pleasure in presenting
the 24th Annual Report of "Choice
International Limited" for the Financial
Year March 31, 2017.

BUSINESS OVERVIEW

Choice International Limited ("the Company") incorporated on March 12, 1993 is a RBI registered "Non-Banking Financial Company" (NBFC). The Registered Office of the company is situated at Choice House, Shree Shakambhari Corporate Park, Plot No 155-158, 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-Technical Services. Your Company has performed well with a Net Profit of Rs. 2,58,77,779 as on March 31, 2017 as compared to Net Profit of Rs. 1,88,04,414

for the year ended March 31, 2016. Despite of the stiff competition in the market, the Company registered substantial growth in terms of its revenue from business operations.

FINANCIAL HIGHLIGHTS

(Amount in ₹)

STANDALONE		PARTICULARS	CONSOLIDATED	
31-Mar-17	31-Mar-16		31-Mar-17	31-Mar-16
19,62,59,666	77,85,52,165	Income from Operations	130,39,46,346	184,22,29,194
1,34,13,384	2,196	Other Income	4,66,91,453	3,44,65,018
20,96,73,050	77,85,54,361	Total Income	135,06,37,799	187,66,94,211
3,46,27,154	2,01,74,911	Profit before Tax and Exceptional Items	10,27,69,765	4,78,03,655
87,49,376	35,70,497	Tax Expenses	4,26,72,421	2,64,64,971
2,58,77,779	1,66,04,414	Profit after Tax before Share of Profit from Associates Share of Profit from Associates	6,01,97,344	4,13,18,684
-	-	Share of Profit from Associates	27,03,918	16,54,969
2,58,77,779	1,66,04,414	Profit for the year	6,29,01,262	4,29,73,654
3,96,77,785	3,63,99,171	Add: Surplus brought forward from previous year	14,84,96,844	14,08,97,481
6,55,55,564	5,30,03,585	Profit Available for Appropriations	23,13,98,106	18,38,71,135
51,76,000	33,21,000	Less: Appropriations Transfer to Statutory Reserve Transfer to General Reserve	5,176,000	33,21,000
-	1,00,04,800	Proposed Dividend	-	1,00,04,800
-	-	Dividend Distribution Tax on Proposed Dividend	-	20,48,491
6,03,79,564	3,96,77,785	Surplus carried forward	22,62,22,106	16,84,96,844

CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulation") and applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Consolidated Financial Statements prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company, its subsidiaries and associate companies, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditor's Report form part of this Annual Report.

SUBSIDIARIES

A separate statement containing the salient features of financial statements of all subsidiaries of the Company forms a part of Consolidated Financial Statements in Compliance with Section 129 and other applicable provisions, if any of the Companies Act, 2013. In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all day except Sundays & Public Holidays up to the date of the Annual General Meeting (AGM). Any members desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered

Office of the Company. The financial statements, including the consolidated financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company (www.choiceindia.com). The Company has formulated a policy for determining material subsidiaries. The Policy may be assessed on the website of the company (www.choiceindia.com).

A statement containing the financial performance of each of the subsidiaries and associate companies included in the consolidated financial statements of the Company is set out in the Annexure AOC-1 to this Report.

List of Subsidiary Companies

SR. No.	COMPANY NAME	SUBSIDIARY/ ASSOCIATE	BUSINESS ACTIVITY
1.	Choice Equity Broking Private Limited	Wholly owned Subsidiary	Equity Broking, Currency Broking & Depository Services
2.	Choice Capital Advisors Private Limited	Wholly owned Subsidiary	Equity Syndication, Debt Syndication, Advisory & Consultancy & Merchant Banking Services
3.	Choice Consultancy Services Private Limited	Wholly owned Subsidiary	Providing Financial Services of Business Advisory, Regulatory Compliances
4.	Choice Merchandise Broking Private Limited	Wholly owned Subsidiary	Carrying on the Business of Commodity Broking
5.	Choice Wealth Management Private Limited	Wholly owned Subsidiary	Engaged in Mutual Fund Distribution
6.	Choice StockTrade Private Limited now known as Choice Portfolio Management Services Private Limited	Wholly owned Subsidiary	Applied for PMS Licensing
7.	Choice Corporate Services Private Limited	Wholly owned Subsidiary	Advisory Business
8.	Choice E-Commerce Private Limited	Wholly owned Subsidiary	E-Commerce
9.	Choice Peers International Private Limited	Wholly owned Subsidiary	Cross Border Consultancy
10.	Choice Finserv Private Limited	Wholly owned Subsidiary	Proposed to carry on NBFC Activity (Post approval from RBI is received)
11.	Choice Tech Lab Solutions Private Limited	Wholly owned Subsidiary	IT Solutions
12.	Aqua Pumps Infra Ventures Limited	Associate	Engaged in the Business of Infra structural Activities.

DIVIDEND

In order to conserve the Resources, your Director's does not recommend any Dividend for the year ended March 31, 2017.

RESERVES

Out of the Profits generated by the Company, your Board Proposes to transfer Funds amounting to Rs.9,52,000 to the General Reserves to meet the Working Capital Requirements of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

Share Capital

The Paid up Share Capital of the Company as on March 31, 2016 was Rs. 10,00,48,000/- (Rupees Ten Crore Forty Eight Thousand Only).

The Company on April 08, 2016 had issued One Crore Warrants on Preferential basis to the Promoter & Promoter Group of the Company pursuant to approval of Members at the Extra Ordinary General Meeting held on March 15, 2016 & in Principal approval of the Exchange (BSE Limited) received on March 31, 2016 at a price of Rs. 40/- each (including premium)

On request of the Warrant holder & on receipt of the entire consideration amount of the Warrants, the Company on request of the warrant holder allotted equivalent number of Equity Shares to the warrant holder on May 30, 2017.

On Conversion of warrants in to equivalent number of Equity Shares the Paid Up capital of the Company increased from Rs. 10,00,48,000/- (Rupees Ten Crore Forty Eight Thousand Only) to Rs. 20,00,48,000/- (Rupees Twenty Crore Forty Eight Thousand Only). The Company has received the Listing approval from the exchange (BSE Limited) for Listing of 1,00,00,000 (One Crore Equity Shares) on July 03, 2017 & on conversion the shares were traded on BSE Limited with effect from July 18, 2017.



Note

The Authorised Capital of the Company had increased from Rs. 10,10,00,000/- (Rupees Ten Crore Ten Lakh Only) to Rs. 20,10,00,000/- (Rupees Twenty Crore Ten Lakh Only) with effect from March 15, 2016 pursuant to approval of Members at the Extra Ordinary General Meeting held on March 15, 2016.

Debentures

As on March 31, 2017 there are 335 Secured, Redeemable, Unrated, Unlisted, Market Unlisted, Non - Convertible Debentures subsisting with the Company

Public Deposit

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

AUDITOR'S

Statutory Auditor

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

At the 23rd Annual General Meeting of the Company held on September 20, 2016 the members had approved the appointment of M/s. Gupta Shyam & Co. Chartered Accountant, (Registration No : 103450/H) as the Statutory Auditor of the Company to hold office till the conclusion of 24th Annual General Meeting of the Company.

The tenure of appointment of M/s. Gupta Shyam & Co. Chartered Accountant, (Registration No: 103450/H) as the Statutory Auditor of the Company will expire with the conclusion of the ensuing Annual General Meeting of the Company in accordance with section 139 and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

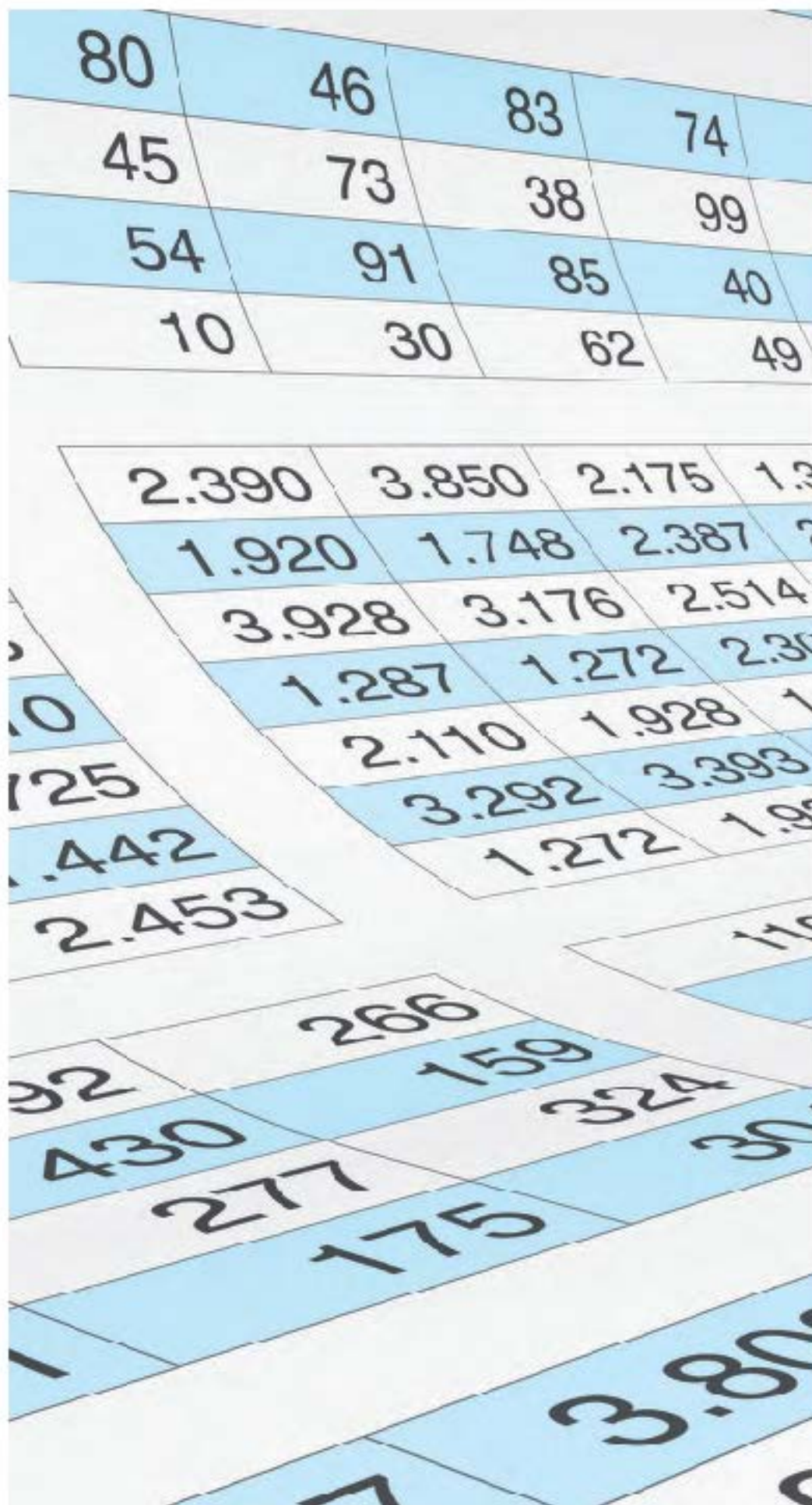
The Board places on record, its appreciation for the contribution of M/s. Gupta Shyam & Co. Chartered Accountant, during their tenure as the Statutory Auditors of the Company.

The Auditor's Report for the financial year ended March 31, 2017 on the financial statements of the Company is a part of this Annual Report. During the financial year ended March 31, 2017, there has been no delay in depositing amount required to be transferred to the Investor Education and Protection Fund (IEPF).

Appointment of new Statutory Auditor

Pursuant to retirement of M/s. Gupta Shyam & Co. Chartered Accountant as the Statutory Auditor of the company, your Board recommends to appoint M/s. Deloitte Haslone & Sells LLP, Chartered Accountants, Mumbai, registration no. (117366WAW-100018) as the Statutory Auditor of the company subject to the approval of the shareholders in the ensuing Annual General Meeting. The resolution for the appointment of the Statutory Auditor forms the part of the notice of the Annual General Meeting.

451	368
164	94
166	172
896	2.132
2.845	1.001
1.133	1.308
2.697	1.710
1.844	1.70
1.903	1
1.198	
290	
243	
249	
301	



Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 the Board of Directors of the Company has appointed M/s. R. M. Minani & Associates LLP, Practising Company Secretary as the Secretarial Auditor to conduct an audit of the Secretarial records, for the financial year 2017-18.

The Secretarial Audit Report is annexed to this Report as "Annexure MR-3"

Internal Auditor

The Internal Auditor M/s. A.P. Sanghvi & 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.

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for time being in force.

DIRECTORS AND KEY MANAGERIAL PERSONS

Appointment of Mr. Bharat Kumar Shah (Additional Independent Director) DIN No: 07399863

Mr Bharat Kumar Shah (DIN No : 07399863) was appointed as the Additional Director (Independent Director) pursuant to the meeting of the Board of Directors of the Company held on April 29, 2017. Appropriate resolution for the appointment of Mr Bharat Kumar Shah as an Independent Director of the Company is being placed for the approval of the Shareholders of the Company at the ensuing Annual General Meeting for a period of 5 years from the date of his appointment. The Board of Directors of the Company recommended his appointment as an Independent Director of the Company.

Change in Designation of Mr. Ajay Kejriwal

During the year under review, there is a change in Designation of Mr. Ajay Kejriwal (DIN No: 03051841) from Non – Executive Director to Executive Director with effect from October 15, 2016.

Retirement by rotation and subsequent re-appointment

Mr. Ajay Kejriwal, Executive Director (DIN No : 03051841) of the Company liable to retire by rotation at the ensuing Annual General Meeting, pursuant to Section 152 and other applicable provisions if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules 2014 (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and being eligible have offered themselves for re-appointment. Appropriate resolutions for their re-appointment are being placed for the approval of the Shareholders of the Company at the ensuing Annual General Meeting. The brief resume of Mr. Ajay Kejriwal and other related information has been detailed in the Notice convening the 24th Annual General Meeting of the Company. The Directors recommend the reappointment of Mr. Ajay Kejriwal as The Executive Director of the Company.

Appointment of Independent Director's

During the year under review Mr.

A.K. Thakur (DIN No: 07573726) , Mr. Kanhaiyalal Bernal (DIN No: 07535424), Mr. L.N. Nathuramika (DIN No : 07535408), Mr. Lalit Manghnani (DIN No: 06614582) & Mr. Raghuvir Shrivastava (DIN No: 0899531) were appointed as the Additional Director of the Company with effect from July 14, 2016 in the capacity of Independent Director. However their appointment was approved by the Members at the 23rd Annual General Meeting of the Company held on September 20, 2016.

Resignation of Mrs. Bhagyam Ramani

During the year under review, Mrs. Bhagyam Ramani (DIN No: 00107097) the Independent Director of the Company

resigned from the Directorship of the Company with effect from June 06, 2016.

Resignation of Mr. B.M. Agarwal

During the year under review, Mr. B.M. Agarwal (DIN No: 00529135) the Independent Director of the Company resigned from the Directorship of the Company with effect from September 21, 2016.

Appointment of Company Secretary

During the year under review Ms. Karishma Shah was appointed as the Company Secretary with effect from July 14, 2016 in place of Mr. Mahavir Toshniwal who tendered his Resignation.

List of Directors as on the date of report

CATEGORY	NAME OF DIRECTOR
Executive Director (Managing Director)	Mr. Kamal Poddar
Executive Director	Mr. Ajay Kejriwal
Non-Executive Director	Mrs. Hemlata Poddar
Non-Executive (Independent Director)	Mr. Debkumar Gownani
Non-Executive (Independent Director)	Mr. A.K. Thakur
Non-Executive (Independent Director)	Mr. Kanhaiyalal Bernal
Non-Executive (Independent Director)	Mr. L. N. Nathuramika
Non-Executive (Independent Director)	Mr. Lalit Manghnani
Non-Executive (Independent Director)	Mr. Raghuvir Shrivastava
Additional Non-Executive (Independent Director)	Mr. Bharat Kumar Shah

Disclosure Related to Remuneration of Director's, Key Managerial Personnel and Particulars of Employees:

The remuneration paid to Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactments thereof for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms a part of this report.

The information required under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) forms a part of this Annual Report. However, this information is not set along with this report as per the provisions of Section 196 of the Act. Members interested in obtaining these particulars may request to

the Company Secretary at the Registered Office of the Company.

NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of the Companies Act, 2013 read with rules issued thereunder and the Listing Regulations. The details of the Nomination and Remuneration Policy are set out in the Corporate Governance Report.

The Nomination and Remuneration Policy of the Company provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non – Executive and Independent Director on the Board of Directors of the Company and persons in the senior management of the Company, their remuneration including determinations of qualifications

positive attributes, independence of Directors and other matters as provided under sub-section (3) of section 176 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

The Nomination and Remuneration Policy can be accessed on the website of the Company (www.choiceofindia.com)

DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet criteria of Independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations including any statutory modification(s) or re-enactment(s) thereof for time being in force.

NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The details of the meetings of the Board of Directors and its Committees, convened during the Financial Year 2016-17 are given in the Corporate Governance Report which forms a part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis forms an integral part of this report and give details of the overall industry facts, economic development, Company's Business Structure and the state of affairs of the Company's various business viz. Broking & Distribution, Investment Banking, Wealth Creation, Management Consultancy & E - Commerce - Technical Services.

CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its Compliance forms an integral part of this report.

POLICIES OF THE COMPANY

The Company is committed to good Corporate Governance and has consistently maintained its organisational culture as a remarkable confluence of high standards of professionalism and building shareholder equity with principles of fairness, integrity and ethics.

Some of the Key Policies adopted by the Company are as follows:

NAME OF THE POLICY
1. Policy on Determination of Materiality of Events
2. Code of Conduct for Board Members and Senior Management Personnel
3. Code of Employees
4. Code of Fair Disclosure of Unpublished Price Sensitive Information
5. Policy on Related Party Transaction
6. Nomination & Remuneration Policy
7. Whistle Blower Policy
8. Policy on Archival of Information

EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on March 31, 2017 in Form MGT - 9 in accordance with Section 92 (3) of the Companies Act, 2013 read with rules, 2014 are set out in the Annexure MGT-9 to the Report.

LOANS & INVESTMENTS

Details of Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013

read with the Companies (Meetings of Board and its Powers) Rules, 2014 as on March 31, 2017 are set out in notes to

RELATED PARTY TRANSACTIONS

During the Financial Year 2016-17, the Company entered in to transaction with related parties as defined under section 2 (75) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013 read with the rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transaction under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the policy on Related Party Transactions formulated in accordance with the provisions of the Companies Act, 2013 read with rules issued thereunder and the Listing Regulation.

Prior Omnibus approvals are granted by the Audit Committee for related party transaction which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations.

The details of the related party transaction are set out in the notes to the Financial Statements.

The Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is set out in the Annexure to the Board Report.

VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievance, the Policy has been formulated with respect to the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Whistle Blower Policy has been posted on the website of the Company i.e. www.choiceofindia.com. The same is reviewed by the Audit Committee from time to time. No concerns or irregularities have been reported till date.

RISK MANAGEMENT

The Company has a well-defined process to ensure risks are identified and steps to treat them are put in place at the right level in the management. The Company has 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 the risk management framework to keep updated and address emerging challenges.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its Business, including adherence to Company's policies, the safeguarding of assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

As per the assessment there are no major concerns and controls are strong.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment of Women at Work Place in line with the requirements of the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment.

The Company has ensured wide spread dissemination of the policy and prevention of Sexual Harassment of Women at Workplace.

During the year under review, no cases of Sexual Harassment against women at workplace were reported. The Company is committed to providing a safe and conducive work environment to all its employees and associates.

HUMAN RESOURCE

Your Company believes that employees are the most valuable assets and key players for 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 programme to develop leadership as well as technical/functional capabilities.

BUSINESS RESPONSIBILITY REPORT (BRR)

Regulation 34(2) of the SEBI Listing Regulation, 2015, which was amended on December 22, 2015 to come in force from April 01, 2016 inter alia, provides that the Annual Report of top 500 listed entities based on market capitalisation (calculated as on March 31 of every financial year) shall include a Business Responsibility Report (BRR).

You Company does not fall within the purview of the above mentioned regulation, however in order to follow the best Corporate Governance practices and in the interest of all the stakeholders your Company has adopted its first maiden BRR which is enclosed as Annexure to the Director's Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Section 135 of the Companies Act, 2013 does not apply to your Company, nonetheless your Company understands the importance of its responsibilities towards the society under which we cater our services. Your Company voluntarily has adopted the CSR policy to shoulder its responsibility towards the society and has also constituted a CSR Committee to ascertain the activities taken by the Company, in the best interest of the society. The CSR Policy adopted by the company is available on the website of the company.

Focus Areas

In accordance with The Company's Act 2013, the company's focus would be for working in various fields to take a step towards sustainable development of the

society and environment and thus being desirous of our planet to be a better place for the upcoming generations. Amongst others the Company will mainly focus on:

Hunger, Poverty, Malnutrition & Health

Eradication of hunger, poverty & malnutrition by preventive health care and sanitation and making available safe drinking water.

Education

Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled.

Gender Equality

Promoting gender equality by adopting measures for reducing inequalities faced by socially and economically backward groups and also strive towards obtaining equal status for women in our so called patriarchal society.

Supporting Rural Development

Strengthening the rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihood and thereby making better changes in their living conditions.

Ensuring Environmental sustainability

Ensuring safe and sustainable environment by conservation of natural resources, maintaining the quality of soil, air, and water, and by also ensuring a clean and healthy environment and vicinity.

Promoting Sports and healthy living

Promoting sports and such activities for overall development of personality and thus working towards achievement of a healthy life by all.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 134 of the Companies Act, 2013 (including any statutory modifications) or re-enactment(s) thereof for the time being in force, the Directors of the Company confirm that:

a) That in preparation of the Annual Accounts for the year ended March 31, 2017, the applicable Accounting Standard had been followed along with proper explanation relating to material departures, if any.

b) That the Directors had selected accounting policies and applied them consistently and made judgements

and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the Financial Year ended March 31st March, 2017 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 Director's have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively

MATERIAL ORDER PASSED BY THE REGULATORS

There are no significant material order passed by the Regulators or court or tribunals impacting the going concern status of the Company and its operations in future.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A) CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy

The operations of the Company are not energy-intensive. However adequate measures have been initiated for conservation of energy.

ii) The steps taken by the Company for utilising alternate source of energy

Though the operations of the Company are not energy intensive, the Company has installed a solar power plant to have a eco-friendly environment.

iii) The Capital investment on energy conservation equipment

Nil

B) 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

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

GRATITUDE & ACKNOWLEDGEMENT

The Board of Director's place on record their appreciation for the persistent 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.

Further the Board expresses their sincere gratitude to the Clients, Shareholders, Reserve Bank of India, the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, Depositories, Ministry of Corporate Affairs, Registrar of Companies, Forward Market Commissions, other Government & Regulatory Authorities, Company's Bankers for the on-going support extended by them.

On behalf of the Board of Directors

Sd/-
Kamal Poddar
(Managing Director)
DIN No. 01501700

Sd/-
Ajay Kojirwal
(Director)
DIN No. 00450841

Mumbai August 14, 2017

Annexure to Director's Report

AOC-1

Statement containing the salient 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	Paid up Share Capital	Authorized Share Capital	Reserve & Surplus	
1	Choice Equity Broking Private Limited	March 31, 2017	INR	5,65,00,000	6,00,00,000	32,18,08,213	
2	Choice Capital Advisory Private Limited	March 31, 2017	INR	5,05,00,000	5,10,00,000	1,81,34,605	
3	Choice Merchandise Private Limited	March 31, 2017	INR	1,40,00,000	1,50,00,000	4,06,58,770	
4	Choice Wealth Management Private Limited	March 31, 2017	INR	1,00,000	1,00,000	(2,55,227)	
5	Choice Stock trade Private Limited	March 31, 2017	INR	51,00,000	51,00,000	(7,55,647)	
6	Choice Consultancy Services Private Limited	March 31, 2017	INR	1,00,000	10,00,000	6,12,57,178	
7	Choice Corporate Services Private Limited	March 31, 2017	INR	1,00,000	1,00,000	(39,26,447)	
8	Choice E-Commerce Private Limited	March 31, 2017	INR	10,00,000	20,00,000	(1,60,35,189)	
9	Choice peers International Private Limited	March 31, 2017	INR	10,00,000	1,00,00,000	(60,16,105)	
10	Choice Finserv Private Limited	March 31, 2017	INR	6,00,000	2,05,00,000	(3,36,820)	
11	Choice TechLab Solutions Private Limited	March 31, 2017	INR	1,00,000	1,00,000	(42,93,001)	

* Choice Finserv Private Limited was incorporated on June 1, 2016 as the wholly owned subsidiary of Choice International Limited with the Paid up capital of Rs.100,000/-

* Choice Tech Lab Solutions Private Limited was incorporated on September 27, 2016 as the wholly owned subsidiary of Choice International Limited with the Paid up capital of Rs.1,00,000/-

	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share holding
	1,70,84,64,491	1,70,84,64,491	4,98,84,220	52,38,17,135	4,03,84,344	1,37,40,202	2,66,44,142	-	100
	10,63,54,435	10,63,54,435	5,00,96,906	7,20,47,685	(15,47,657)	12,17,859	(27,65,516)	-	100
	14,82,75,604	14,82,75,604	3,74,55,137	3,87,86,024	45,22,541	14,14,160	3,108,381	-	100
	4,03,269	4,03,269	-	17,70,251	(2,01,468)	(11,520)	(1,89,948)	-	100
	43,54,353	43,54,353	-	90,443	(1,64,762)	-	(1,64,762)	-	100
	13,72,73,496	13,72,73,496	-	53,77,45,070	5,23,16,506	1,73,35,993	3,49,80,513	-	100
	13,10,615	13,10,615	-	27,32,379	(29,02,488)	(21,128)	(29,23,616)	-	100
	1,98,83,885	1,98,83,885	-	2,10,44,724	(40,19,397)	(5427)	(40,13,970)	-	100
	26,61,976	26,61,976	-	9,25,000	(57,33,071)	(12,232)	(57,20,839)	-	100
	2,68,350	2,68,350	-	-	(3,36,820)	-	(3,36,820)	-	100
	70,50,442	70,50,442	-	60,15,701	(41,70,118)	1,22,883	(42,93,001)	-	100

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

Pursuant to clause (h) of sub-section (3) of section 194 of the Act and Rule 5(s) of the Companies (Accounts) Rules, 2014, Form for disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transaction under third provision thereof

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

There were no contracts or arrangements or transaction entered into during the year ended March 31,2017, 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	Essential Terms of Contracts	Dates of Approval by the Board	Amount Received in ₹
Choice Capital Advisors Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	71,49,701
Choice Equity Broking Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	1,47,00,000
Choice Merchandise Broking Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	1,05,00,000
Choice Consultancy Services Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	1,90,91,112
Choice Wealth Management Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	1,20,000
Choice E - Commerce Private Limited	Subsidiary Company	Office Rent + Support Service Charge	10 Years	Lease Rent for office Premises + Service Charge	17-01-2017	11,34,000



Annexure to Director's Report | EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2017 as on financial year ended on 31.03.2017 Pursuant to Section 92 (3) of the Companies Act, 2013 and

Particulars					
I	REGISTRATION & OTHER DETAILS:				
i	CIN	L57190MH1993PLC071117			
ii	Registration Date	12-03-1993			
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 BHAKAMBHARI CORPORATE PARK, PLOT NO1 55-1 5B, J.B.NAGAR, ANDHERI (E), MUMBAI-400099			
vi	Whether listed company	YES			
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	* SHAREX DYNAMIC (INDIA) PRIVATE LIMITED UNIT-1 LUTHRA INDUSTRIAL PREMISES, ANDHERI-KURLA ROAD, SAFED POOL, ANDHERI EAST, MUMBAI-400072*			
II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY				
All the business activities contributing 10% or more of the total turnover of the company shall be stated					
SR No	Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"		
1	NBFC & Other	74	10.05%		
2	Broking & Distribution	74	41.18%		
3	Investment Banking	74	5.41%		
4	Consulting & Outsourcing Services	74	41.31%		
5	E-Commerce & technical services	74	2.05%		
SR No	Name & Address of the Company	CIN/ GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	Choice Equity Broking Private Limited	U55999MH2010PTC198714	Subsidiary	100	2(87)
2	Choice Capital Advisors Private Limited	U55990MH2010PTC198262	Subsidiary	100	2(87)
3	Choice Merchandise Broking Private Limited	U55910MH2010PTC198824	Subsidiary	100	2(87)
4	Choice Wealth Management Private Limited	U55999MH2010PTC198598	Subsidiary	100	2(87)
5	Choice Stock Trade Private Limited	U74140MH2007PTC177075	Subsidiary	100	2(87)
6	Choice Consultancy Services Private Limited	U72900MH2010PTC198503	Subsidiary	100	2(87)
7	Choice Peers International Private Limited	U74999MH2011PTC214759	Subsidiary	100	2(87)
8	Choice Corporate Services Private Limited	U57190MH2011PTC214515	Subsidiary	100	2(87)
9	Choice E-Commerce Private Limited	U74900MH2015PTC265502	Subsidiary	100	2(87)
10	*Choice Finserv Private Limited	U74999MH2016PTC281908	Subsidiary	100	2(87)
11	*Choice Tech Lab Solutions Private Limited	U74999MH2016PTC285302	Subsidiary	100	2(87)
12	Aqua Pumps Infra Ventures Limited	L45400MH1992PLC070070	Associate	35.81%	2(6)

Note : * M/s Choice Finserv Private Limited was incorporated on first day of June, 2016 & M/s Choice Tech Lab Solutions Private Limited was incorporated on Twenty seventh day of September, 2016 as a wholly owned subsidiary of the Company

Choice International Limited.

rule 12(1) of the Company (Management & Administration) Rules, 2014.**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity)**

Category of Share holders	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	4495527	-	4495527	44.94	4495527	-	4495527	44.84	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	200000	-	200000	2.00	200000	-	200000	2.00	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUBTOTAL (A)(1)	4695527	-	4695527	46.94	4695527	-	4695527	46.84	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUBTOTAL (A)(2)	-	-	-	-	-	-	-	-	-
*Total Shareholding of Promoter									
(A) = (A)(1) + (A)(2)*	4695527	-	4695527	46.94	4695527	-	4695527	46.84	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
C) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII/ FI	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUBTOTAL (B)(1):	-	-	-	-	-	-	-	-	-

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				
(2) Non Institutions	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
				Shares				Shares	
a) Bodies corporates	3025846	2000	3027846	30.25	3007912	2000	3009912	30.09	(0.17)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1287576	75302	1352878	13.67	1444308	74502	1518810	15.18	1.50
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	625148	-	625148	6.24	542681	-	542681	5.43	(0.82)
c) Others (specify)									
Clearing Member	142973	-	142973	1.42	63231	-	63231	0.63	(0.8)
OCB	-	-	-	-	-	-	-	-	-
NRI	153428	-	153428	1.52	177639	-	177639	1.77	(0.24)
Directors & Relatives	6000	-	6000	0.06	6000	-	6000	0.06	-
SUBTOTAL (B)(2):	5240971	77302	5318273	53.16	5241771	76502	5318273	53.16	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	5240971	77302	5318273	53.16	5241771	76502	5318273	53.16	-
*C. Shares held by									
Custodian for QDRs & ADRs*									
Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9927498	77302	10004800	100.00	9928298	76502	10004800	100.00	

(ii) SHARE HOLDING OF PROMOTERS

SR No.	Shareholders Name	"Share holding at the beginning of the year"			"Share holding 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	Mrs. Vinita Sunil Patodia	12,78,927	12.77	7.50	12,78,927	12.77	-	0.00
2	Mrs. Hemlata Kamal Podder	2,00,000	2.00	0.00	2,00,000	2.00	-	0.00
3	Mr. Sunilkumar Patodia	3,00,000	3.00	0.00	3,00,000	3.00	-	0.00
4	Mr. Kamal Podder	8,87,600	8.87	0.00	8,87,600	8.87	-	0.00
5	Kamal Podder HUF	2,25,000	2.25	0.00	2,25,000	2.25	-	0.00
6	Arunkumar Podder	2,00,000	2.00	0.00	2,00,000	2.00	-	0.00
7	Upton Infrastructure Private Limited	2,00,000	2.00	0.00	2,00,000	2.00	-	0.00
8	Sonu Podder	1,00,000	1.00	0.00	1,00,000	1.00	-	0.00
9	Arunkumar Podder HUF	1,00,000	1.00	0.00	1,00,000	1.00	-	0.00
10	Anil Chotmal Patodia	2,50,000	2.50	0.00	2,50,000	2.50	-	0.00
11	Sunil Chotmal Patodia HUF	2,70,000	2.70	0.00	2,70,000	2.70	-	0.00
12	Archana Anil Patodia	2,50,000	2.50	0.00	2,50,000	2.50	-	0.00
13	Anil Chotmal Patodia HUF	2,25,000	2.25	0.00	2,25,000	2.25	-	0.00
14	Mr. Suyesh Patodia	1,00,000	1.00	0.00	1,00,000	1.00	-	0.00
15	Ms. Shreya Patodia	1,00,000	1.00	0.00	1,00,000	1.00	-	0.00
	Total	46,86,527	46.84	7.50	46,86,527	46.84	-	0.00

(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	
	Name of Share holders		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
No Changes in the Shareholding of Promoter's has taken place round the Year Starting from April 01, 2016 to March 31, 2017						

SHAREHOLDING PATTERN OF TO 10 SHAREHOLDERS OTHER THAN DIRECTORS, PROMOTERS & HOLDER OF GDR & ADR

SR No.	Name of Shareholders	Shareholding at the beginning of the year 01.04.2016				Shareholding at the end of the year 31.03.2017	
		NO of shares	"% of total shares of the company"	Brought during the year	Sold during the year	NO of shares	"% of total shares of the company"
1	Maneavi Consultancy Private Limited	771530	7.71	45320.00	-	816850	8.16
2	Florence Securities Private Limited	750000	7.50	-	-	750000	7.50
3	Azure Projects Private Limited	410000	4.10	-	-	410000	4.10
4	Miranda Impex Private Limited	350000	3.50	-	-	350000	3.50
5	Sivarti Vinayaka Real Estate Development Limited	197500	1.97	-	63500	124000	1.23
6	Emma Auto Ancillary Private Limited	119645	1.19	-	-	119645	1.19
7	Vivek Bhimsaria	100000	1.00	-	-	100000	1.00
8	Chartered Capital Research Private Limited	75944	0.75	-	-	75945	0.75
9	Bhageria Essent Metadin	47999	0.47	7992	-	55971	0.59
10	Krodi Mal Modi	50000	0.49	5402	94310	55402	0.54

(v) Shareholding of Directors & KMP

SR. No	For Each of the Directors & KMP	Date Of Event	Shareholding at the end of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Kamal Poddar					
	At the beginning of the year	-	8,87,500	8.87	8,87,500	8.87
	Purchase / Sale of Share	-	-	-	-	-
	At the end of the year	-	8,87,500	8.87	8,87,500	8.87
2	Mrs. Hemalata Kamal Poddar					
	At the beginning of the year	-	2,00,000	2.00	2,00,000	2.00
	Purchase/ Sale of Share	-	-	-	-	-
	At the end of the year	-	2,00,000	2.00	2,00,000	2.00
3	Mr. Ajay Kajriwal					
	At the beginning of the year	-	5,000	0.05	5,000	0.05
	Purchase/ Sale of Share	-	-	-	-	-
	At the end of the year	-	5,000	0.05	5,000	0.05

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Sri Lankan Rupees)

	"Secured Loans excluding deposits (Debitures)"	"Secured Loans excluding deposits (Long Term)"	"Unsecured Loans (Short Term)"	"Secured Loans excluding deposits (Short Term)"	Deposits	"Total Indebtedness"
Indebtedness at the beginning of the financial year						
i) Principal Amount	7,35,00,000	3,89,91,200	1,57,83,655	16,50,03,452	-	29,32,78,317
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	4,28,880	-	38,54,539	-	42,83,419
Total (i+ii+iii)	7,35,00,000	3,94,20,080	1,57,83,655	16,88,58,000	-	29,75,61,735
Change in Indebtedness during the financial year						
Additions	-	-	6,13,80,000	-	-	6,13,80,000
Reduction	4,00,00,000	3,94,20,080	5,16,79,734	25,72,32,430	-	38,83,32,244
Net Change	-4,00,00,000	(3,94,20,080)	-97,00,265	(25,72,32,430)	-	(32,59,52,244)
Indebtedness at the end of the financial year						
i) Principal Amount	3,35,00,000	-	2,54,83,921	41,84,33,455	-	47,74,17,385
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	76,56,965	-	76,56,965
Total (i+ii+iii)	3,35,00,000	-	2,54,83,921	42,60,90,430	-	48,50,74,351

Amount in ₹.

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	Total Amount
1	Gross salary	Kamal Poddar	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	42,00,000	42,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweet Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	42,00,000	42,00,000
	Ceiling as per the Act		

B. Remuneration to other directors:

Sr. No	Name of the Director	Category	a) Fees for attending Board Meeting	b) Commission	(c) Others, please specify	Total amount Paid
1	Mr D.K.Goswami	Independent Director	2,00,000	-	-	2,00,000
2	Bhagyam Ramani	Independent Director	50,000	-	-	50,000
3	B.M.Agarwal	Independent Director	1,00,000	-	-	1,00,000
4	Mr L.N. Nathuramla	Independent Director	50,000	-	-	50,000
5	Mr. Karthiysel Bernwal	Independent Director	50,000	-	-	50,000
6	Mr. Raghuvir Shrivastava	Independent Director	50,000	-	-	50,000
7	Mr. Lalit Menghani	Independent Director	50,000	-	-	50,000
8	Mr. Ashok Kumar Thakur	Independent Director	1,00,000	-	-	1,00,000
9	Mrs. Hemlata Poddar	Non Executive Director	50,000	-	-	50,000
10	Mr. Ajay Kejriwal	Executive Director	-	-	-	-

* Mrs. Bhagyam Ramani resigned from the Directorship of the Company with effect from June 06, 2016 & Mr. B.M. Agarwal resigned from the Directorship of the Company with effect from September 21, 2016.

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

Sl. No.	Particulars of Remuneration	"Company Secretary"	CFO	TOTAL
1	Gross Salary	Karishma Shah	Manoj Singhania	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	6,21,195	14,32,836	20,54,031
	(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	6,21,195	14,32,836	20,54,031

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment	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
	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
	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
	NIL	NIL	NIL	NIL	NIL

SECRETARIAL AUDIT REPORT 2016-2017

Form No. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2017 (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)

The Members
Choice International Limited
Memorial

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, 2017 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, 2017 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 by-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, 2016

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 last 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 of 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 except below:

- The Company has issued 10,000,000 share warrants to the promoters which are convertible into equity shares at a price of Rs. 40/- per share (including premium of Rs. 30/- per share)

For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]

Sd/-
MANOJ MIMANI
(PARTNER)
ACS No : 17083
CP No : 14841

Place: Mumbai
Dated: July 15, 2017

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

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 : 14841

Place: Mumbai
Dated: July 15, 2017

BUSINESS RESPONSIBILITY REPORT

As per Clause 34 (f) of the SEBI
Listing Obligation & Disclosure
Requirement Regulation, 2015

SECTION A

GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identification Number	L67190MH1993PLC071117
2	Name of the Company	Choice International Limited
3	Registered Address	Choice House, Shree Shikambhari Corporate Park, Plot No 156 - 159, J.B. Nagar, Andheri (East), Mumbai - 400099
4	Website	www.choiceindia.com
5	Email Address	info@choiceindia.com
6	Financial Year reported	April 01, 2016 to March 31, 2017
7	Sector(s) that the company is engaged in	Financial Services
8	Three key products/ services manufactured/ provided by the company	> Management Consultancy > Banking & Distribution > Investment Banking
9	Total Number of locations where business activity is undertaken by the company	22
10	Markets served by the company	Domestic

SECTION B

FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	Rs.100,048,000
2	Total Turnover	Rs.1,250,537,799
3	Total Profit after Tax	Rs. 60,197,344
4	Total spending on CSR as percentage of PAT (%)	2%
5	List the activities in which expenditure in 4 above has been incurred	Educational Programmes, Rural Development, Environment Sustainability and Eradication of Hunger & Poverty

SECTION C

OTHER DETAILS

1	Does the Company has any subsidiary Company / Companies?	Yes, The Company has eleven wholly owned subsidiaries as on March 31, 2017
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If Yes, then indicate the number of such subsidiary company (s).	Yes
3	Do any other entity/ entities (eg. Suppliers, distributor etc.) that the company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities (Less than 30%, 30-60%, More than 60%) .	Not applicable

SECTION D

BR INFORMATION

1	Details of Director(s) responsible for BR	
a	Details of the Director responsible for implementation of the BR Policy	
	DIN No	01519700
	Name	Kamal Poddar
	Designation	Managing Director
b	Details of the BR head	
	DIN Number (If applicable)	-
	Name	Manoj Singhania
	Designation	Chief Financial Officer
	Telephone Number	022-67079999
	Email Address	manoj.singhania@choiceindia.com
2	Principle-wise BR Policy/ Policies	Included in the Report
3	Governance related to BR	Included in the Report

SECTION E

BR INFORMATION

1	Principle - Wise Performance	Included in this report
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PREFACE

As mandated by the Securities and Exchange Board of India (SEBI) w.e.f April 01, 2016, India's top 500 listed on BSE and NSE, are required to submit a "Business Responsibility Report" (BRR) along with their Annual Report for the year 2016-17. Although your Company is not in the league of Top 500 Listed Companies, Your Company voluntarily aspires to adopt the guidelines issued by SEBI with respect to Business Responsibility statement to adhere to best philosophies of ethical principles to run a company and to abide to the Corporate Governance practices in true letter & spirit.

"Choice International Limited" or "Choice" your Company voluntarily for the first time for the Financial Year 2016-17 presents its first BRR in line with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVEGs) and the BRR Requirements of SEBI. The Business Responsibility Performance of the Company is assessed annually by the Board of Directors of the Company.

PRINCIPLE 1

Business should conduct and govern

themselves with Ethics, Transparency and Accountability

Choice Group considers Corporate Governance as an integral part of good management and is committed to acting professionally, fairly and with integrity in all its dealings.

Choice has put in place a code of conduct for its Directors and Senior Management personnel. It is available on the website of the Company's website. The Company has also established a Whistle Blower Policy, which provides a mechanism for an individual to report violations without fear of victimisation. There may be violation of the Code of Conduct, suspected fraud or actual fraud, unethical behaviour etc. Adequate measures are in place to ensure safeguards against victimization for employees who report any unethical behaviour.

No Stake holders complaints with respect to the Company's code of conduct and whistle Blower Policy were received in the reporting year.

PRINCIPLE 2

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Choice Group is entirely in catering financial services including its subsidiaries and is not engaged in any kind of manufacturing activity or services under the purview of BRR.

The Core business area of the group is financial services divided in to four reportable segments comprising of Equity Broking & Distribution, Investment Banking and Advisory including Retail Loans, Management Consultancy & Advisory including cross Border Consultancy & E-Commerce & Technical Services.

The group directly is not engaged in any kind of manufacturing activity.

PRINCIPLE 3

Business should promote the well-being of all employees

The Choice group has in all 888 employees as a part of Choice family. The Company did not have any employees with disabilities or any recognized employee association. The Company is committed to employee welfare as it believes that employees are its greatest operational strength. Choice invests in growth and development of all its employees through relevant trainings and familiarization programme through relevant trainings

and engages with them on a regular basis.

Choice has policy on prevention of sexual harassment of women at work place. The Company did not receive any complaint relating to child labour, forced labour, involuntary labour or sexual harassment during the year 2016-17 and are not pending as of March 31, 2017.

PRINCIPLE 4

Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Community development is integral to the sustainability strategy of the group. It is the endeavour of the group to make a difference in the life of marginalised communities, thus contributing to social well-being.

Remuneration practices are based on merit without regard to the person's ethnic background or gender and are periodically updated based on market benchmarks. The Company ensures there is no discrimination of any type against socially disadvantaged sections in the work place.

PRINCIPLE 5

Business should respect and promote human rights.

The group does not have any specific policy on human rights. The firm adheres to all statutes which embodies the principles of human rights such as prevention of Child Labour, prevention of sexual harassment, equal employment opportunities etc. The group is committed to a work environment in which all individuals are treated with respect and dignity.

The group has decided to uphold the human rights of all its employees and it strictly ensures compliance with all applicable laws of the land pertaining to human rights. The Company did not receive any complaint relating to violation of human rights during the year 2016-17.

PRINCIPLE 6

Business should respect, protect, and make efforts to restore the environment

Choice group attempts towards absorbing green sustainable products, processes, policies and practices. We at Choice promote cost efficient environment-friendly measures and build awareness and consciousness of our environment among employees.

Our offices have been designed such that they are equipped with energy efficient air conditioners, LED Lights and other energy conservation measures. We at Choice have adopted Solar Power plant to have an eco-friendly environment.

To reduce paper consumption, we emphasise the use of alternate communication Channels such as email. The Company's Annual Report 2015-16 was sent to more than 1500 Shareholders via email, thus saving tons of paper and as a measure of protecting the environment saving many trees.

We have also requested the Shareholder to register their email IDs to get Annual Reports and other Communications through email instead of paper mode.

PRINCIPLE 7

Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The group support and participates in various discussions and initiatives taken by the government, regulators and various associations for development or advancement of finance services industry.

PRINCIPLE 8

Business should support inclusive growth and equitable development

The Company "Choice International Limited" has voluntarily adopted Corporate Social Responsibility (CSR) activities. The CSR activities of the group express positive contribution towards economic, social, environment well-being of communities through its CSR activities.

PRINCIPLE 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company has not carried out any formal consumer survey to map consumer satisfaction. However the group always put interests of clients before its own interest. The group understand its client's needs, address them and deliver unique solutions as per their expectations.

No cases have been filed by any stake holders against the Company regarding unfair trade practices, irresponsible advertising or anti-competitive behaviour.

There are no customer complaints pending against the Company as on March 31, 2017.





MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade. World growth is expected to rise from 3.1 percent in 2015 to 3.5 percent in 2017 and 3.6 percent in 2018, slightly above the October 2015 World Economic Outlook (WEO) forecast. Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2015. Higher commodity prices have provided some relief to commodity exporters and helped lift global headline inflation and reduce deflationary pressures. Financial markets are buoyant and expect continued policy support in China and fiscal expansion and deregulation in the United States. If confidence and market sentiment remain strong, short-term growth could indeed surprise on the upside. But these positive developments should not distract from binding structural impediments to a stronger recovery and a balance of risks that remains tilted to the downside, especially over the medium term.

Structural problems—such as low productivity growth and high income inequality—are likely to persist. Inward-looking policies threaten global economic integration and the cooperative global economic order, which have served the world economy, especially emerging market and developing economies, well. A faster-than-expected pace of interest rate hikes in the United States could tighten

financial conditions elsewhere, with potential further U.S. dollar appreciation straining emerging market economies with exchange rate pegs to the dollar or with material balance sheet mismatches. More generally, a reversal in market sentiment and confidence could tighten financial conditions and exacerbate existing vulnerabilities in a number of emerging market economies, including China—which faces the daunting challenge of reducing its reliance on credit growth. A dilution of financial regulation may lead to stronger near-term growth but may imperil global financial stability and raise the risk of costly financial crises down the road.

Credible strategies are needed in many countries to place public debt on a sustainable path. Adjusting to lower commodity revenues and addressing financial vulnerabilities remain key challenges for many emerging market and developing economies. The world also needs a renewed multilateral effort to tackle a number of common challenges in an integrated global economy.





INDIAN ECONOMY

The Year 2016-17 was marked by two major domestic policy developments:

1. Passage of the Constitutional amendments which paved way for implementing the transformational Goods and Service Tax (GST)

2. The action to demonetise the Rs.500 and Rs. 1,000 bank notes in the country

With the implementation of GST the Common Indian Market has paved a way for improvement in Tax Compliance & Governance and boosted investment & growth. It is a bold new initiative in the tax governance of India's Cooperative federalism. Demonetisation had short-term costs. Contemporary evidence tended to suggest significant disruption for the first six to eight weeks due to unprecedented cash constraints throughout the economy. However, the national income data published by the Central Statistics Office (CSO) does not suggest any significant reduction in growth in the third quarter of 2016 - 17,

which coincided with demonetisation.

India's economic growth is gradually improving since 2014. The favourable policy as well as executive reforms by the Government to support strong and sustainable growth, prudent fiscal regime and calibrated monetary easing that reigned in inflation have helped to strengthen macroeconomic stability. The lower crude oil prices have also helped to reduce current account deficit, improve fiscal position, and lower inflation. This in turn has helped boost economic activities in India. Driven by these positive developments, the country has emerged as the world's fastest growing major economy.

However, according to estimates by the Central Statistics Office (CSO), India's GDP growth has moderated in FY 2016 - 17 to 7.0% from 7.5% recorded in the previous financial year. This happened largely owing to demonetisation initiative that led to temporary de-circulation of money. The situation has largely normalised, following the Government's re-monetisation process.

Stance

The growth momentum should rise, driven by the Government policy initiatives in areas such as taxation (GST), foreign direct investment (FDI), and ease of doing Business, among others. Other major factors helping India stay as a bright spot in the global economic landscape include the lower global price, with positive impact on the country's import bill, a well regulated monetary policy by the Reserve Bank to stabilise prices, and improving fiscal conditions. The Government endeavour to drive a bigger as well as a cleaner GDP is expected to sugar well for the economy in the medium and long terms.

The growth recovery has primarily happened due to discretionary spending, public investments and FDI reforms. The introduction of GST and higher outlays in the Budget 2017 are expected to drive growth as well.

SNAP SHOTS



Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, while GDP is expected to grow by 7.5 per cent during the same period, according to Bloomberg consensus.



India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.



India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, & higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

04

India's foreign exchange reserves stood at US\$ 366.781 billion as on March, 2017 as compared to US\$ 360 billion by end of March 2016, according to data from the RBI.

05

India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme

06

Credit growth has remained subdued in FY 2016-17. February 17 witnessed a mere 3 % yoy growth in credit, mainly led by personal loans (12% yoy) and agriculture and allied activities (9% yoy). Services (8% yoy) registered stable growth while Industry suffered de-growth in credit uptake by 5% yoy.

07

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. The Honourable Prime Minister of India Shri. Narendra Modi, , has launched the Make in India Initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India Initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India Initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

INDIAN FINANCIAL SERVICE INDUSTRY

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payments banks to be created recently thereby adding to the types of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64 per cent of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs).

These measures include launching Credit Guarantee Fund Scheme for Micro and Small Enterprises, issuing guideline to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by both government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

Road Ahead

India is today one of the most vibrant global economies, on the back of robust banking and insurance sectors. The country is projected to become the fifth largest banking sector globally by 2020. The report also expects bank credit to grow at a Compound Annual Growth Rate (CAGR) of 17 per cent in the medium term leading to better credit penetration. Life Insurance Council, the industry body of life insurers in the country also projects a CAGR of 12-15 per cent over the next few years for the financial services segment.

Also, the relaxation of foreign investment rules has received a positive response from the insurance sector,

with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters there could be a series of joint venture deals between global insurance giants and local players.

SNAP SHOTS



Mergers and acquisition (M&A) activity in India rose 125 per cent year-on-year to US\$ 92.5 billion across 445 deals during January-September 2016. Domestic M&A deal value stood at US\$ 7.3 billion across 137 deals during July-September 2016, which is around 65 per cent of the total M&A deal value of US\$ 11.3 billion during the quarter.



Private equity (PE) investments in real estate sector in India have increased 22 per cent in the first nine months of 2016 to reach Rs 289 billion (US\$ 4.24 billion), as compared to the same period in 2015.



Funds mobilised by Indian companies through non-convertible debentures (NCDs) increased sixteen-fold to Rs 23,901.4 crore (US\$ 3.58 billion) during April-September 2016 led by growing investor appetite.

04

The assets under management (AUM) of the mutual fund (MF) industry grew 45 per cent to Rs 17.89 lakh crore (US\$ 268.35 billion) during March 2016 to February 2017. Mutual fund asset base in India increased by Rs 3.71 trillion (US\$ 55.65 billion) to reach a total corpus of around Rs 17 trillion (US\$ 255 billion) in 2016, which is the highest growth recorded in the last seven years.

The Indian life insurance industry has begun to recover and is likely to report 12-15 per cent growth in FY 2016-17. India's life insurance sector is the biggest in the world with about 350 million policies, which are expected to increase at a Compounded Annual Growth Rate (CAGR) of 12-15 per cent over the next five years. The insurance industry is planning to hike penetration levels to five per cent by 2020, and could top the US\$ 1 trillion mark in the next seven years. The total market size of India's insurance sector is projected to touch US\$ 350-400 billion by 2020.

05

Investment corpus in India's pension sector is expected to cross US\$ 1 trillion by 2025, following the passage of the Pension Fund Regulatory and Development Authority (PFRDA) Act 2013. In 2016, 2.4 million new demat accounts were opened by Indians, the highest number of account openings since 2008, led by higher number of initial public offerings (IPOs) and greater interest in mutual fund investments.

06

SBI, the second largest issuer of credit cards in India, has reported issuance of 15,000 new cards in December 2016, post demonetisation, taking its total card issuance to 4.75 million.

07

The Honourable Prime Minister of India, Mr Narendra Modi has stated that the BHIM (Bharat Interface for Money) mobile application reached the mark of 10 million downloads indicating the widespread acceptance of the app. India's digital payments industry is expected to grow by 10 times to reach US\$ 500 billion by 2020 and contribute 15 per cent of Gross Domestic Product (GDP).

OUR BUSINESS

Your Company "Choice International Limited" is essentially a Holding and Investment Company & is the only Listed Company under the Choice Group of Companies.

The Major Grind in this One Stop Financial Hub is routed through its various subsidiaries. The detail working of its each vertical & their offerings is explained as follows:

BROKING & DISTRIBUTION

Industry Facts

Equity Market average daily traded volume (ADTV) were Rs. 4.07 lakh crores in FY2017, up to 35.27% YOY from 3.01

Lakh Crores in FY2016. Cash Market ADTV was Rs. 24,687.58 Crores in FY 2017, up 22.52% from 20,150.08 crores in FY 2016. Within cash, delivery increased 33.12% YOY to Rs. 8,075.30 Crores. Cash volumes were 83.94% higher than the average seen between FY 2012-14 and delivery volumes were 108.78% higher than the FY 2012-14 average. Within derivatives, future volume rose 24.73%YOY to Rs. 62,623.52 crores while options rose 38.68% YOY to Rs. 3.19 lakh crores. Amongst cash market participants, retail was up 38.54% YOY and institutions was up 13.83% YOY, while prop was down 2.43% YOY. Within institution DII cash volumes increased 32.66% YOY led by renewed interest in equity mutual funds from retail/ HNI investors. The proportion of retail within cash volumes increased from 48.88% to 59.34% YOY while that of DII increased from 8.36% to 9.89% YOY. With primary market seeing

higher IPO activity since the last two years and IPOs typically being a point of entry for new investors into direct equities, the incremental demat accounts created during FY 2017 and FY 2016 has been much higher than the previous years. As primary market issues pick up further, the incremental accounts should also pick up at a commensurate pace.

While FIIs saw net outflows from Indian equities during FY2016, FY 2017 saw strong net inflows. However, this was still lower than the levels seen during FY 2013 and FY 2015. Factors like implementation of the Goods and Services Tax, relative economic growth and correction in the US dollar index lured foreign investors towards India. DIIs saw net inflows for the 2nd consecutive year, largely led by the renewed interest in equity mutual funds. Consolidation of NSE cash Market

The New way to

PROGRESS ADVANCE SUCCESS

Welcome to

CHOICE BROKING

Our Broking & Distribution

Our Broking & Distribution Business is routed through our subsidiary namely "Choice Equity Broking Private Limited" & "Choice Merchandise Broking Private Limited".

Choice is a member of NSE, BSE, MCX-SX, MCX, NCDEX and a depository participant with CDSL and is registered with AMFI as a distributor of Mutual Funds. It is also the largest SME market maker in the country. Since beginning Choice has been working towards being a trusted advisor and wealth creator for its clients and not just a pure broking company. From asset allocation support, trading of securities to specialized investment vehicles, Choice offers a range of financial products and services designed to cater to a range of investments needs of its clients.

Choice extensively focuses on research and technology as core areas to shape its growth and improving client satisfaction. It has built a robust infrastructure to meet growing requirements of its clients and to offer time bound delivery of quality services.

Choice Institutional desk is active in Equities and WDM (Debt) segments. It is empanelled with many Banks, DIs and foreign institutions as a broker. The desk is focused on providing superior execution services along with in-depth and insightful research to its clients.

Choice has full-fledged fundamental and technical Research desks engaged in providing insightful research & analysis on Macro economy, industry and on companies. The research unit is led by a core team of experienced analysts focused on providing sustainable, selective and scalable stories to its clients. Choice research has been acknowledged by Institutions and Retail investors for its in-depth modelling, width of coverage and investment insights.

The year saw most of our Technology Initiatives taking shape. We have almost completed building our in-house trading platform and mobile App. This year also saw launch of other technology subsystems like Sales App (Choice Connect) and Middleware product.

EKYC

The year also saw development and adoption of AADHAR based on boarding system which enables us to on board new clients without any paperwork. This has also resulted in doing away with printing account opening forms and courier costs

which was time consuming. Around 60% of our new accounts are being opened by this platform. We are looking to increase this volume to 90% in coming days. Government's initiative of mapping AADHAR details with Bank Accounts etc. would help us to get more updated Aadhar cards which will make success rate of the platform even better.

Our current system works on OTP based authentication from UIDAI, we are working on integrating biometric devices with the platform. This will enable our sales team on branches to open accounts effortlessly and will also remove requirement of IPV (In Person Verification) resulting in faster processing.

CHOICE CONNECT APP

To improve efficiency of our business teams we are migrating to Tab based systems. This initiative not only helps us in faster client acquisition but also saves lot of paper. We have stopped printing any kind of marketing material for our clients/teams. The earlier process was not efficient as it used to take significant time in printing the marketing materials and sending them to respective branches at the same time it was not an environment friendly process.

The app allows business teams to on-board clients digitally. It also contains an E-Library of marketing collaterals which includes service brochures/research reports/performance trackers which can be shown to prospective clients during the meetings. This library is connected to our online repository and keeps on updating documents automatically. This saves us a lot of effort and helps our team to become more efficient at the same time.

NEW ONLINE PRODUCT ECOSYSTEM

Though we have been growing at a rapid pace in the traditional broking business, we have almost completed our work on the online product suites. This venture will work as a separate SBU in the broking vertical and would aim to dominate online broking businesses. This initiative includes building our own trading platforms and other periphery systems to support online client acquisition and delivery of services. The approach is based on growing demand of DIY (Do It Yourself) approach in customers, especially in new age investors. This target segment is happy with online platforms and believes in taking their independent

decisions rather than asking an advisor for investments.

This initiative will have a small central team dedicated for it. For client acquisition we would be fully dependent on our online presence. This includes integrating multiple systems/sub systems to provide effortless services experience to our clients. We will be launching our tailored trading platform in the coming years which will have two versions; the first would be a HTML5 version for trading from PC/Laptops. This product will also have advanced features and insightful data presentations to make the trading/ investing experience of the clients unique in the market. The platform is at par with UI and UX experience of our global benchmarks.

Our mobile trading platform is being built on the SEF (Simplest, Easiest, Fastest) philosophy. The platform would offer clutter free trading experience to its users. Adoption of mobile apps for trading in stock market is growing day by day and we are confident that this trend would continue even further with the help of new gen mobile applications.

SERVICES OFFERED

EQUITY TRADING

Member of BSE and NSE, MCX-SX 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

Report on whatsapp Platform

Call Trackers

FINANCIAL PLANNING

Online Platform for Financial Planning

Advice from experienced CFP Professionals on allocation of Funds

Comprehensive Financial plan by experts to achieve long term and short term goals.

Tracking of performance of all your Instruments bought and their impact towards achieving your financial goals

Advice on Investment funds and Insurance products based on risk appetite of individual

CURRENCY FUTURES TRADING

Trading service at NSE & MCX-SX 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

Report on whatsapp Platform

Call Trackers

FUND DISTRIBUTION

Buy Mutual Funds, Bonds, FDE and NCDs Online, Offline

Compare Funds on our websites

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

Use Advanced hedging & diversification strategies

Investors can select products which suits their risk return expectations

Provides better returns than traditional investment vehicles

Choice is one of the fastest growing financial service firms in the Country. We are constantly evolving our services and delivery platforms to provide outstanding client experience and satisfaction. We assist our clients in taking informed decisions with research and insights that is easy to understand.

OUR ONE STOP SERVICES



FULL SERVICE BROKER

- > Financial Planning
- > Mutual Funds
- > Investment Advice
- > Structured Products
- > Invest in IPO's
- > Bonds



CUSTOMER SERVICE

- > Dedicated Relationship Manager
- > Hassle free online account opening
- > Investment Advice
- > Call & Trade Facility
- > Daily Call Tracker
- > SMS Confirmation of Trades
- > Free Trading Account



RESEARCH SUPPORT

- > Morning Tea
- > Pick of the Week
- > Economic Outlook
- > Aaj ka trend
- > Currency Highlights
- > Equity bazaar
- > Detail company reports
- > IPO updates
- > Techno buy
- > IIP & CPI update



ACCESS ANYWHERE

- > Trade via Mobile App
- > Trade online via choicelndia.com
- > Research reports on Whatsapp
- > Track your holdings and gains on the move

OUR WEALTH MANAGEMENT SERVICES

The group provides its Wealth Management Services through its subsidiary "Choice Wealth Management Private Limited".

The group has launched the mutual fund platform which brings in itself an experience of nearly 25 years and an insight of some of the stalwarts of the industry. Demonetization has helped the overall mutual fund industry in the form of increased inflows. Bank deposit rates are continuing on a downward slide which has forced investors to look for other avenues for better return on their investments. Mutual fund has been the leading destination for such investors.

This year we took an initiative to build Mutual Fund Investment platform "Investica". Investica offers three different

platforms to its clients which include Web platform, Mobile app for IOS and Mobile App for Android.

Investica is equipped with Aadhar based KYC facility which enable us to on-board clients through the system without any paper work. This has resulted in quicker client acquisition from anywhere in India. We are not dependent on any local office and teams to acquire clients for us. This will help us grow faster without any significant expansion in the back office team resulting in improved profitability.

Investica platform offers fund ratings which help investors in their decision making while purchasing a fund. It offers basket buying of funds which are created by our research team considering frequent investments suggestions asked by the investors. Basket buying makes

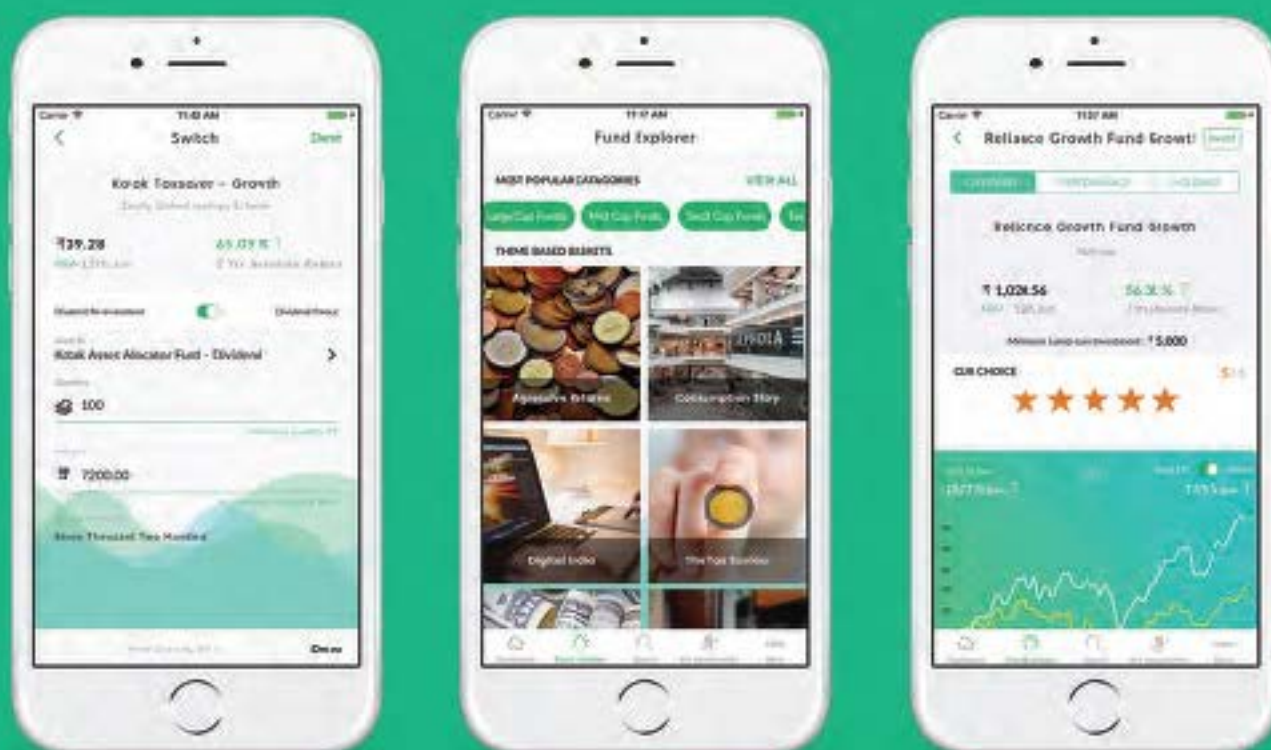
investment in mutual fund easy for a new investors who does not have time to review multiple funds. Such investor can review the basket curated by our research team and invest in them.

In few days of launching Investica, it has become a most sought after mutual fund App as per play store rankings for various Mutual Fund related keywords. The technology platform has enabled us to improve our client acquisition rate by 500%. We are improving our systems on a continuous basis and are adding more features to maintain our lead position in the market.

Our transaction volume has seen a significant rise on the platform over the last two-three months and we are expecting significant rise in these volumes by the year end.

KEY FEATURES OF THE INVESTICA APP





THEME-BASED BASKETS

Investica understands your objective of investments and allows you to invest in theme-based baskets of multiple mutual funds as per an investor's risk appetite and returns requirement.

**INVEST IN
THROUGH
INVESTICA
TODAY
FOR A SAFER
AND
WEALTHIER
TOMORROW!**

FEATURES



**Portfolio Tracking
& Analysis**



**E-KYC & Paper-Free
Onboarding**



**Free & Quick
Account Opening**



**Goal-based
SIP Calculator**



**Invest, Switch
& Redeem Funds**



**Peer Comparison
& Analysis**

INVESTMENT BANKING

Market Environment

Primary Market

The break-up of funds raised in public markets during FY 2016-17 as compared to the FY 2015-16 is as follows:

Merger & Acquisitions

During FY 2016-17, 525 deals were announced as compared to 578 deals in FY 2015-16. Total value of the deals in announced was Rs.5.42 lakh crores (this does not include 137 deals for which deal values were not available) for FY 2016-17 as against Rs. 2.82 lakh crore.

Primary Market	FY 2016-17		FY 2015-16	
	No.	Rs. in Crores	No.	Rs. in Crores
IPO	105	29,050	74	14,811
Right Issue	13	3,424	12	9,239
QIP	12	13,671	20	14,358
Total Equity Raised	140	46,144	106	38,408
Total Debt Raised through Public Issue	16	29,547	20	33,812
Total Amount Raised	156	75,691	126	77,220

There were 28 transactions of offer for sale for an aggregate amount of Rs.2,390 Crore in FY 2016-17 as against 16 transaction for Rs.19,822 Crore during FY 2015-16.

CAPITAL MARKET & DEBT SYNDICATION

Capital Market & Debt Syndication service is routed through our subsidiary "Choice Capital Advisors Private Limited"

The Indian Financial sector is demonstrating sustained momentum. In recent years, reforms in the equity capital markets, lending norms, business growth opportunities and political reforms including continuous strengthening of regulatory environment by SEBI, RBI and various government authorities and entities. The industry is also becoming more vibrant, with new categories of products and services being offered to meet the needs of an emerging economy.

On the Merchant Banking and Transaction Advisory side, CCAPL has delivered stronger operating and financial performance. During the year, CCAPL has also been granted Permanent Category I – Merchant Banking Registration by SEBI. The team is focussing on structuring and executing diverse equity capital raising transactions in the public and private markets for our clients. Products in this segment include IPOs (SME and Main Board), follow-on offers, rights offerings, private placements, QIP transactions, convertible offerings, etc for both listed and unlisted companies. We also have aggressively launched our three new products viz; Secretarial compliance services and IPO readiness and IPO co-ordination services for unlisted companies.

We are now also empanelled with BSE for valuation exercise of delisting

companies. We have a strong position in the market for our newly launched services viz; IPO readiness and IPO co-ordination as it is accepted by clients approached by us.

On the Debt Syndication front, the team is also focussing on advisory in Trade Finance products like factoring, reverse factoring, bill discounting, channel finance etc. along with our core advisory for working capital and project finance products like CC, OD, LC, BG, Term Loans, structured finance etc.

We continue to remain optimistic about the long-term strategy of the company and the opportunities that long-term India story will offer us. The financial services sector is expected to grow rapidly in an expanding economic environment. At CCAPL we are consciously building an operational model that is well diversified across capital and debt market activities having unique strengths.

Our financial performance, will be influenced to some extent by market conditions, which may not be very positive at given point of time, but this in no way has diminished our appetite for progress and expansion. Therefore, it is always our endeavour to deliver operational growth while our financial results may at times vary with the market conditions.

RETAIL LOANS

The Retail Loan services is routed through our Subsidiary "Choice Corporate Services Private Limited" or "CCSPL"

Choice Corporate Services Private Limited – An Approach Towards

Lending

Choice corporate services private limited is a name that is common in day to day life. We at CCSPL believe in serving the customers on priority. We understand the necessities and craving for those who are looking for affordable and flexible loans.

CCSPL – A corporate DSA working PAN India, serving people for affordable loan service such as - Home Loan, Personal Loan, Business Loan and Loan against property are a few to count. Our motto is to offer better ROI for loans in comparison to prevailing market structure. We understand customers' needs therefore empanelled with more than 50 Bank & NBFC all over India to offer you the best interest rates on loans.

WHO WE ARE?

We ensure you have the money you need when you need it!

CCSPL is an Indian company located in various locations of India & headquartered in Mumbai. We are a reputable name in the loan offering industry with an aim to offer user-friendly loan service to our valuable customers; we have an expert team of well-trained staff that helps you in getting loan quickly and without any hassle. Our team work to get you the best loan and aim to obtain competitive rates.

Business performance in the last year

In FY 2015-16 we were operational in Mumbai and its various suburbs offering business of almost 10 million which was increased manifold in FY 2016-17 along with introducing 8 new locations.

New Ventures undertaken

Right now we are operational in 12 locations and have served thousands of people for their loan requirements.

New Launches

In this digital era, we will not be left behind if we are not going to upgrade our self on digital world. For that we are looking forward to build an app based portal so that loan process gets easier and handy. We are also on verge of introducing our Online Portal assisting customers in every location of India.

Comparison with the peer group

Today market is so competitive that we need to take primitive measures to stay ahead of our competition. Here are some reasons why people rely on us:

Foremost reason is that we are offering our customers personal assistance that means they are

interacting an individual instead of any robot misguiding you in numbers.

There are various competitors such as Direct Sales agents, Chartered accountants as well as small time agents/connectors who work on reference basis for small commission.

There are also few online portals who invite customer online to apply for loans and thereby pass the same lead to bankers and NBFC's.

We are currently working on Off-line model and plan to compete the online team players of the market too.

Our Standing in the industry

We have a long list of satisfied and happy customers. As we are always ready to offer the best of best services to our valuable customers - We provide B2E services to our customers from loan documentation till the disbursement of cheque.

Way forward Statement

In forth coming years we are targeting to serve people in the remotest locations of India and for that we are aggressively working and building a team of supporting members through our ONLINE portal.

MANAGEMENT CONSULTANCY

The Consultancy activity is routed through our Subsidiary namely "Choice Consultancy Services Private Limited".

Our Management Consulting services focuses on identifying and resolving most critical issues for our clients and helps them in achieving sustainable solutions.

This division caters their services to both private and public sector clients.

We assist our private sector clients 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 services include Strategic planning, Audit and Assurance support, Taxation, Cross border transaction support, KPO, opinions & due diligence and compliances.

We offer multi-sector infrastructure consultancy and development advisory services to Government authorities, Bi-lateral agencies, Development and funding agencies. Our services includes feasibility study, detailed project report, project management consultancy, transaction advisory, and financial advisory covering various sectors like



Road & Highways



Buildings



Affordable Housing



Water
Management



Solid waste
Management



Urban Infrastructure
Solutions



Revenue
Augmentation



Public Finance
Management



GIS
Survey



Property
Tax Reform



GIS based
town planning



IT based E-Governance
Solutions

We have started our footprints in African market also. Our services are getting recognized by clients due to our practical and solution based approach, adherence to deadline, and value addition to client. We are planning to expand our footprint in global market.

CROSS BORDER CONSULTANCY

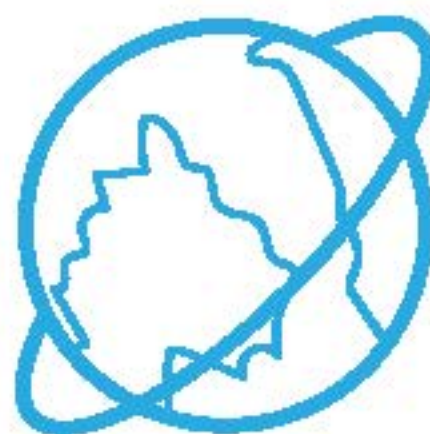
The Group provides cross border consultancy through its subsidiary namely "Choice Peers International Private Limited". "Choice Peers International Private Limited" is an International Division of Choice Group.

Background

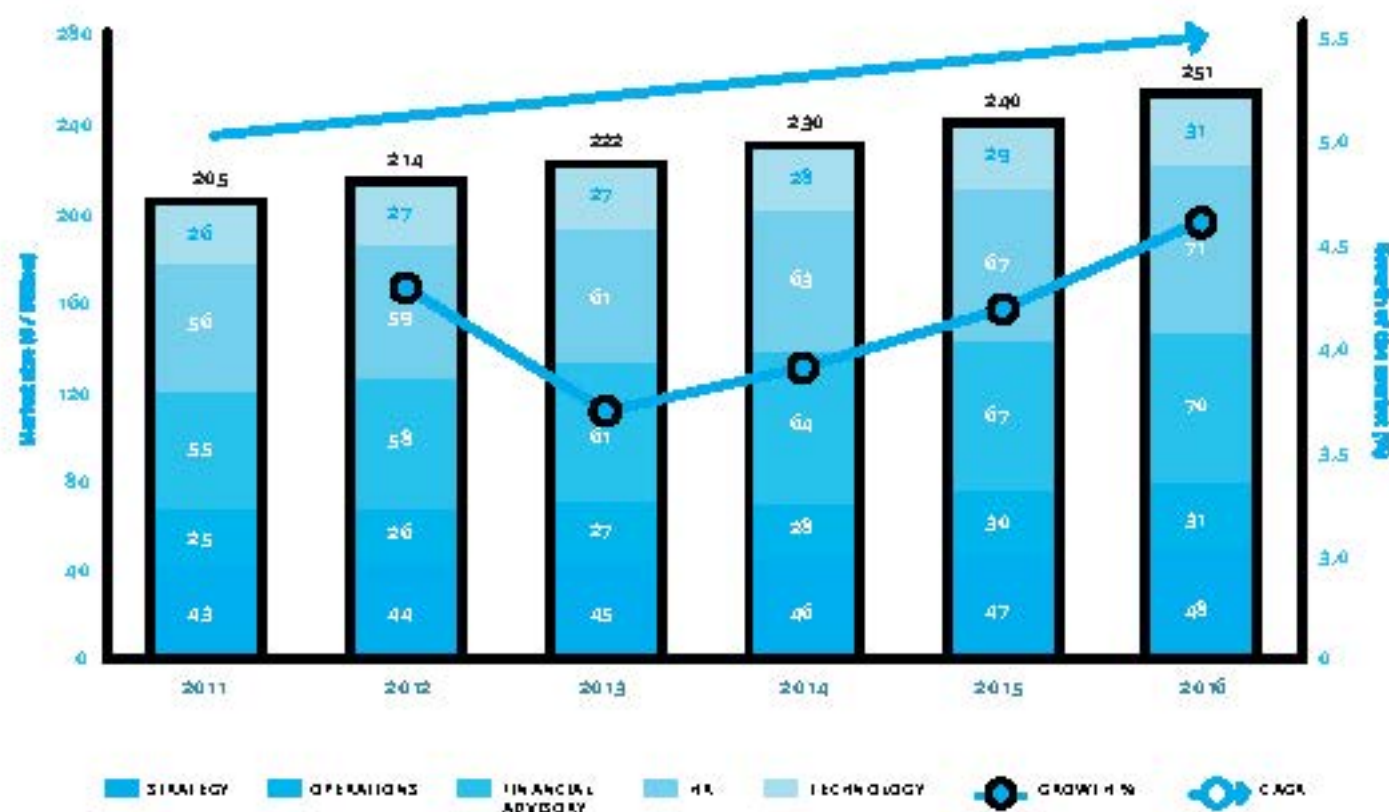
Over the past years with a total value of around \$250 billion, the global consulting sector is one of the largest and most

mature markets within the professional services industry.

An analysis of the past five decades shows that the development of the consultancy industry is closely tied to the developments of the global economy. In times of flourishing economic conditions, organisations enjoy higher revenues and budgets, a setting which paves the way for higher spending on consultants. Vice versa, economic downturns typically sees organisations shrink their spending behaviour, which leads to budget cuts of, among, others, consulting expenditures.



SIZE OF THE GLOBAL CONSULTING INDUSTRY (2011 - 2016)



In 2011 the consulting industry was valued at \$205 billion, and since the market has grown with an average Compound Annual Growth Rate (CAGR) of 4.1% to a value of \$251 billion in 2016. The largest segment is Operations Consulting, which accounts for nearly 30% of the market, followed shortly by

the Financial Advisory segment. Strategy Consulting the most prestigious segment in the industry represents less than 15% of the market, and is, in terms of size, comparable to the HR Consulting domain. Technology Consulting, also referred to as IT Consulting, holds a 20% share of the overall market. Across the board,

the North American consulting market is regarded as the most mature region globally, however, the EMEA region (Europe, the Middle East and Africa) lead in terms of market size, holding a 48% share of the overall consultancy economy.

GLOBAL CONSULTING MARKET (per segment / region)



Understanding and evaluating the global market for consulting, In 2011 Choice Peers International was incorporated. It is the international arm of the group steering

its business across various countries in Asia, Africa and Europe. These regions as we read above constitutes to 41% share of overall consultancy economy. With a

strong team of professionals across all our locations, we are competitive enough to provide services of international standards along with local expertise.

Services

We offer services that falls under the categories of Strategy Consulting, Financial Advisory and Technology Consulting named as:

1. International Business Consulting

Business Set Up
New Market Entry Assistance
Match Trade Partners For Business
Global Legal Consulting

2. Tax Consulting

International Tax compliance
Tax planning
Match Trade Partners for business

3. Audit & Assurance

Statutory Audit
Internal Audit
Management Audit

4. Strategy & Technology

ICT
Business Intelligence
and Analytics

5. Investment Banking

IPO Consulting
Merger and Acquisition
Trade Finance
Project Finance

6. Government Reforms and Infrastructure

Infrastructural Development
Financial Reforms
ICT Reforms And Implementation

Projects

International Business Consulting

Project

Setting up Distribution Network for a FMCG giant in Vietnam.

Investment Banking & IPO Consulting

Project

Consultants for project finance, for a client providing services of digital printing, packaging and labelling

Achievements

Presence in 33 global locations, across continents of Africa, Asia and Europe, within 1 year of operation.

Own branches opened in Dubai, Nairobi and London

All new offices cater to complete service spectrum of Choice Group, however the Dubai Office has few uniqueness. With the VAT being implemented in UAE from 1st January 2018, we are also equipped to provide the following specialised services

VAT Impact analysis

VAT Registration

VAT Implementation

VAT Compliance and Litigation

Goals Ahead

Our aim is to expand our area of operations by setting up branches in total 5 countries and to expand our network to 50 countries by end of FY 2018 and to 100 countries by end of FY 2019. We are determined to achieve our mission of being a globally trusted name in business, finance and government consulting.



E-COMMERCE

Modern Trade Services – An Omni-Channel, Omni Category Sales Advisory

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space.

Market Size

India's retail market is expected to nearly double to US\$ 1 trillion by 2020 from US\$ 600 billion in 2015, driven by income growth, urbanisation and attitudinal shifts. While the overall retail market is expected to grow at 12 per cent per annum, modern trade would expand twice as fast at 20 per cent per annum and traditional trade at 10 per cent. India's Business to Business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020. Online retail is expected to be at par with the physical stores in the

next five years.

India is expected to become the world's fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users. Various agencies have high expectations about growth of Indian e-commerce markets. Indian e-commerce sales are expected to reach US\$ 120 billion by 2020 from US\$ 30 billion in FY2015. Further, India's e-commerce market is expected to reach US\$ 220 billion in terms of gross merchandise value (GMV) and 530 million shoppers by 2025, led by faster speeds on reliable telecom networks, faster adoption of online services and better variety as well as convenience.

India's direct selling industry is expected to reach a size of Rs 23,654 crore (US\$ 3.54 billion) by FY2019-20, as per a joint report by India Direct Selling Association (IDSA) and PHD.

Indian exports of locally made retail and lifestyle products grew at a compound annual growth rate (CAGR) of 10 per cent from 2013 to 2016. The size of modern retail in India is expected to double to Rs 174,800 crore (US\$ 25.7 billion) from Rs 87,400 crore (US\$ 13 billion) in three years

driven by omni-channel retail.

The Service is catered through our subsidiary "Choice E-Commerce Private Limited" referred to as "Choice E-Park"

Choice Epark is India's only company that offers a complete sales solution for all category products on all Modern Retail and E-commerce formats. Led by Experienced Leaders in the domain we ensure that our company & products get the best representation in various sales channels.

Our team of expert staff members takes over the day to day hassles of managing various sales channels so that the manufacturer / brand owner and their team can focus on their core competencies enhancing organizational efficiency and profitability.

Our values make us follow the dictum of "Client's Interest First" hence we are focused at achieving the best sales numbers with good margins for the manufacturer / brand owner. Our relationship with the decision makers at these sales channels go back more than two decades helping you faster on boarding, better negotiation and best results.

Modern Retail Channels

We are India's first modern retail advisory company providing omni channel and omni category sales solution in the following formats:

LARGE FORMAT STORES

Nationally present, these are physically large retail establishments e.g.: Big bazaar, Hypercity, Shoppers Stop, Reliance Trends, Spencars etc.

LARGE FORMAT STORES

Nationally present, these are physically large retail establishments e.g.: Big bazaar, Hypercity, Shoppers Stop, Reliance Trends, Spencars etc.

MULTI BRAND OUTLETS

MBOs are stores which have a successful regional presence in select cities. e.g.: Chunmun's, Pottery's, The Chennai Silks, Amerson's, Bazar etc.

Full STORES

Cash & carry formats like Metro, Walmart, Reliance Market etc.

EXCLUSIVE BRAND OUTLETS

EBO's are stores of an exclusive brand in select cities based on the target audience e.g. AND, Global Desi, Metro, Esbeda, Sia Art Jewellery etc

GOVERNMENT CANTEENS

Army, Navy & Police canteens offer a great platform for Sales.

PRINT MEDIUM

Sales using tie up with newspapers like Times of India, Hindustan Times all regional newspapers etc.

TELEVISION MEDIUM

TVC's like Naaptol, Homeshops18, etc.

E-COMMERCE CHANNELS

We provide end to end account management and sales solutions by listing your products on various market places like Amazon, Flipkart, Myntra, Rakuten, Ebay etc. in India & Abroad.

TECHNICAL SERVICES

Our IT Solution services are routed through our Subsidiary "Choice Tech Lab Solutions Private Limited" or "CTL"

Choice TechLab, a software development and consulting firm, provides credible web solutions that foster business growth. We help accelerate the digital transformation journey by using tested solutions as well as innovative methods. Our dynamic team comprises of web designers, web developers, and online marketing experts among others who deliver customized solutions tailored according to your business needs. We are committed to meet all our client needs within their budgetary parameters.

We offer a wide range of services by operating our client's technology environment for them. In doing so, we are able to maximise the opportunity for our clients to sustain their initial competitive advantage while removing the increased risks that accompanies larger business dependence on technology solutions.

Choice TechLab works in collaboration with their clients to design, deploy, operate, and improve the IT services

that are essential to their businesses. In addition, the extent of product and service offerings makes Choice TechLab a valuable contributor in an industry where we are known for using both reliable tested solutions and new innovative methods depending on what suits our client's needs the best.

Using a consultative approach, our experts identify which areas of our clients business can benefit from our services. This transforms IT from a mere overhead cost, albeit one that provides commodity services, into a strategic value-add for our clients business. Choice TechLab is committed to meeting our client's needs as well as working within their budgetary parameters.

At Choice TechLab, We believe when Creativity, Technology and Marketing combine through strategic planning, incredible results are achievable. With the best interest of our clients in mind, our actions are always focused on conversions and business growth.

CTL adheres to best practices to maintain business integrity and to be accountable for all the steps taken

towards building an application.

Services Offered

CTL has some of the best UI/UX Designers, Software developers, technical architects, cloud and database professionals associated with it across the globe. This has not only strengthened our capacity but has also brought expertise and rich knowledge base which ensures the best quality services to our clients tailored to their requirements.

Services Offered by Choice TechLab

- Web Development
- Custom CRM/ERP
- Applications development
- iOS/ Android Development
- Business Intelligence and Analysis
- Cloud architecture design and consulting
- SEO Analysis & Optimization
- Social Media Marketing
- Vulnerability assessment and management
- Compliance Management
- Database design and consulting

Accomplishments in the Year 2016 - 17

Accomplishments in the Year 2016 - 17

Investitica

Designed a Mutual fund platform with an easy to navigate interface to carry out mutual fund transactions and customer on boarding seamlessly.

TMS

Developed a Transport Management System to automate transport operations like Vehicle management, billing, tracking payments to consolidate orders, oversee shipping and lower transportation costs

E-Bill

Built an online Bill Management System for the government/work department that incorporates a user-centric software, backed with a strong modular system, workflow driven APIs, billing and document management

WheresMyPandit

Developed an Online puja and pandit booking platform and Hindu calendar app that caters to the spiritual Hindu community

Motor Mitra

Designed a clean and minimal online platform for the automobile listing portal that enables easy navigation

The Byke

Built an interactive and elegant website with iconic property page designs for the multi-property and award winning Byke Hospitality Group.

MailByte

Developed a cloud-based bulk email solution that caters to the need of speedy delivery of transactions and promotional emails and incorporates contact lists, campaign management and analytics

IsHout Now

Developed a marketing app platform with Google location API integration that not only advertises but instantly connects the merchant to the customer.

RISKS & CONCERNS

Risk is an integral part of the business which aims at delivering superior shareholder value by achieving an appropriate balance between risks and returns. Today Financial services company operate in an increasingly complex, competitive and continuously evolving legislative and regulatory environment due to increasing globalisation, integration, of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework. The ability to manage risks across geographic, products, assets classes, customer segments and

functional departments is a paramount importance for the hindrance free growth of the organisation.

The Company being a Holding Company with no operating business on standalone basis derive its income mainly from dividend, interest and Capital gains and hence is not directly exposed to many risks. The risk for the Company emanates from the risk associated with the business of various operating entities within the group.

The Groups Business is exposed to many internal & external risks. A team of experienced people within the organisation identify & monitor these

risks as an on-going process to monitor and control the same to keep the risks to minimum level. On-going monitoring by our officials helps in identifying risks at an early stage. There is a continuous focus on the maker checker and sponsorship processes.

The report of internal auditors is reviewed and discussed by the Audit Committee of the respective operating companies including the company review in compliance with the set process and risks events.

Key risks are as follows:

1) Regulatory & Compliance Risk

The Risk associated out of a change in law and regulations governing our business. It could also arise on account of in adequate addressal of regulatory environment or differences in interpretation of regulations.

New laws or regulations or changes in the enforcement of existing laws and regulations may adversely affect the business/revenue.

However, we have a team of experienced professionals who takes care of Compliances with all the applicable laws, rules, regulations and guidelines affecting our business.

2) Operational Risk

Our Business is dependant on people and processes. Shortcomings or failure in internal processes or systems or human error may have adverse impact on the financial position of the Company as well its operations.

However we have well defined, operational processes and systems in place to mitigate the operational risks.

3) Reputation Risk

Reputation Risk is the current or prospective risk to business, earnings and capital arising from adverse perception of the organisations on the part of customers, counterparties, shareholders, investors or regulators.

Reputation risk is very high risk and can cause long term and sometime irreparable loss of business/revenue.

However, we conduct our business with diligence keeping in mind the stakeholders needs.



4) Market Risk

As a part of its operation, the group makes investment in securities and other financial instruments from time to time. We are exposed to potential changes in value of financial instruments held by us. Any decline in the price of our investments in quoted securities may affect our financial performance and positions.

5) Competition Risk

The industry in which the Company operates is growing at a rapid pace and is exposed to tremendous competition

at the national as well as international level. Strong growth prospects combined with liberalization of financial services sector have prompted the entry of newer foreign and domestic financial services companies.

Entry of new players has increased the Competition faced by us. It may also lead to attrition of our Key Managerial Person.

Our human resource policies and a healthy positive work environment help us attract and retain best talent on a continuous basis.

6) Business Continuity Risk

In the event of disruption in the conduct of business due to incidents like fire, natural calamity, breakdown of infrastructure etc. We are exposed to risk of loss of data, clients or business that can adversely affect our financial results.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

We at Choice have an adequate system of internal control to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transaction are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of Internal Audits, reviews by the management, documents policies, guidelines and procedures.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied.

HUMAN RESOURCE

The Company strongly believes in enhancing the value of its people asset consistently. The current talent acquisition backdrop is being driven towards managing the landscape in a way such that the Company delivers on its promise to its customer as well as on the Company's vision. Managing an innovative and inclusive culture, managing the process and culture integration and building the employer brand are some of the high imperative areas that are helping the Company manage the talent landscape. The Company promotes a workplace where extremely diverse set of talent can connect, contribute and thrive

in partnership with business leaders. People development has always been a focus area for the Company. Learning needs have been addressed during the year through new programmes in the areas of strategy, execution and critical thinking.

Human Resource activities include:

- Workforce Diversity
- Learning & Development
- Rewards & Recognition
- Talent Management
- Performance Management

On behalf of the Board of Directors

Sd/-
Ramesh Poddar
(Managing Director)
DIN No. 0358790

Sd/-
Ajay Kojharel
(Director)
DIN No. 0363141

Mumbai: August 14, 2017

CORPORATE GOVERNANCE

“

Good corporate governance is about intellectual honesty and not just sticking to rules and regulations.

Mervyn King
Chairman - King Report



Since the commencement of the liberalization process, India's economic scenario has altered radically. Globalization has significantly heightened business risks and in response many of the Indian companies have strengthened norms of transparency and good governance. Equally, in the resultant competitive context, freedom of executive management and its ability to respond to the dynamics of a fast changing business environment are the new success factors. This philosophy is well reflected in the practices and endeavours of our company Choice International Limited.

Corporate governance is based on the bedrock of maximization policy of shareholder value legally, ethically and substantially. It is the system of rules, practices and processes by which a company is directed and controlled.

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment.

Corporate governance is the broad term describes the processes, customs, policies, laws and institutions that direct the organizations and corporations in the way they act, administer and control their operations. It works to achieve the goal of the organization and manages the relationship among the stakeholders including the board of directors and the shareholders. It also deals with the accountability of the individuals through

a mechanism which reduces the principal-agent problem in the organization. Fine corporate governance is an essential standard for establishing the striding investment environment which is needed by competitive companies to gain strong position in efficient financial markets. Good corporate governance is fundamental to the economies with extensive business background and also facilitates the success for entrepreneurship.

At CIL, we believe that as we move closer towards our aspirations of being a global corporation, our Corporate Governance standards must be globally benchmarked. Therefore, we have institutionalised the right building blocks for future growth. The building blocks will ensure that we achieve our ambition in a prudent and sustainable manner. CIL not only adheres to the prescribed Corporate Governance practices as per SEBI Listing Obligation & Disclosure Requirement Regulations, (2015) but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfilment of stated goals and objectives.

COMPANY'S GOVERNANCE PHILOSOPHY

The Company believes that good corporate governance has to be woven into the DNA of the organization helping to build a distinctive culture from top to bottom. Therefore the practices of your Company extend beyond legal provisions and voluntarily adherence to a set of strong governance principles. In the present competitive corporate scenario, your Company ensures high ethical standards and a disciplined approach in pursuing excellence in all its sphere of business. The Management believes that they are the trustees of the investors' capital and other stakeholders' interests. They believe their business practices should be founded on transparency, disclosure, accountability and financial controls, the four pillars of a good corporate governance system.

Corporate Governance at Choice International Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the

constituents of the system. The Company has laid a strong foundation for making corporate governance a way of life by constituting a Board with a balanced mix experts of eminence and integrity forming a core group of top level executives, including competent professionals across the organisation and putting in place appropriate systems, process and technology.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the Management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practising it.

Your Company confirms the Compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR Regulations)) as amended, the details of which are given below:

BOARD OF DIRECTORS

The board of directors are the link between those who provide the capital, and who have the most to lose, and those who are employed in order to manage and create value for the investors.

One of the main roles of the board is to establish the culture, values and ethics of the company. The directors must lead by example and ensure that good standards of behaviour permeate through all levels of the organisation. It is important that the chairman of the board establishes the tone in the boardroom in meetings so that non-executive directors are comfortable to raise concerns where they have queries about behaviour and activities.

The Board is elected by the shareholders to oversee their interest in the long-term health and the overall success of the business and its financial strength. The Board serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the shareholders.

The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Company.

The board of directors is the guardian of firmness, transparency and accountability in all of the major financial and business dealings of the company, defending the interests of investors and wider stakeholders.

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.

Composition of Board of Directors

The Company has an optimum combination of Executive & Non - Executive Directors. Out of 10 Members of the Board of Directors, as on the date of the Report there are 7 Independent



Directors, 1 Non - Executive Director & Two Executive Director out of which one is the Managing Director.

The Composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with Rules issued thereunder.

Independent Directors

It is increasingly recognized that the Independent directors have an important role to play in the progress of the company. They are considered as both a safeguard and a significant source of competitive advantage. Corporate Governance reformers presume that the outside Independent directors are better than the non-independent boards and more Independent a board is, the better is the efficiency within the company. The role they play in a company broadly includes improving corporate credibility and governance standards, functioning as watchdog, maintaining balance in a promoter dominated scenario, play vital role in risk management.

The Independent Directors have submitted declarations that they meet



criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

Directors with materially significant, pecuniary or business relationship with the Company

There is no pecuniary or business relationship between the Independent Director and the Company, except for the sitting fees payable to them annually in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

Independent Director's Meeting

The Independent Directors meet without the presence of Non-Independent Directors. These meetings are informal and enable the Independent Directors to interact and discuss matters including

review of the performance of the Non-Independent Director and the Board as a whole, review of the performances of the Managing Director taking in to views of other Executive and Non-Executive Directors and assessing the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

The Independent Director met on January 17, 2017 during the Financial Year, 2017.

Familiarization Programme

The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the company's Business and the external environment affecting the industry as a whole. To this end, the Directors were given presentation on the global business environment, as well as all the business areas of the Company including business strategies, risk opportunities. 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 statutes and an affirmation is obtained for the same. The Detail of the Familiarisation Programme for Directors are available on the Company's Website. Le www.choiceindia.com

Board Meetings

The Board of Directors meet atleast once in each quarter to review the financial statements of business segments, Compliance reports of all the applicable laws to the Company, minutes of the Board Meetings of Subsidiary companies, operations and expenditure – budgets, significant transactions and arrangements entered in to by the unlisted subsidiary companies, risk management transactions involving material investments, details of borrowings and any other matter which is substantial in the interest of the Company.

The senior management of the Company make timely disclosures to the Board of Directors relating to all material, financial and commercial transaction, where they have potential interest in any transaction or matter that may have a potential conflict with the interest of the Company.

The Agenda along with the explanatory notes are generally circulated 7 (seven) days before the date of the Meeting(s) in compliance with Secretarial Standards.

The Managing Director and other Executive Director along with the Senior Management team makes presentation to the Board on the matters including the Company's Performance, Plans, and Operations of each Business segment. The Board has complete access to any

information within the Company which includes information as specified in Regulation 17 and Schedule II (A) of the Listing Regulations.

The Company Secretary attends all the meetings of the Board and its Committee and is responsible for recording the minutes of the meetings of the Board and its Committees. The draft minutes of the Board and its committee are sent to the members for their comments in accordance with the Secretarial Standards and then the minutes are entered in the minutes book within 30 days of the conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Company adheres to the provisions of the Companies Act, 2013 read with rules

issued thereunder, Secretarial Standards and Listing Regulations with respect to convening & holding the meetings of the Board of Directors and its committees.

The Meetings of the Board of Directors are usually held in Mumbai at its Registered Office and also at locations other than Mumbai, where the Company operates. During the financial year 4 Meetings were held on May 30, 2016, July 14, 2016, October 15, 2016 & January 17, 2017. The maximum interval between any two consecutive Board Meeting was well within the maximum allowed gap of 120 days.

The name & 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 Meetings attended out of 4 meetings held during the year	Attendance in the Last AGM	No. of Directorship in other bodies corporations on March 31, 2017
CA Kamal Podder	Promoter & Executive Director	Managing Director	4	✓	16
CA Ajay Kejriwal	Executive Director	Director	4	✓	3
Mrs. Hemlata Podder	Promoter & Non - Executive Director	Director	1	-	-
Mr. Debkumar Gorwami	Independent Director	Director	4	✓	4
*Mrs. Bhagyam Ramani	Independent Director	Director	1	-	-
*CA B.M. Agarwal	Independent Director	Director	2	✓	-
Mr. Raghuvir Shrivastava	Independent Director	Director	1	-	1
Mr. Kanhayalal Borwal	Independent Director	Director	1	-	-
Mr.L.N. Nathuramika	Independent Director	Director	1	-	-
Mr. A.K. Thakur	Independent Director	Director	2	-	3
Mr.Lalit Menghmani	Independent Director	Director	1	-	3

Note

* Mrs. Bhagyam Ramani the Independent Director of the Company, resigned from the Board with effect from June 07, 2016 & Mr. B.M. Agarwal resigned from the Board with effect from September 1, 2016.

** Mr. Raghuvir Shrivastava, Mr. Kanhayalal Borwal, Mr. L.N. Nathuramika, Mr. A.K. Thakur & Mr. Lalit Menghmani were appointed

as the Additional (Independent) Director at the Board Meeting of the Company held on July 14, 2016 and their appointment as Independent Director was approved by the Shareholders at the Annual General Meeting of the Company held on September 20, 2016.

*** Mr. Bharat Kumar Shah was appointed as the Additional (Independent) Director of the

Company at the Board Meeting held on April 29, 2017 subject to the approval of the Members for his appointment as an Independent Directors of the Company at the ensuing Annual General Meeting of the Company to be held on September 18, 2017.



Board Evaluation

Pursuant to the Provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR Regulations), a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Director individually as well as the evaluation of the working of the Committees of the Board. The Performance evaluation of all the Directors was carried out by the Nomination & Remuneration Committee. The Performance evaluation of the Managing Director was carried out by the Independent Director.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with participation of all the concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligations to the Company. The Board believes the evaluation will lead to a closer working relationship among Board Members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

A structured questionnaire was prepared after taking in to consideration inputs received from the Directors,

covering various aspects of the Board's functioning such as adequacy of the Composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of Individual Directors including the Managing Director, who were evaluated on parameters such as level of engagement and contributions, independence of judgement, safeguarding of interest of the company and its minority shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

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, 2017. A declaration to this effect is 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, 2017.

Place : Mumbai
Date : July 15, 2017

Self-
Kamal Poddar
(Managing Director)

COMMITTEES OF THE BOARD

The Board of Directors has constituted five committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholder relationship committee, Corporate Social Responsibility (CSR) Committee, and Risk Management Committee in line with the requirements of Companies Act, 2013 and SEBI Listing Regulations. All the decision pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference/ role of the committee

are taken by the Board of Directors. Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

a) Audit Committee

As on March 31, 2017, the Audit Committee comprises of three Directors, the majority of whom are Independent Directors.

The Senior Management team i.e. the Managing Director, Chief Financial Officer, Internal Auditors, Representative of the Statutory Auditor are invited for

the Meeting of the Audit Committee. The Company Secretary is the secretary to the committee.

The Audit Committee met four times during the year, i.e. on May 30, 2016, July 14, 2016, October 15, 2016 & January 17, 2017. The maximum interval between any two consecutive Meetings was well within the maximum allowed gap of 120 days. The minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meeting are given in the below mentioned table.

Details of Audit Committee

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Deb Kumar Goswami	Independent Director	Chairman	4	4
*A.K.Thakur	Independent Director	Member	4	1
Ajay Kejriwal	Executive Director	Member	4	4

* Mr. Ashok Kumar Thakur was appointed as the member of the committee at the Board Meeting of the Company held on October 15, 2016 pursuant to resignation of Mr. Brijmohan Agrawal from the Board on September 21, 2016.





The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 20, 2016 to answer the Members queries.

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

- Changes, if any in accounting policies and practices and reason for the same.

- Major accounting entries involving estimates based on the exercise of

Judgement by the Management.

- Significant adjustments made in the financial statements.

- Disclosure of any related party transactions

- Modified opinion(s) in draft audit report.

Reviewing with the Management, quarterly financial statements before submission to the Board for approval;

- Review with the Management, the statements of use/ application of funds raised through an issue the statement of funds utilized for purposes other than those stated in the offer documents/ prospectus/ notice

- Review and monitor the auditor's independence and performance and effectiveness of audit process;

- Approval or any subsequent modification of transactions of the Company with the related parties;

- Scrutiny of Inter-Corporate Loans & Investments

- Valuation of Assets of the Company

- Evaluation of Internal Financial Control & risk management system

Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control systems;

Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

Discussion with the internal auditor of

any significant findings and follow-up thereon.

Reviewing the findings of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

To review the functioning of the Whistle Blower Mechanism/ Vigil Mechanism;

Approval for appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;

Carrying out any other functions as specified in the terms of reference, as amended from time to time.

Besides the above, the role of Audit Committee includes mandatory review of the following information:

- Management Discussion and Analysis of the Financial condition and results of operations;

- Statement of significant related party transaction, submitted by the management;

- Management letters/ letters of internal financial control weaknesses issued by the statutory auditors if any;

- Internal audit reports relating to internal control weaknesses and

- The appointment, removal and terms of remuneration of Internal Auditor;

- Statement of deviation.

b) Nomination & Remuneration Committee

The role of Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 read

Details of Nomination & Remuneration Committee

with the Rules Issued thereunder and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

During the Financial Year the Committee Meeting was held on July 14, 2016 & October 15, 2016.

The Composition of the Nomination & Remuneration Committee of the Board of Directors of the Company along with the

details of the meetings held and attended by the members of the committee during the financial year 2016-17 is detailed below:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Debkumar Goswami	Independent Director	Chairman	2	2
Lalit Menghnani	Independent Director	Member	2	1
Hemlata Poddar	Non-Executive Director	Member	2	1

Note

* Mr. Ajay Kajriwal was appointed as Member of the Committee on July 14, 2016 due to resignation of Mrs Bhagyan Ramani from the board on June 06, 2016.

Mr. Debkumar Goswami was appointed as the Chairman of the Committee on July 14, 2016 to comply with the provisions of SEBI Listing

Obligation & Disclosure Regulation (para) 1.

Mr. Lalit Menghnani was appointed as the member of the committee at the Board Meeting of the Company held on October 15, 2016 pursuant to resignation of Mr. Brijmohan Agrawal from the Board on September 21, 2016. In order to

comply with SEBI Listing Obligation & Disclosure Regulation (para) 1, Mrs. Hemlata Poddar was appointed as member of the Committee pursuant to change in designation of Mr. Ajay Kajriwal from Non-Executive to Executive Director

The Company Secretary of the Committee shall act as the Secretary to the Committee.

Terms of reference

i) Formulate criteria for determining qualifications, positive attributes and Independence of a Director;

ii) Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

iii) Devise a policy on Board Diversity;

iv) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

v) Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Director's Board/ Committee of the Board and review the terms of appointment of Independent Director on the basis of the report of performance evaluation of Independent Director.

vi) Reviewing and recommending to the Board, the remuneration payable to Directors of the Company and

vii) undertake any other matters as the Board may determine from time to time.

Board Membership

The Nomination and Remuneration Committee is responsible to formulate the criteria for appointment of a Director and review the said criteria for determining the qualifications, skills, positive attributes necessary for Inducting members of the Board. The Committee is also responsible for screening the candidates who meet the criteria, reviewing their appointment/ re- appointment and making recommendations to the Board in this regard.

Four of the parameters considered by the Nomination and Remuneration Committee while recommending the appointment of a Director to the Board, include

- Composition of the Board
- Diversity of the Board

Appropriate Balance of Skills,

experience and knowledge;

Professional qualifications, expertise and experience in specific area of business;

any present or potential conflict of interest;

ability to devote sufficient time and attention to his professional obligation informed and balanced decision;

ability to uphold ethical standards of integrity and probity in accordance with the Company's values.

Performance Evaluation Criteria for Independent Director:

The Company has adopted the following criteria to carry out the evaluation of the Independent Directors, which is in terms of the provisions of the Companies Act, 2013 and the SEBI (LODR Regulations):

- The Nomination & Remuneration Committee shall carry out evaluation of every Director's Performance.

- In addition, performance evaluation of the Independent Director shall be done by the entire Board, excluding the director being evaluated. This to be done on an

annual basis for determining whether to extend or continue the terms of appointment of the Independent Director.

Remuneration Policy

In determining the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the Company, a Remuneration Policy has been framed by the Nomination & Remuneration Committee and approved by the Board with the following broad objective:

- Ensuring that the level and compensation of Remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company Successfully.
- Motivate KMP and Senior Management to achieve excellence in their performance.
- Relationship of Remuneration to performance is clear and meets appropriate performance Benchmarks.
- Ensuring that the remuneration to Directors, KMP and Senior Management involves a balance between fixed & incentive pay reflecting between fixed & incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

a) 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 transaction with the Company.

b) Remuneration to Executive Director

The Remuneration to be paid to Executive Director of the Company shall be such as may 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 and variable component. The fixed component comprises of salary, allowances, perquisites and the variable component comprises of performance bonus and may include commission subject to the approval of members. The details of Remuneration to Managing Director during the year is as follows:

Name of the Director	Salary, Allowances & Perquisites as on March 31, 2017
Mr. Kamel Poddar	Rs. 42,00,000/-

c) Remuneration paid to Senior Management Employees

The Remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay & 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.

Q) Stakeholder Relationship Committee

The Stakeholder Relationship Committee comprises of two Directors, Mrs. Hemlata Poddar the Non – Executive Independent Director being the Chairman 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.

Details of Stakeholder Relationship Committee

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
*Hemlata Poddar	Non – Executive Director	Chairman	2	1
Ajay Kejriwal	Executive Director	Member	2	2

Note

* Mrs. Hemlata Poddar was appointed as the Chairman of the committee at the board meeting held on October 19, 2016 pursuant to resignation of Mr. Brinohan Agrawal from the Board on September 21, 2016. The Committee deals with the following matters:

Noting transfer/transmission of Shares;
Review of dematerialised / rematerialized shares and all other related matters

Monitors expeditious redressal of investor grievance matters received from Stock Exchange, SEBI, ROC etc.

Monitors redressal of queries / Complaints received from members relating to transfers, non -receipt of Annual Report, Dividend etc.

All other matters related to Shares/

debentures.

In accordance with the Section 178(5) of the Companies Act, 2013 the stake holders Relationship Committee shall in addition to the above role, also consider and resolve the grievance of debenture holders.

Details of Shareholder Complaints Received & Redressed during the year 2016-17 are as follows

The total Number of complaints received and resolved during the year ended March 31, 2017 are as follows.

There were no complaints outstanding as on March 31, 2017.

Opening Balance of Complaints received	Complaints received During the year	Complaints Resolved During the year	Closing Balance of Complaints received
0	0	0	0

d) Risk Management Committee

The Board of Directors has constituted a Risk Management Committee and defined its Role & Responsibilities. The Committee's role among other things include framing a Risk Management Policy and identify Company's Risk appetite set for various elements of risk, review the risk management practices and structures and recommend changes to ensure adequacy, approve and review

the risk treatment plans put in place by management and ensure adequacy of the management practices in the Company.

The Risk Management Policy of the Company formulated by the Committee and approved by the Board states the Company's approach to address uncertainties in its endeavours to achieve its stated and its implicit objectives. It prescribes the roles and responsibilities of

various stake holders within the Company, the structure of managing risks and the framework for the risk management.

The Risk Management Committee met on January 17, 2017 during the year under review. The Risk Management Committee comprises of the Senior Management Team of the Company and the Executive Directors.

AFFIRMATIONS & DISCLOSURES

The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulation.



a) Related Party Transaction

All transaction entered in to by the company with related parties, during the financial year 2016 - 17, were in ordinary course of business and on arm's length basis. The details of the Related Party Transaction are set out in the notes to Financial Statements forming part of this Annual Report.

Also the Related Party Transaction undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with rules issued thereunder and Regulations 23 of the Listing Regulations.

The Audit Committee, during the financial year 2016 - 17, has approved Related Party Transactions with granting omnibus approval in line with the policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Policy on Related Party Transaction has been placed and can be accessed on the Company's website (www.choiceltd.in).

There are no materially significant Related Party Transactions of the Company which have potential conflict with the Interest of the Company at a large.

b) Vigil Mechanism to Whistle Blower Policy

Pursuant to Section 177(9)(k) (vi) 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 unethical behaviour, fraud or violation of Company's code of conduct.

The Company has adopted a Whistle Blower Policy and an effective Vigil Mechanism System to provide a formal mechanism to its Directors, Employees and Business Associates to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractices, abuse or wrongdoing within the organisation and also safeguard against victimization of Directors/ Employees and Business Associates who avail of the mechanism.

c) Subsidiary Companies

The Company has adopted a policy in line with the requirements of Listing Regulations. The Objective of the 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 www.choiceltd.in.

Monitoring framework of Subsidiary Companies:

i) The Financial statements alongwith the Investments made by the unlisted subsidiaries are placed before the Audit Committee and the Company's Board Quarterly.

ii) A copy of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries along with the Exception Reports and Quarterly Compliance Certificates are tabled before the Company's Board quarterly.

iii) A summary of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries are circulated to the Company's Board quarterly.

iv) A statement containing all significant transactions and arrangements entered in to by the subsidiary companies is placed before the Company's Board.

d) Disclosure of Accounting Treatment

The Company has followed Indian Accounting Standards ("Ind AS") in the

preparation of the Financial Statements for accounting periods beginning on or after April 01, 2016, with the Comparatives for the period ending March 31, 2015 as roadmap announced by Ministry of Corporate Affairs Companies. The Significant accounting policies which are consistently applied have been set out in the notes to the Financial Statements.

e) Details of Non- Compliance

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.

f) 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 Company to receive the Complaints from investor against them, redress such complaints and report redressal. All the activities starting from lodging the complaint till its disposal are carried online in an automated environment and the status of every 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.

g) Filing with BSE "Listing Centre"

Pursuant to Regulation 50(i) of the SEBI (LODR Regulations) BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Shareholding Pattern & Corporate Governance. All the data relating to financial results, various submissions/ disclosure documents etc., have been electronically filed and Shareholding pattern & corporate governance Report have been filed in XBRL mode with the



Exchange on the "Listing Centre". (<http://Listing.jseindia.com>)

h) Risk Management

Business Risk evaluation and Management is an on-going process within the Company. The assessment is periodically examined by the Company.

i) Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In accordance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("Insider Trading Code"). The said Insider Trading Code applies to Directors, Senior Management Personnel, persons forming part of the Promoter(s) & Promoter(s) groups and such other designated employees of the Company, who were expected to have access to unpublished price sensitive information relating to the Company ("Designated persons"). Such designated persons are expected to be compliance with the Insider Trading Code at all times.

During the year under review, the Board of Directors of the Company approved

Incremental changes to the code of conduct to Regulate, Monitor and Report Trading by Insiders.

The Processes to be followed under the Insider Trading Code have been automated by the Company and all Designated Persons, other than Promoter(s) & Promoter(s) group, are using the same.

j) Means of Communication

Effective Communication of Information is an essential component of Corporate Governance. It is process of sharing information, ideas, thoughts, opinions and plans to all stake holders which promote management – shareholders relations. The Company regularly interacts with its members through multiple channels of Communications such as results, announcements, annual reports and the website of the Company and the stock exchanges.

i) Quarterly Result

The Unaudited quarterly/ half yearly financial results are announced within 45 days of the end of the respective quarter. The audited annual financial results are announced within 60 days of the close of the financial year as per the requirement of the Regulation 33 of the Listing Regulations. The aforesaid

financial results are sent to BSE Limited (BSE) where the shares of the company are listed. These results are thereafter published within 48 hours in one English Newspaper (Financial Express) & one local newspaper (Navshakti) as well as placed on the Website.

In Compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under "Investors Relation" on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly / Half Yearly/ Nine Months and Annual Financial results along with the applicable policies of the Company at www.choiceindia.com.

iii) Stock Exchange

The Company makes timely disclosures of necessary information to BSE Limited in terms of Listing Regulations and other rules & regulations issued by the SEBI.

k) Non – Mandatory Requirements

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

GENERAL SHAREHOLDER INFORMATION

i) 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

ii) Financial Year

APRIL 1, 2016 TO MARCH 31, 2017

III) 24th Annual General Meeting for the Financial Year 2016-17

Day & Date	Monday, September 18, 2017
Time	12.00 PM
Venue Registered Office of the Company)	Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri East), Mumbai - 400099
Financial Year	April 1, 2016 to March 31, 2017
Book Closure Dates	12th September 2017 - 8th September 2017
Last Date Of Receipt Of Proxy Forms	16th September 2017

IV) Listing Details

Stock Exchange on which Shares are Listed	BSE Limited Bombay Stock Exchange)
Stock Code	531358
Script Id	CHOICEIN
ISIN	INE102B01014

V) Dividend History

Financial Year	Type of Dividend	Date of Declaration	Dividend Per Share of the Face Value of Rs. 10 each
2009-10	Final	July 30, 2010	5%
2010-11	Final	September 30, 2011	10%
2011-12	Final	September 30, 2012	10%
2012-13	Final	September 30, 2013	10%
2013-14	Final	September 30, 2014	10%
2014-15	Final	September 30, 2015	10%
2015-16	Final	September 30, 2016	10%

VI) Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 (the Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter called "the IEPF Rules"), the amount of dividend which remain unclaimed or unpaid for a period of seven years from the date of transfer of such amount to the Unpaid Dividend Account opened in pursuance of sub-section (i) of the said Section is required to be transferred to the Investor Education and Protection Fund (IEPF) established under sub-section (i) of Section 125 of the Act.

Accordingly, the unclaimed dividend in respect of the financial year 2009-10 is due for transfer to the IEPF in August 2017. Members, who have not yet claimed their dividend for the financial year 2009-

10 or for any subsequent financial years, are requested to claim the same from the Company. Additionally, pursuant to sub-section (i) of Section 125 of the Act read with the IEPF Rules, all shares in respect of which dividend has not been claimed for the past seven consecutive years shall be transferred by the Company in the name of IEPF Authority by way of credit to the Demat Account established by the IEPF Authority on or before May 31, 2017 or such other date as may be specified by the Central Government in this regard.

Any member whose shares are thus transferred to IEPF may claim his/her/ its shares under proviso to Section 124(6) of the Act by following the process given under Rule 7 of the IEPF Rules. In terms of the relevant IEPF Rules, the Company has uploaded the information in respect

of the Unclaimed Dividends (Final Dividend) for the financial years from 2009-10 to 2015-16 as on the date of the Twenty Third Annual General Meeting (AGM) held on September 20, 2016, on the website of the Pursuant to the provisions of Sections 124 and 125 of the Act, the Company has transferred an amount of Rs. 15644/-, being the unclaimed dividend for the financial year 2008-09 to IEPF on November 18, 2016.

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

Financial Year	Type of Dividend	Date of Declaration	Last date for claiming unpaid Dividend
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
2015-16	Final	September 20, 2016	October 1, 2023

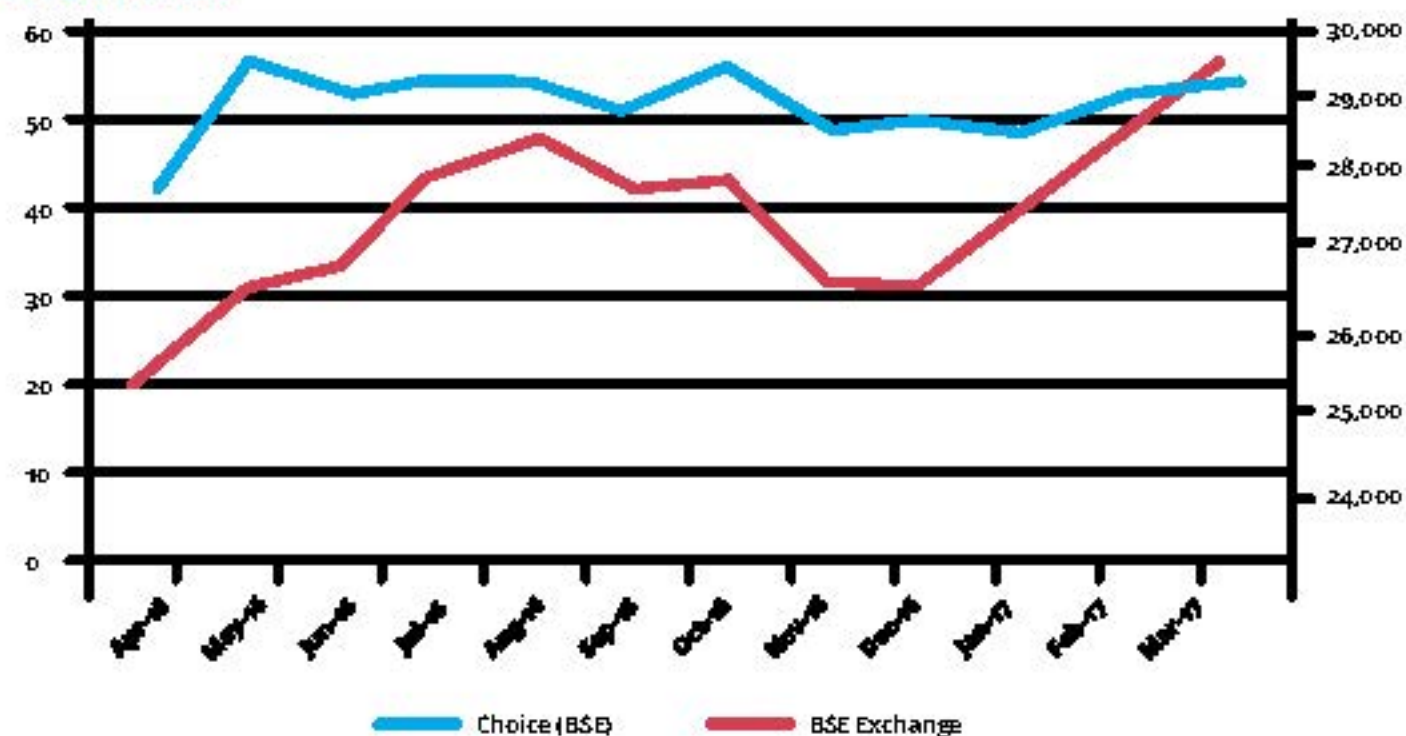
VII) Details of General Body Meetings of Last three years

Financial Year	Type of Dividend	Date of Declaration	Special Resolutions if any
2013-14	September 27, 2014	12.30 P.M.	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
2014-15	September 26, 2015	12.30 P.M.	
2015-16	September 20, 2016	11.30 A.M.	-

VIII) Market Price Data

Month	Choice High (BSE)	Choice Low (BSE)	Close Price (BSE)	BSE Sensex High	BSE Sensex Low	BSE Sensex Close
April, 2016	47.10	40.00	41.80	26,100.54	24,523.20	25,606.62
May, 2016	66.80	39.10	56.25	26,837.20	25,057.93	26,667.96
June, 2016	64.40	51.00	53.15	27,105.41	25,911.33	26,999.72
July, 2016	59.30	52.80	54.10	28,240.20	27,034.14	28,051.86
August, 2016	59.30	52.40	53.55	28,532.25	27,627.97	28,452.17
September, 2016	58.90	47.65	50.50	29,077.28	27,716.78	27,865.96
October, 2016	59.00	47.55	55.05	28,477.65	27,488.30	27,930.21
November, 2016	59.00	44.65	49.00	28,029.80	25,717.93	26,652.81
December, 2016	59.00	44.75	50.00	26,803.76	25,753.74	26,626.46
January, 2017	54.75	46.00	48.95	27,980.39	26,447.06	27,655.96
February, 2017	58.00	46.15	52.00	29,065.31	27,590.10	28,743.32
March, 2017	59.90	41.50	54.70	29,824.62	28,716.21	29,620.50

Comparison Chart



RO Registrar & Transfer Agent

M/s. Sharex Dynamics (India) Private Limited
 Unit-4, Luthra Industrial Premises,
 Andheri Kurla Road, Safed Pool,
 Andheri (East), Mumbai - 400072
 Tel No: 022 8515606/44
 Website: www.sharexindia.com

X) Distribution of Shareholding as on March 31, 2017:

No. of Equity Shares	No. of Shareholders	% of total No. of Shareholders	Share Amount (In Rs.)	% total of Share Capital
1 to 5000	1506	70.11%	25,25,910	2.52%
5001 to 10000	238	11.08%	19,07,470	1.91%
10001 to 20000	172	8.01%	25,40,710	2.64%
20001 to 30000	66	3.07%	17,08,800	1.71%
30001 to 40000	28	1.3%	9,98,870	1.00%
40001 to 50000	26	1.21%	12,05,850	1.21%
50001 to 100000	46	2.14%	33,41,110	3.34%
100001 to above	66	3.07%	8,57,18,270	85.68%
Total	2148	100%	10,00,48,000	100%

XI) Categories of Shareholder as on March 31, 2017

No.	Category of Shareholder	Total No. of Shares	% of Total Shares
(A)	Shareholding of Promoter & Promoter Group		
a.	Individuals	44,86,527	44.84%
b.	Bodies Corporate	2,00,000	2.00%
	Total Promoter Shareholding (A)	46,86,527	46.84%
(B)	Public Shareholding		
a.	Institutions		
	i. Mutual Funds/UTI	-	-
	ii. Financial Institution/ Banks	-	-
	iii. Foreign Portfolio Investor	-	-
	iv. Insurance Companies	-	-
	v. Foreign Financial Institution	-	-
	vi. Foreign Mutual Fund	-	-
	Sub Total (Ba)	-	-
a.	Non - Institution		
	i. Bodies Corporate	30,09,912	30.085%
	ii.a Individual Shareholder nominal Share Capital up to Rs. 1 Lakh	19,56,760	19.56%
	ii.b Individual Shareholder nominal Share Capital in excess of Rs. 1 Lakh	1,10,731	1.106%
	NRI	1,77,639	1.776%
	Clearing Members	63,231	0.632%
	Sub Total (Bb)	53,18,273	53.15%
	Total Public Shareholding (B) (Ba + Bb+ Bc+Bd)	53,18,273	53.15%
	Grand Total (A+B)	1,00,04,800	100%

XII) Top Ten Shareholders as on March 31, 2017 other than Promoter & Promoter Group

No.	Name of Shareholder	Total No. of Shares	% of Total Shares
1.	Manesvi Consultancy Private Limited	8,16,850	8.16%
2.	Florence Securities Private Limited	7,50,000	7.49%
3.	Azura Projects Private Limited	4,10,000	4.09%
4.	Miranda Impex Private Limited	3,50,000	3.49%
5.	Swasti Vinyas Real Estate Development private Limited	1,24,000	1.23%
6.	Emma Auto Ancillary Private Limited	1,19,645	1.19%
7.	Peeth Financial Services Private Limited	1,05,000	1.04%
8.	Vivek Bhimsaria	1,00,000	1%
9.	Chartered Capital Research Private Limited	75,845	0.75%
10.	Bhageria Basant Matsdin	55,871	0.55%

XIII) Address of Correspondence

Compliance Officer	RST Agent: Sharex Dynamics (India) Private Limited	Correspondence with the Company
Mr. Karishma Shah Company Secretary & Compliance Officer Choice House, Shree Shikambhari Corporate Park, Plot No - 155-158, Andheri (East), Mumbai - 400099 Email id: karishma.shah@choiceindia.com	Unit -1, Luthra Industrial Premises Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072. Tel No : 022 8515506/44 Website: www.sharexindia.com	Choice House, Shree Shikambhari Corporate Park, Plot No - 155-158, Andheri (East), Mumbai - 400099 Email id: info@choiceindia.com

XIV) DEMATERIALIZATION OF SHARES

As on March 31, 2017 total Dematerialised Equity Shares of the Company amounts to 92.23% of the Company's Capital (CDSL : 83.88% & NSDL : 8.35%). The Company has entered in to agreements with Central Depository Services (India) Limited (CDSL) & National Securities Depository Limited (NSDL) where by the Shareholders have an option to dematerialise their shares with either of the depositories.

XV) 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 Certificate are returned to the members within the stipulated period, subject to the documents being valid and complete in all respects.

On behalf of the Board of Directors

	Sd/- Kamal Peddar (Managing Director) DIN No: 04501700	Sd/- Ajay Kajthari (Director) DIN No: 03061441
Witness August 14, 2017		

CEO/CFO Certification

We the undersigned, 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 belief certify that:

a) We have reviewed financial statement and the Cash Flow statement for the year ended March 31, 2017 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

Mumbai
July 13, 2017

Sd/-
Kamal Poddar
(Managing Director)
DIN No: 01518700

Sd/-
Manoj Singhanla
(Chief Financial Officer)

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, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (f) of sub-regulation (a) 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.

Mumbai
July 12, 2017

For Gupta Shyam & Co
Chartered Accountants
FSL No. 10345017

34/-
Shyamsundar Gupta
Proprietor
Membership No: 038484

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, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year 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(a) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards & pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for expressing opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- In case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- 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 (n) 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:

- 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;
- 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;
- 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;
- 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;
- On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act.
- We have also audited internal financial control over the financial reporting of the company as on 31st March 2017 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.
- 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, 2017, which would impact 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, 2017.
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, 2017.

For Gupta Shyam & Co.
Chartered Accountants
FRN: 1034501N

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

Mumbai; 29th April; 2017

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) As per the information and explanation given to us, the title deeds of immovable 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 2017 for a period of more than six months from 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 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 convertible share warrant 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: 1034501W

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

Mumbai; 29th April; 2017

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 2017 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 2017, 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: 1034501W

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

Mumbai; 29th April, 2017

STANDALONE FINANCIALS 2017



Choice International Limited
Balance Sheet as at March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
EQUITY & LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2	1,00,048,000	1,00,048,000
(b) Money Received against share warrants	3	1,00,000,000	-
(c) Reserves and Surplus	4	430,923,364	405,045,585
		630,971,364	50,50,93,585
2. Non-Current Liabilities			
(a) Long-Term Borrowings	5	33,500,000	76,496,081
(b) Deferred Tax Liabilities (Net)	6	28,080,362	26,223,157
(c) Long-Term Provisions	7	1,015,989	504,554
		6,25,96,351	103,223,792
3. Current Liabilities			
(a) Long-Term Borrowings	8	451,574,351	185,400,314
(b) Trade Payables	9	3,018,613	8,724,044
(c) Other Current Liabilities	10	5,505,780	39,322,142
(d) Short-Term Provisions	11	5,222,618	10,392,695
		465,321,362	243,839,194
TOTAL		1,158,889,077	852,156,571
ASSETS			
1. Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible assets		233,682,664	237,602,135
(ii) Intangible assets		2,604,693	2,525,150
(iii) Capital work in progress		1,125,600	-
(iv) Intangible assets Under developments		287,799	-
		237,700,756	240,127,285
(b) Non-Current Investments	13	498,991,556	458,291,556
(c) Long-Term Loans and Advances	14	2,344,706	192,000
(d) Other Non-Current Assets	15	7,930,360	9,393,860
		746,967,278	708,004,701
2. Current Assets			
(a) Inventories	16	1,665,555	1,331,260
(b) Trade Receivables	17	9,883,682	6,929,028
(c) Cash and Cash Equivalents	18	13,830,171	2,214,520
(d) Short-Term Loans and Advances	19	385,624,730	128,707,020
(e) Other Current Assets	20	917,562	4,970,043
		411,921,699	144,151,870
TOTAL		1,158,889,077	852,156,571

The accompanying Accounting Policies under Note 1 & Notes(2-31) are an integral part of the financial statements

For Gupta Shyam & Co.
Chartered Accountants
FDN 11004500W

Sd/-
Shyamender Gupta
Proprietor
Mem. No. : 038484
Mumbai: 29th April, 2017

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01818700)
Mumbai 29th April, 2017

Sd/-
Ajay Kajriwal
Director
(DIN-03081041)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 29th April, 2017

Sd/-
Ms Karishma Shah
Company Secretary

Choice International Limited
Statement of Profit and Loss for the year ended March 31, 2017

(Amount in ₹)

Particulars		Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I	Revenue from Operations	21	196,259,666	778,552,165
II	Other Income	22	13,413,384	2,196
III	Total Revenue (I + II)		209,673,050	778,554,361
IV	Expenses			
	Purchases Stock in-Trade	23	48,867,878	678,596,169
	Changes in Inventories	24	(334,295)	1,286,918
	Employee Benefits Expense	25	31,091,144	10,446,800
	Depreciation	12	9,250,806	11,141,787
	Finance Costs	26	42,038,181	46,375,794
	Other Expense	27	44,132,183	10,531,992
	Total Expense		175,045,896	758,379,450
V	Profit Before Tax (III-IV)		34,627,154	20,174,911
VI	Tax Expense:			
	(a) Current Tax Expense		5,019,450	2,076,110
	(b) Earlier Year tax Expense		409,220	-
	(c) MAT Credit		1,463,500	(279,000)
	(d) Deferred Tax		1,857,205	1,773,387
			8,749,375	35,70,497
VII	Profit/(Loss) for the Period (V-VI)		25,877,779	1,66,04,414
VIII	Earnings Per Equity Share	28		
	(Face Value ₹10 Per Share):			
	(1) Basic (₹)		2.59	1.66
	(2) Diluted (₹)		1.30	1.66

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
FRN : 103480W

Sd/-
Gyanendra Gupta
Proprietor
Mem. No. : 028484
Mumbai 29th April, 2017

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01818708)
Mumbai 29th April, 2017

Sd/-
Ajay Kishore
Director
(DIN-00681841)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 29th April, 2017

Sd/-
Mr. Karishma Shah
Company Secretary

Choice International Limited
Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	As at 31-Mar-17	As at 31-Mar-16
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	34,627,154	20,174,911
Adjustments for:		
Depreciation	9,250,806	11,141,787
Finance costs	42,038,181	46,375,794
Provision for Credit Loss	528,105	165,406
Loss on sale Investments	-	526,137
Other interest income	(37,319)	-
Operating profit before Working Capital changes	86,406,927	78,384,034
Changes in Working Capital		
- Trade Receivables	(2,954,654)	(5,631,327)
- Short term loans & advances and other current assets	(252,865,230)	10,194,802
- Inventories	(334,295)	1,286,918
- Trade Payables	(5,705,431)	7,743,235
- Other current liabilities & provisions	6,732,958	(6,299,091)
Cash generated from operations	(168,719,725)	85,678,571
- Income tax paid	(4,735,997)	(2,076,110)
Net cash flow from/(used in) from Operating Activities	(179,455,661)	83,602,461
B. Cash flow from Investing Activities		
Other interest received	37,319	445,972
Purchase of fixed assets	(6,915,334)	(3,519,281)
Sale of Fixed Assets	91,057	-
Investment in subsidiaries	(40,700,000)	(2,000,000)
Sale of investments in other companies	-	846,394
Movement in long term loans & advances	(2,152,706)	687,910
Net cash flow from/(used in) Investing Activities	(49,639,664)	(3,539,005)
C. Cash flow from Financing Activities		
Money received from share warrants	100,000,000	-
Finance costs paid	(42,462,181)	(46,788,486)
Dividend paid	(10,004,800)	(10,004,800)
Money borrowed/(repaid) from related parties	(79,734)	(1,892,727)
Money borrowed/(repaid) from others	187,257,691	(20,826,717)
Net cash flow from/(used in) Financing Activities	234,710,976	(79,502,730)
Net increase/(decrease) in Cash and Cash Equivalents	11,615,651	560,726
Opening Cash and Cash Equivalents	2,214,520	1,653,794
Closing Cash and Cash Equivalents	13,830,171	2,214,520

Choice International Limited

Statement of Profit and Loss for the year ended March 31, 2017

In terms of our report of even date

For Gupta Sanyal & Co.
Chartered Accountants
Firm : 103459W

Sd/-
Suryamander Gupta
Proprietor
Mem. No. : 030484
Dated: 29th April, 2017

For and on behalf of Board of Directors

Sd/-
Karnel Podder
Managing Director
(DN-01010700)
Dated: 29th April, 2017

Sd/-
Ajay Kishorel
Director
(DN-03001041)

Sd/-
Manoj Singhania
Chief Financial Officer
Dated: 29th April, 2017

Sd/-
Mr. Karishma Shah
Company Secretary

Choice International Limited
Significant Accounting Policies & notes forming part of the Financial Statement for the
year ended on 31st, March, 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A) Basis of accounting and preparation of financial statements

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

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

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

is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

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

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

D) Property, Plant & Equipment

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. Further unit of assets having cost not exceeding Rs. 5000 is to be directly charged to the profit and loss instead to be capitalized.

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.

G) Cash & Cash Equivalent

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

H) Borrowing Cost

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

I) Employees Retirement Benefits

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

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

J) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments, all other investments are classified as non-current investments. Investments are valued in accordance with the RBI guidelines and Accounting Standard-13 on "Accounting for Investments".

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

K) Impairment of Assets

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

L) Accounting For Taxes On Income

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

M) Provisions, contingent liabilities & assets:

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

N) Cash Flow Statement

Cash flow are reported using the indirect method, whereby profit (loss) before extra ordinary items is adjusted for the effects of the transactions on non-cash nature. The cash flow from operating, investing and financing activities of the company are segregated based on available information.

For the purpose of Cash Flow Statement, cash and cash equivalents includes fixed deposits which are freely remissible but excludes interest accrued on fixed deposits.

O) Earnings Per Share

The Earning considered in ascertaining the Company's earning per share (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, 2017

(Amount in ₹)

Particulars		As at 31-Mar-17	As at 31-Mar-16
2	SHARE CAPITAL		
(a)	Details of authorised, issued and subscribed & paid up share capital		
	Authorised Capital		
	20,100,000 (FY 20,100,000) Equity Shares of ₹ 10/- each	201,000,000	201,000,000
	Issued Capital		
	10,004,800 (FY 10,004,800) Equity Shares of ₹ 10/- each	100,048,000	100,048,000
	Subscribed and Paid up Capital		
	10,004,800 (FY 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 Podder Promoter	887,600	887,600
		8.87%	8.87%
	Vinita Sunil Patodia Promoter	1,278,927	1,278,927
		12.78%	12.78%
	Florence Securities Pvt. Ltd.	750,000	750,000
		7.50%	7.50%
	Manzevi Consultancy Pvt Ltd	816,850	771,530
		8.16%	7.71%

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at 31-Mar-17	As at 31-Mar-16
3 MONEY RECEIVED AGAINST SHARE WARRENTS.		
Company has received application money of ₹10/- each against preferential issue of 100,00,000 share warrants having face value of ₹10/- each, to be converted into one equity share of ₹10/- each at premium of ₹30/- per share		
4 RESERVES AND SURPLUS		
a) Statutory reserve -		
Opening Balance	25,281,000	21,960,000
Add : transferred from statement of profit & loss	5,176,000	3,321,000
Closing Balance	30,457,000	25,281,000
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	39,677,785	36,399,171
Add : profit/(loss) for the year	25,877,779	16,604,414
Less : transfer to statutory reserve	5,176,000	3,321,000
Less : proposed dividend	-	10,004,800
Closing Balance	60,379,564	39,677,785
Total (a+b+c+d)	430,923,364	405,045,585
5 LONG TERM BORROWINGS		
Secured loans		
Debentures [^]		
335 (PY- 735) Index linked non convertible, redeemable debentures of Rs.100,000 each	33,500,000	73,500,000
	-	33,996,081
Term loan from SBI ^{^^}		(35,000,000)
Less : current portion of long term borrowings		
	33,500,000	76,496,081

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<p>* Non Convertible Debentures referred above are issued on private placement basis which are secured against loans & advances. The debentures are index linked, therefore provision for Mark to Market losses have been made.</p> <p>**Term loan Nil (PY- 38,996,081) is secured by way of first charge on land & building at Mumbai. The loan is repayable in 72 monthly EMI, ending in April 2017, however it is repaid fully during the current year.</p>		
6 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 -	28,410,161	26,389,772
On difference between book balance & tax balance of fixed assets		
Deferred tax asset -	(329,799)	(166,615)
Provision for employee benefit expenses		
	28,080,362	26,223,157
7 LONG-TERM PROVISIONS		
Provision for employee benefit expenses	1,015,989	504,554
	1,015,989	504,554
8 SHORT TERM BORROWINGS		
Secured loans		
Loans taken from others*	426,090,430	168,858,000
Overdraft from HDFC bank**	-	758,659
Unsecured loans		
Loans taken from related parties***	-	79,734
Loan from others	25,483,921	15,703,921
	451,574,351	185,400,314

*Loans taken from NBFC companies are secured against shares & securities of customers to whom loans has been given.

**Overdraft Nil (PY- 758659) 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(L)(ii)

Related Party Disclosure.

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at 31-Mar-17	As at 31-Mar-16
9 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	-	3,990
Other suppliers ^a	3,018,613	8,720,054
	3,018,613	8,724,044
^a 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.		
10 OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings	-	35,000,000
Interest accrued & but not due on Term loan	-	424,000
Payable for staff salary	2,331,068	140,576
Statutory dues	1,933,498	1,618,252
Other liabilities	1,161,114	1,139,315
Equity Stock Option Premium	90,100	-
	5,505,780	39,322,142
11 SHORT TERM PROVISIONS		
Proposed dividend ^a	-	10,004,800
Provision for tax (net of tax paid)	692,733	-
Provision for expenses	43,707	51,087
Provision for interest on debenture	3,497,052	-
Contingent provision against standard loan assets	937,804	302,156
Provision for employee benefit expenses	51,322	34,652
	5,222,618	10,392,695

^aAccording 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, 2017 12 Property, Plant & Equipment

Description	Gross Block			Depreciation & Amortisation			Net Book	
	As at April, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charged for the year	As at March 31, 2017	As at March 31, 2016
(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	19,275,558	3,394,592	192,106,674	195,501,265
Computer Hardwares*	1,493,449	555,075	95,324	1,943,200	763,643	355,657	927,167	719,805
Server & Networks	3,492,427	78,598	-	3,571,025	1,814,645	648,963	1,107,416	1,677,781
Furniture & Fixtures	14,888,769	1,313,926	-	15,902,695	5,612,382	1,615,411	8,674,902	8,976,387
Vehicles	678,301	-	-	678,301	410,756	93,095	174,450	267,545
Office Equipments	7,898,256	1,957,145	-	9,845,402	5,405,815	1,524,441	2,914,145	2,481,440
Total	270,885,935	3,904,745	95,324	274,695,357	33,283,801	7,733,159	233,682,664	237,602,135
(ii) Intangible Assets:								
Computer Softwares	22,690,576	1,997,190	-	24,287,766	20,165,426	1,517,647	2,604,693	2,525,150
Total	22,690,576	1,997,190	-	24,287,766	20,165,426	1,517,647	2,604,693	2,525,150
(iii) Capital work in process		1,125,600	-	1,125,600	-	-	1,125,600	-
(iv) Intangible assets under development		287,799	-	287,799	-	-	287,799	-
Grand Total	293,576,512	6,915,334	95,324	300,396,522	53,449,227	9,250,806	237,700,756	240,127,285
Previous Year	290,057,231	3,519,281	-	293,576,512	42,307,440	11,141,787	240,127,285	247,749,791

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
13 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	2,91,400,000	2,91,400,000
10,00,000 (PY - 1,400,000) shares of ₹10/- each of Choice Merchandise Broking Private Limited	50,000,000	10,000,000
51,00,000 (PY - 51,00,000) shares of ₹10/- each of Choice StockTrade 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 - 100,000) shares of ₹10/- each of Choice E-Commerce Private Limited	1,000,000	1,000,000
100,000 (PY - 100,000) shares of ₹10/- each of Choice Peers International Private Limited	1,000,000	1,000,000
60,000 (PY - Nil) shares of ₹10/- each of Choice Finserve Private Limited	600,000	-
10,000 (PY - Nil) shares of ₹10/- each of Choice Tech Lab Solutions Private Limited	100,000	-
	3,99,954,251	3,59,254,251
(b) Other investments in quoted equity shares fully paid-up		
Associate company -		
5,41,7,850 (PY - 5,41,7,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited	99,03,7305	99,037,305
	99,03,7305	99,037,305
Total (a+b)	4,98,991,556	4,58,291,556
Less : Provision for diminution in the value of investments	-	-
	4,98,991,556	4,58,291,556
Aggregate book value of -		
Quoted fully paid-up investments	99,03,7305	99,037,305
Unquoted fully paid-up investments	3,99,954,251	3,59,254,251
Aggregate market value of -		
Quoted fully paid-up investments	92,645,235	59,596,350

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1.4 LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Security deposits	2,344,706	192,000
	2,344,706	192,000
1.5 OTHER NON-CURRENT ASSETS		
MAT credit entitlement	7,93,0360	9,393,860
	7,93,0360	9,393,860
1.6 INVENTORIES		
Stock-in-trade		
Shares & securities*	1,665,555	1,331,260
(Valued at cost or net realised value, whichever is lower on cumulative basis)	1,665,555	1,331,260
*Market value - ₹1,665,555/- (PY - ₹1,331,260/-)		
1.7 TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months	774,000	348,972
Others*	9,109,682	6,580,056
	9,883,682	6,929,028
*The amount pertains to related parties as detailed separately under Note No. 28(L)(ii) of "Related Party Transactions".		
1.8 CASH AND CASH EQUIVALENTS		
Cash on Hand	59,006	13,155
Cheques on Hand	5,679,112	975,000
Bank Balances -		
In current accounts	7,070,948	172,471
In earmarked accounts	1,021,705	1,053,894
	13,830,171	2,214,520

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
19 SHORTTERM LOANS AND ADVANCES		
Unsecured, considered good		
Advance to Employees	747,448	1,29,000
Balance with revenue authorities (net of provisions)	6,560,570	6,529,850
Loans given to related parties ^a	48,736,091	15,858,544
Loans & advances to others	40,443,427	35,262,281
Prepaid expenses	2,328,041	1,106,987
Advances to vendors	734,591	-
Secured, considered good		
Loans given to others ^{aa}	286,074,562	69,820,347
	385,624,730	1,28,707,020
^a The loans given to related parties are detailed separately under the Note No. 28(L)(ii) of "Related Party Transactions".		
^{aa} The loans given to others are secured against security of shares & securities.		
20 OTHER CURRENT ASSETS		
Margin - Equity stock / Index futures	917,562	49,70,043
	917,562	49,70,043
21 REVENUE FROM OPERATIONS		
Sale of shares & securities	51,708,472	69,805,550
Interest income	59,870,323	26,595,815
Dividend income	10,008,558	10,005,800
Income from business support services	74,672,313	42,145,000
	1,96,259,666	778,552,165
22 OTHER INCOME		
Excess prov of Intt on Deb written back	13,347,055	-
Interest on deposits	37,319	-
Misc. income	29,010	2,196
	13,413,384	2,196

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
23 PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	4,88,67,878	67,85,96,159
	4,88,67,878	67,85,96,159
24 CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	1,331,260	2,618,178
Less : At the end of the period	1,665,555	1,331,260
	(334,295)	1,286,918
25 EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	25,502,544	6,013,656
Director's remuneration & Perquisites	4,200,000	4,200,000
Staff welfare expenses	557,174	65,280
Contribution to provident fund & Charges	210,489	-
Contribution to ESIC	185,266	-
Gratuity	435,671	167,864
	31,091,144	10,446,800
26 FINANCE COST		
Interest on borrowings from banks	2,009,507	7,324,073
Interest on borrowings from others	29,539,718	27,105,558
Interest & borrowing cost on debentures	10,488,956	11,946,163
	42,038,181	46,375,794

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at 31-Mar-17	As at 31-Mar-16
27 OTHER EXPENSES		
Bank charges	5,667	11,348
Bad debts written off	734,201	-
Business promotion expenses	1,477,670	89,084
Director sitting fees	700,000	610,000
Electricity Charges	5,704,833	1,534,110
Commission & Brokerage	141,000	-
Communication expenses	4,928,182	217,698
Computer expenses	1,494,809	825,461
Canteen expenses	5,145,859	-
CSR expenses	48,149	-
Donation	256,711	-
Insurance charges	120,960	70,148
Legal and professional	4,952,538	1,697,684
Loss on sale of Investments	-	526,137
Marketing & advertisement expenses	268,974	253,855
Meeting & Seminar Exp	318,900	-
Payment to auditors -		
Statutory audit fees	275,000	175,000
Tax audit fees	40,000	60,000
Limited review fees	80,000	70,000
Other certification fees	106,998	53,031
Printing and stationery	1,288,893	204,452
Provision on standard loan assets	635,648	13,433
Rent	2,894,621	-
Repairs & maintenance	4,990,422	906,962
Rates & taxes	1,834,674	1,618,373
Sundry expenses	1,569,812	289,937
Travelling & Conveyance expenses	3,768,786	1,012,684
Water charges	354,876	291,587
	44,132,183	10,531,992

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at 31-Mar-17	As at 31-Mar-16
28 EARNINGS PER EQUITY SHARE		
Profit/(Loss) attributable to equity shareholders	25,877,779	16,604,414
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	2.59	1.66
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	25,877,779	16,604,414
Weighted average number of equity share after considering potential equity shares	19,895,211	10,004,800
Dilutive Earnings per Share	1.30	1.66

Choice International Limited **Accompanying notes to the financial statements as at March 31, 2017**

NOTE 2.9 : 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 25, 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 ₹ 5,175,000/- (FY- ₹ 3,321,000/-) 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 realization 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. Disclosure On Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes defined in the MCA notification O.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other Denomination Notes	Total
Closing Balance as in hand as on November 8, 2016	436,000	63,831	499,831
(+) Permitted receipts	-	-	-
(-) Permitted payments	436,000	63,831	499,831
(-) Amount deposited in Banks	-	-	-
Closing Cash in hand as on December 30, 2016	-	-	-

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

F. As per the information & explanation given by the management interest provision on Debenture amounting to ₹ 1,33,47,055/- is w/ back, being interest not payable in view of the premature redemption.

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

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2017

H Contingent liabilities not provided for :

Corporate guarantees provided for subsidiaries to-	31-Mar-17	31-Mar-16
State Bank of Bikaner & Jaipur	-	110,000,000
Punjab National Bank	340,000,000	340,000,000
Canara Bank	50,000,000	300,000,000
Axis Bank	200,000,000	95,000,000
Bank of India	500,000,000	500,000,000
CICI Bank	400,000,000	250,000,000
IL&FS Financial Services Limited	300,000,000	200,000,000
ECL Finance Limited	200,000,000	100,000,000
Total	1,990,000,000	1,895,000,000

I Expenditure in Foreign Currency :

Particulars	31-Mar-17	31-Mar-16
Foreign Travelling	376,645	337,673

J 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 of Profit and Loss

Particulars	31-Mar-17	31-Mar-16
Employer's Contribution to Provident Fund	210,439	-
Employer's Contribution to ESI	185,256	-
Total	395,755	-

2. 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 31.03.2017	As on 31.03.2016
Components of employer expense		
Current service cost	252,750	45,344
Interest cost	41,750	23,233
Expected return on plan assets	-	-
Curtilment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	38,214	-
Actuarial losses/(gains)	102,957	94,287
Total expense recognised in the Statement of Profit & Loss	435,671	167,854

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

Net asset / (liability) recognised in the Balance Sheet	As on 31.03.2017	As on 31.03.2016
Present value of defined benefit obligation	1,067,311	373,800
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(1,067,311)	(373,800)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	1,067,311	373,800

Change in fair value of defined benefits obligation representing reconciliation of the the opening and closing balances thereof are as follows:	As on 31.03.2017	As on 31.03.2016
Opening Defined Benefit Obligation	539,206	373,800
Net transfer in (out) obligation	92,434	(2,458)
Service cost	252,750	45,344
Interest cost	41,750	28,233
Past Service Cost	38,214	-
Actuarial (gain) / loss	102,957	94,287
Closing Defined Benefit Obligation	1,067,311	539,206

Experience Adjustments	As at March 31	
	2014	2013
Experience adjustments on plan liabilities	(15,808)	-
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	(33,721)	(67,156)
Experience adjustments on plan assets	-	-
Net Actuarial loss/(gain) for the year	(49,529)	(67,156)

Experience Adjustments	As at March 31		As at March 31
	2017	2016	2015
Experience adjustments on plan liabilities	22,523	100,325	(56,334)
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	80,434	(6,038)	44,336
Experience adjustments on plan assets	-	-	-
Net Actuarial loss/(gain) for the year	102,957	94,287	(11,998)

Actuarial assumptions	As on 31.03.2017	As on 31.03.2016
Discount rate	7.40%	8.00%
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.

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2017

K. 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	33,500,000	NIL
	Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits ^a)		
(b)	Deferred credits	NIL	NIL
(c)	Term loans	NIL	NIL
(d)	Inter-corporate loans and borrowing	25,483,921	NIL
(e)	Commercial paper	NIL	NIL
(f)	Other loans (specify nature)		
	Bank overdraft	NIL	NIL
	Financial institutions loan against shares & securities	426,090,430	NIL
	Other related party	NIL	
	Total:-	485,074,351	NIL

^aAs 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	286,074,562
(b)	Unsecured	89,179,518
		375,254,080
(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	197,805,613
(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

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

			Amount Outstanding
(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	399,954,251
		(b) Preference	NIL
	(ii) Debentures and bonds		NIL
	(iii) Units of mutual funds		NIL
	(iv) Government securities		NIL
	(v) Others (please specify)		NIL
			<u>498,991,556</u>

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

(Amount in ₹)

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

Category	Amount net of provisions*		Total
	Secured	Unsecured	
1. Related parties**			
(a) Subsidiaries	NIL	45,535,335	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	3,078,916	NIL
2. Other than related parties	285,359,375	40,342,318	325,701,694
Total -	285,359,375	88,956,570	325,701,694

(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***	518,841,622	399,954,251
(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 -	578,437,972	498,991,556

(7) Other information

Amount

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

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

** As per accounting standard of ICAI.

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

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

L(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.
	Choice Wealth Management Pvt. Ltd.
	Choice Stock Trade Private Limited
	(Formerly known as Choice Insurance Brokers Pvt. Ltd.)
	Choice E-Commerce Private Limited
	Choice Peers International Private Limited
	Choice Finserv Private Limited*
	Choice Tech Lab Solutions 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)
	Karishma Shah (Company Secretary)
	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.
	Wheresmypanidit.com Pvt Ltd
	Qravotix Technology Private Limited
	Choice Startup Private Limited
	Motomistri.Com Private Limited
	Thoughts Consultants Jaipur P.L. in JV with Choice Consultancy Services P.L***
	Samarat Consumer Products Private Limited

Choice International Limited

Accompanying notes to the financial statements as at March 31, 2017

L(i)	Related Party Disclosure :
	Details of Related Parties -
Description of Relationship	Names of Related Parties
	SemanKApparels Private Limited
	Choice Insurance Broking India Private Limited
	(Formerly known as Setyan Insurance Brokers Private Limited)
	Farmer's Evolvement Foundation
	M/s. Shree Shalambhari Exim
	Anil Patodia HUF
	Sunil Patodia HUF
	Arun Podder HUF
	Kamal Podder HUF

* Wholly owned subsidiary of Choice International Ltd incorporated effective 1st June 2016 & 27th September 2016 respectively

***Wholly owned subsidiary Choice Consultancy Services Private Limited has entered into joint venture wef. 13.10.2016.

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

L (ii) Details of Related Party transactions during the year ended March 31, 2017

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Equity investments in	700,000	-	-	-	-	700,000
	(2,000,000)	-	-	-	-	(2,000,000)
Loan/Advance taken from*	-	-	6,900,000	-	-	6,900,000
	(925,047,363)	-	(3,900,000)	-	-	(925,947,363)
Loan/Advance repaid to	-	-	6,979,734	-	-	6,979,734
	(927,009,823)	-	(3,820,266)	-	-	(930,830,089)
Loan/Advance given to*	228,485,115	-	-	-	312,060	228,797,176
	(516,298,304)	-	-	-	(2,785,247)	(519,083,551)
Loan/Advance repayment received from	195,919,628	-	-	-	990	195,919,628
	(658,453,447)	-	-	-	(9,685)	(658,463,132)
Revenue from operations	5,264,187	2,100,000	-	-	19,146,729	26,610,916
	(32,465,323)	(8,400,000)	-	-	(13,945,000)	(54,810,323)
Brokerage & DP charges	88,307	-	-	-	-	88,307
	(97,130)	-	-	-	-	(97,130)
Director remuneration	-	-	4,200,000	-	-	4,200,000
	-	-	(4,200,000)	-	-	(4,200,000)
Salary & Perquisites	-	-	2,054,031	348,948	-	2,402,979
	-	-	(1,457,810)	(301,762)	-	(1,759,572)

Choice India Limited**Accompanying notes to the financial statements as at March 31, 2017**

Particulars	Subsidiaries	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Balances outstanding at the end of the year						
Short term loans & advances	45,649,459	-	-		3,086,632	48,736,091
	(13,082,982)	-	-		(2,775,562)	(15,858,544)
Trade receivables	9,850,641	-	-		-	9,850,641
	-	-	-		(6,929,028)	(6,929,028)
Trade payables	-	-	-		-	-
	(1,876,061)	-	-		-	(1,876,061)
Payable for staff salaries	-	-	189,452	28,879	-	218,331
	-	-	(140,576)	-	-	(140,576)
Short term borrowings	-	-	-	-	-	-
	-	-	(79,734)	-	-	(79,734)

** Previous year figures are in brackets.

The accompanying Accounting Policies under Note-1 & Notes-2 to 29 are an integral part of the financial statements in terms of our report of even date.

**For Gupta Sanyal & Co.
Chartered Accountants
FIRM : 100480W**

**Sd/-
Sanyal Sunder Gupta
Proprietor
Mem. No. : 038464
Mumbai 29th April, 2017**

For and on behalf of Board of Directors

**Sd/-
Kamal Poddar
Managing Director
(DIN-01816708)
Mumbai 29th April, 2017**

**Sd/-
Ajay Kishorel
Director
(DIN-83681841)**

**Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 29th April, 2017**

**Sd/-
Mr. Karthikeyan Shah
Company Secretary**

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, 2017, 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(3) 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 considers 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 and based on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to below in Other Matters paragraph, 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, 2017 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 eleven (11) subsidiaries, whose financial statements reflect the total assets of Rs.213,99,20,324/-, revenue of Rs.120,65,30,004 /- and the net profit of Rs.4,43,24,565/- and net cash outflow amounting to Rs.9,32,50,130/- for the year ended on March 31, 2017, 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.27,03,919 for the year ended 31st, March, 2017, 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, 2017, 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, 2017, 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 Annexure-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:

h) The Group and its associate does not have any pending litigations as at 31st March, 2017, which would impacts its consolidated financial position.

i) 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, 2017.

ii) 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, 2017.

For Gupta Shyam & Co.
Chartered Accountants
FIRG: 303430W

Sd/-
Shyam Sunder Gupta
(Proprietor)
M.N.: 493484

Mumbai, 26th April, 2017

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 (f) 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 2017 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 2017, 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 eleven (11) subsidiaries companies in India, is entirely based on the corresponding reports of the auditors of such companies.

For Gupta Shyam & Co.
Chartered Accountants
Firm: 4634501W

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

Dated: 29th April, 2017

CONSOLIDATED FINANCIALS 2017



Choice International Limited

Consolidated Balance Sheet as at March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	100,048,000	100,048,000
(b) Money received against share warrants	3	100,000,000	-
(c) Reserves and Surplus	4	597,717,906	534,814,644
		797,765,906	634,862,644
2. Non - Current Liabilities			
(a) Long -Term Borrowings	6	88,632,623	137,351,507
(b) Deferred Tax Liabilities (Net)	8	36,888,639	30,588,744
(c) Other Long Term Liabilities	7	3,892,394	2,357,667
(d) Long -Term Provisions	8	8,993,799	3,749,259
		134,168,566	174,047,279
3. Current Liabilities			
(a) Short - Term Borrowings	9	1,374,974,674	1,015,232,642
(b) Trade Payables	10	486,648,210	401,884,865
(c) Other Current Liabilities	11	91,769,667	74,635,777
(d) Short - Term Provisions	12	18,480,179	18,335,317
		1,938,798,321	1,510,088,607
TOTAL		2,870,724,893	2,319,000,531
Assets			
1. Non - Current Assets			
(a) Property, Plant & Equipment	13	353,491,217	333,642,855
(i) Tangible assets		14,183,774	8,520,210
(ii) Intangible assets		1,125,490	-
(iii) Capital work in progress		9,653,491	3,757,117
(iv) Intangible assets under development		378,603,222	345,920,182
(b) Non - Current Investments	14	253,836,764	223,427,710
(c) Long - Term Loans and Advances	15	37,178,939	33,784,009
(d) Other Non - Current Assets	16	7,930,360	9,442,357
		687,199,364	612,574,757
2. Current Assets			
(a) Inventories	17	92,921,779	78,063,056
(b) Trade Receivables	18	1,144,382,163	869,962,983
(c) Cash and Bank Balances	19	402,928,836	452,157,345
(d) Short - Term Loans and Advances	20	517,671,269	285,189,854
(e) Other Current Assets	21	28,743,901	21,052,530

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I Equity & Liabilities			
		2,183,828,848	1,704,425,774
TOTAL		2,878,724,893	2,319,000,531

The accompanying Accounting Policies under Note 1 & Notes(2-31) are an integral part of the financial statements in terms of our report of even date

For Supts. Shyam & Co.
Chartered Accountants
FNN : 103450W

Sd/-
Shyamender Gupta
Proprietor
Mem. No. : 038484
Mumbai 29th April, 2017

For and on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01818700)
Mumbai 29th April, 2017

Sd/-
Ajay Kojima
Director
(DIN-03051841)

Sd/-
Manoj Singhania
Chief Financial Officer
Mumbai 29th April, 2017

Sd/-
Mr. Karishma Shah
Company Secretary

Choice International Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2017

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I) Revenue from Operations			
I) Revenue from Operations	22	1,383,946,346	1,342,229,194
II) Other Income			
II) Other Income	23	46,691,463	34,465,018
III) Total Revenue (I + II)		1,380,537,799	1,376,694,211
IV) Expenses			
Operating Expenses	24	453,998,476	449,769,216
Purchases Stock-in-Trade	25	179,831,843	867,332,115
Changes in Inventories	26	(14,868,723)	29,695,814
Employee Benefits Expense	27	276,398,924	181,131,616
Depreciation & Amortisation	13	22,234,937	20,711,054
Finance Costs	28	198,712,191	187,198,799
Other Expense	29	140,626,386	73,051,940
Total Expense		1,247,768,834	1,808,890,556
V) Profit Before Tax (III-IV)		182,769,745	67,803,655
VI) Tax Expenses:			
(a) Current Tax Expense		34,748,967	23,803,420
(b) Earlier Year Tax Adjustments		986,838	19,938
(c) MAT Credit		1,463,588	(695,680)
(d) Deferred Tax		5,461,224	3,357,293
		42,872,421	26,484,971
VII) Profit After Tax (V-VI)		68,197,364	41,318,685
VIII) Share of Profit in Associates		2,783,913	1,654,969
IX) Profit for the Year (VII+VIII)		62,981,262	42,973,654
X) Earnings Per Equity Share (Face Value ₹ 10 Per Share)	30		
(1) Basic (₹)		6.82	4.13
(2) Diluted (₹)		2.83	4.13

The accompanying Accounting Policies under Note 1 & Notes(2-31) are an integral part of the financial statements in terms of our report of even date

For Gupta Sanyal & Co.
Chartered Accountants
FIRM : 103489W

Sd/-
Sanyal Sanyal Gupta
Proprietor
Mum. No. : 038484
Mumbai 29th April, 2017

For and on behalf of Board of Directors

Sd/-
Karnel Poddar
Managing Director
(DIN-01818708)
Mumbai 29th April, 2017

Sd/-
Ajay Kajaria
Director
(DIN-03081841)

Sd/-
Munej Waghasia
Chief Financial Officer
Mumbai 29th April, 2017

Sd/-
Mr. Karishma Shah
Company Secretary

Choice International Unltd
Consolidated Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
Equity & Liabilities		
A. Cash flow from Operating Activities		
Net profit before extra-ordinary items and tax	162,769,765	67,803,655
Adjustments for:		
Depreciation	22,284,927	20,711,056
Finance costs	198,712,181	187,192,799
Bad debts	1,685,363	1,307,201
Balance written off	-	658,214
Loss on disposal of Property, Plant & Equipment	197,921	1,564,637
Loss on sale of Investments	-	526,137
Provision for Standard loan assets	638,648	13,433
Provision for Gratuity	2,963,283	1,804,342
Gain on sale of Investments	-	(1,597,829)
Other Interest Income	(28,679,415)	(29,467,932)
Dividend income	(1,381,288)	(1,000,000)
Rental Income	(1,268,808)	(2,358,065)
Operating profit before Working Capital changes	283,283,496	247,143,648
Changes in Working Capital		
- Trade Receivables	(276,874,518)	99,117,809
- Short term loans & advances and other current assets	(238,666,819)	(101,736,961)
- Inventories	(14,862,722)	29,695,814
- Trade Payables & provisions	52,258,617	29,445,369
- Other current liabilities	17,877,436	995,750
- Other non current liabilities	1,234,637	(7,663,012)
Cash generated from operations	(161,323,879)	296,998,417
- Income tax paid	(28,711,489)	(17,982,989)
- Gratuity paid	(661,798)	(160,745)
Net cash flow from/(used in) from Operating Activities	(192,712,885)	278,854,682
B. Cash flow from Investing Activities		
Other Interest received	29,121,648	36,751,876
Dividend Income	1,381,288	1,000,000
Rental Income	1,268,808	2,358,065
Purchase of Property, Plant & Equipment	(59,726,675)	(53,525,971)
Sale of Property, Plant & Equipment	4,668,717	935,500
Investment in subsidiary	-	(1,000,000)
Sale/(Purchase) of Investments in other companies	(37,455,137)	3,157,889

Choice International Limited
Consolidated Cash Flow Statement for the year ended March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
Change in other bank balances	(44,818,621)	50,842,799
Movement in long term loans & advances	(3,294,938)	4,984,900
Net cash flow from/(used in) Investing Activities	(108,231,551)	45,525,059
C. Cash flow from Financing Activities		
Money received from share warrants	100,000,000	-
Finance costs paid	(191,126,191)	(187,611,491)
Dividend & dividend distribution tax paid	(12,872,848)	(11,305,482)
Money borrowed/(repaid) from related parties	(79,734)	79,734
Money borrowed/(repaid) from others	211,882,277	(18,407,772)
Net cash flow from/(used in) Financing Activities	207,712,867	(217,245,011)
Net increase/(decrease) in Cash and Cash Equivalents	(93,236,128)	107,134,729
Opening Cash and Cash Equivalents	128,528,337	20,417,180
Add- Received on acq of subsidiary	-	973,427
Closing Cash and Cash Equivalents	35,292,207	128,525,337

In terms of our report of even date

For Gupta Stryan & Co.
Chartered Accountants
FDN : 100480W
Sd/-
Stryanunder Gupta
Proprietor
Mem. No. : 038464
Mumbai 29th April, 2017
For and on behalf of Board of Directors
Sd/-
Kamal Poddar
Managing Director
(DIN-01818780)
Mumbai 29th April, 2017
Sd/-
Ajay Kishorel
Director
(DIN-02681841)
Sd/-
Mangl Shigheela
Chief Financial Officer
Mumbai 29th April, 2017
Sd/-
Mr. Karthikeyan Shah
Company Secretary

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

NOTE 11: 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.

- 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, 2017.
- the subsidiary considered in the consolidated financial statements are as follows:

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017****NOTE 11: SIGNIFICANT ACCOUNTING POLICIES**

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

Name of the Entity	Country	Ownership as on	
		31.03.2017	31.03.2016
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%	100.00%
Choice Peers International Pvt. Ltd.	India	100.00%	100.00%
Choice Finserve Private Limited	India	100.00%	0.00%
Choice Techlab Solutions Pvt Ltd	India	100.00%	0.00%

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

Name of the Entity	Country	Ownership as on	
		31.03.2017	31.03.2016
Aqua Pumps Infra Ventures Limited	India	29.35%	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.

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 Standards) 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

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.

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.

- (e) Profit/loss on sale of Investments are recognised on the day of confirmation of transaction.
- (f) Revenue figures excludes tax component.
- (g) Dividend is accounted when the right to receive payment is established.
- (h) Profit/loss from dealing in shares & securities are recognised on the day of settlement of transaction.
- (i) Profit/loss on equity derivative transactions are accounted for as explained below -

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

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

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

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 recognized 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 Plans

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.

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 as "Accounting for Intangible Assets". Depreciation on addition to Property, Plant & Equipment 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.

Further unit of assets having cost not exceeding Rs.5000/- is to be directly charged to the profit & loss account instead to be Capitalised.

K) Property, Plant & Equipment

Tangible assets

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

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 Property, Plant & Equipment 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, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
2. SHARE CAPITAL		
(a) Details of authorised, issued and subscribed share capital		
Authorised Capital		
20,100,000 (FY 20,100,000) Equity Shares of ₹10/- each	201,000,000	201,000,000
Issued Capital		
10,004,800 (FY 10,004,800) Equity Shares of ₹10/- each	100,048,000	100,048,000
Subscribed and Paid up Capital		
10,004,800 (FY 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%
Vinita Sunil Patodia	Promoter	1,278,927
		12.78%
Florence Securities Pvt. Ltd.		750,000
		7.50%
Mansavi Consultancy Pvt Ltd		814,350
		8.14%

3. MONEY RECEIVED AGAINST SHARE WARRANTS

Company has received application money of ₹10/- each against preferential issue of 100,00,000 share warrants having face value of ₹ 10/- each, to be converted into one equity share of ₹ 10/- each at premium of ₹ 30/- per share.

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
4. RESERVE AND SURPLUS		
Statutory reserve -		
Opening Balance	25,281,000	21,940,000
Add : transferred from statement of profit & loss	5,176,000	3,321,000
Closing Balance	30,457,000	25,281,000
General reserve -		
Opening Balance	952,000	952,000
Add : transferred from statement of profit & loss	-	-
Closing Balance	952,000	952,000
Capital reserve -		
Opening Balance	849,500	849,500
Add : transferred from statement of profit & loss	-	-
Closing Balance	849,500	849,500
Securities premium reserve -		
Opening Balance	339,217,300	339,217,300
Less : on disposal of subsidiary	-	-
Add : received on shares issued during the year	-	-
Closing Balance	339,217,300	339,217,300
Surplus in statement of profit & loss -		
Opening Balance	168,496,844	140,897,481
Add : profit/(loss) for the year	62,001,362	42,973,454
Less : transfer to statutory reserve	5,176,000	3,321,000
Less : dividend distribution tax on proposed dividend	-	2,048,491
Less : proposed dividend	-	10,004,800
Closing Balance	226,222,106	168,496,844
	897,717,906	534,816,644

Choice International Limited

Accompanying notes to the consolidated financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
6. LONG TERM BORROWINGS		
Secured loans		
Debentures*		
335 (FY- 735) Index linked non convertible, redeemable debentures of Rs. 100,000 each	23,500,000	73,500,000
Term loan from bank**	60,898,614	103,785,946
Less : current portion of long term borrowings	(8,866,891)	(39,884,439)
	85,531,723	63,351,507
	85,531,723	137,351,507
* Non Convertible Debentures referred above are issued on private placement basis which are secured against debtors. The debentures are Index linked ,therefore provision for Mark to Market losses have been made.		
**The outstanding amount of Term loan of Rs.NIL /-(FY-Rs. 38996081) is secured by way of first charge on land & building at Mumbai. The loan is repayable in 72 monthly EMI, ending in April 2017, however the same has been repaid fully during the current year.		
**The outstanding amount loan of Rs. 2852303 (FY-Rs. 3851642) /- 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, ending in August 2019.		
**The outstanding amount loan of Rs. 32647788 (FY- Rs.34388611) /- 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, ending in October 2026.		
**The outstanding amount of loan of Rs 2430144/(FY-Rs 2883691) 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 Rs 22968379/(FY- Rs 23665921) 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.		
6. 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 Property, Plant & Equipment	37,854,688	31,783,589
Deferred tax asset -		
Provision for employee benefit expenses	(1,925,972)	(1,194,792)
	36,028,635	30,588,746
7 OTHER LONG TERM LIABILITIES		
Franchisee & DP Deposits	3,892,384	2,357,667
	3,892,384	2,357,667
8. LONG-TERM PROVISIONS		
Provision for employee benefit expenses	8,993,789	3,749,359
	8,993,789	3,749,359

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
9. SHORT TERM BORROWINGS		
Secured loans		
Loans taken from institutions*	892,383,344	513,165,289
Bank Overdraft/CC **	766,857,809	486,283,704
Unsecured loans		
Loans taken from others	28,733,921	15,703,921
Loans taken from related parties***	-	79,734
	1,374,974,674	1,015,232,648
*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.81(L)(ii) "Related Party Transactions".		
10. TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	-	21,105
Due to Others	486,648,818	401,863,760
	486,648,818	401,884,865
11. OTHER CURRENT LIABILITIES		
Current portion of long term borrowings	3,866,891	39,884,439
Interest accrued & due on borrowings	-	424,000
Advances from customers	11,667,811	-
Other liabilities & statutory dues	29,757,116	14,904,339
Payable to staff	24,478,737	7,562,969
Payable to vendors	18,519,683	10,110,031
Equity Stock Option Premium	88,188	-
Margin money deposit	1,488,000	1,750,000
	91,769,487	74,635,777
12. SHORT TERM PROVISIONS		
	18,747,134	5,811,504
Provision for tax (net of taxes paid)	-	10,004,800
Proposed dividend	-	2,048,491
Provision for dividend distribution tax	43,787	51,087
Provision for expenses	3,497,852	-
Provision for interest on debenture	937,884	302,154
Provision on standard loan assets	174,482	117,277
Provision for employee benefit expenses	15,488,179	18,335,317

12. PROPERTY, PLANT & EQUIPMENT

Description	Gross Block			Depreciation & Amortisation			Net Block	
	As at April, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charged for the year	Deductions/ Adjustments	As at March 31, 2017
(i) Tangible Assets:								
Freehold Land	2,79,77,910	-	-	2,79,77,910	-	-	-	2,79,77,910
Building owned	28,23,79,737	-	-	28,23,79,737	21,248,354	44,64,787	-	25,11,31,383
Computer Hardware*	2,20,08,687	1,22,87,684	95,324	3,42,01,047	1,55,51,130	48,62,454	4,267	64,57,557
Server & Networks	63,15,976	1,49,73,687	-	2,12,89,663	26,30,147	19,63,443	-	36,85,829
Furniture & Fixtures	1,65,98,696	27,90,308	-	1,93,89,004	53,45,154	18,50,070	-	1,07,52,542
Motor Car	2,21,33,483	24,61,516	10,23,520	2,35,71,479	35,45,224	28,97,227	4,55,589	1,85,88,259
Motor Cycle	80,000	-	-	80,000	24,404	7,601	-	55,595
Office Equipments	1,07,64,400	67,02,440	-	1,74,66,840	57,70,621	24,62,703	-	49,93,779
Total	39,82,89,889	3,92,15,635	11,18,844	42,63,55,680	5,45,16,034	1,85,08,285	4,59,856	33,35,42,855
(ii) Intangible Assets:								
Goodwill on consolidation	2,95,266	-	-	2,95,266	-	-	-	2,95,266
Computer Softwares	3,53,78,432	93,59,216	-	4,47,37,648	2,71,53,488	37,76,652	-	82,24,944
Total	3,56,73,698	93,59,216	-	4,50,32,914	2,71,53,488	37,76,652	-	85,20,210

Description	Gross Block				Depreciation & Amortisation			Net Block	
	As at April, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charged for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2016
(iii) Capital work in process	-	11,25,600	-	11,25,600				11,25,600	-
(iv) Intangible assets under development	37,57,117	1,00,26,224	41,99,650	95,83,691	-	-	-	95,83,691	-
Grand Total	42,76,89,704	5,97,26,675	53,18,494	49,20,97,895	8,17,69,522	2,22,84,937	4,59,855	37,85,03,292	34,21,63,055
Previous Year	37,71,43,347	5,39,00,264	33,53,907	42,76,89,704	6,19,12,235	2,07,11,056	8,53,770	34,59,20,182	31,52,31,111

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
14. NON-CURRENT INVESTMENTS		
(a) Other investments in quoted equity shares fully paid-up		
Associate company -		
5,952,850 (FY - 5,952,850) shares of ₹10/- each of Aqua Pumps Infra Ventures Limited	176,837,371	173,133,454
Other company -		
1,000,000 (FY - 1,000,000) shares of ₹10/- each of The Byke Hospitality Limited	50,096,906	50,096,906
22,023 (FY - 22,023) shares of ₹10/- each of Laxmishwar Polymers Limited	191,610	191,610
980 (FY - 980) shares of ₹10/- each of GEL Sec. Ltd.	5,740	5,740
2,25,000 (FY-NIL) shares of ₹1/- each of Vakrangee Limited	37,488,137	-
Less : Provision for diminution in the value of investments	263,536,764	223,427,710
	-	-
	263,536,764	223,427,710
(b) Aggregate book value of -		
Quoted fully paid-up investments	263,536,764	223,427,710
Aggregate market value of -		
Quoted fully paid-up investments	333,234,718	222,849,484
15. LONG TERM LOANS & ADVANCES		
Unsecured, non-bankable good		
Security deposits	30,424,297	29,667,001
Deposit with co-op credit society	1,500,000	1,500,000
Other deposit	4,849,722	1,912,008
Loans & advances to others	705,000	705,000
	37,178,939	33,784,009
16. OTHER NON-CURRENT ASSETS		
MAT credit entitlement	7,338,360	9,393,860
Interest accrued on deposit	-	48,997
	7,338,360	9,442,857

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
17. INVENTORIES		
Stock-in-trade		
Shares & securities*	92,921,779	78,043,056
(valued at cost or net realised value, whichever is lower, on cumulative basis)	92,921,779	78,043,056
18. TRADE RECEIVABLES		
Unsecured, considered good	4,235,792	6,266,741
Outstanding for a period exceeding six months	1,139,516,371	863,696,228
Others	1,144,382,163	849,942,988
19. CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Cash on Hand	823,197	203,423
Cheques in hand	12,922,464	102,930,468
Bank Balances -		
In current accounts	21,229,346	25,391,445
Other Bank Balances		
Term deposits	-	1,593,438
Term deposits held against bank guarantees	366,622,928	320,984,476
In earmarked accounts	1,921,785	1,053,894
	402,928,326	452,157,345
20. SHORT-TERM LOANS AND ADVANCES		
Secured, considered good		
Loans given to others*	286,874,542	49,820,347
Unsecured, considered good		
Loans given to related parties**	3,085,632	2,775,562
Capital Advances	724,591	-
Advances to employees	3,239,788	1,609,635
Balance with statutory/revenue authorities	30,146,146	43,113,265
Loans & Advances to others	79,135,993	38,777,560
Prepaid expenses	18,268,826	7,400,045
Margin deposit	78,966,779	120,158,000
Earnest Money Deposits	22,918,804	1,535,320
	517,571,269	285,189,254

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
* The loans given to others are secured against security of shares.		
**The loans given to related parties are detailed separately under the Note No.31(L)(II) of "Related Party Transactions".		
21. OTHER CURRENT ASSETS		
Margin - Index futures	917,552	4,970,043
Accrued Interests on deposits	10,560,524	3,653,457
MAT Credit Entitlement	-	414,680
Other Current assets	14,764,318	7,012,350
	26,242,401	21,052,530
22. REVENUE FROM OPERATIONS		
Sale of shares & securities	124,004,254	944,064,895
Interest Income	57,416,136	24,595,815
Income from lease and support services	21,972,500	22,345,000
Brokerage income	290,369,391	233,625,397
Professional fees	412,019,654	527,332,303
Other operating revenues	130,165,379	26,245,783
	1,302,946,214	1,842,229,194
23. OTHER INCOME		
Dividend Income	1,301,250	1,000,000
Rent Income	1,260,000	2,358,065
Interest on deposits	30,479,418	29,487,932
Misc. Income	203,734	21,191
Profit on sale of Investment	-	1,597,829
Excess prov of Intt on Deb written back	13,347,055	-
	46,891,457	34,465,017
24. OPERATING EXPENSES		
Professional Service charges	321,047,130	407,731,780
Computer & software expenses	3,660,922	3,938,707
Membership & subscription fees	509,122	4,749,426
Sub-brokerage / Referral fees	64,923,449	29,228,393
Leasehold expenses	2,440,650	2,015,710
Other operating expenses	3,407,084	2,105,200
	462,990,475	449,769,216

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
25. PURCHASE OF STOCK-IN-TRADE		
Shares & Securities	179,631,843	867,332,115
	<u>179,631,843</u>	<u>867,332,115</u>
26. CHANGES IN INVENTORIES		
Shares & Securities		
At the beginning of the period	78,063,056	107,758,870
Less : At the end of the period	<u>92,931,779</u>	<u>78,063,056</u>
	<u>(14,868,723)</u>	<u>29,695,814</u>
27. EMPLOYEE BENEFIT EXPENSES		
Salaries, allowances and incentives	263,638,217	174,480,459
Director's remuneration & Perquisites	4,200,000	4,200,000
Staff welfare expenses	3,357,338	260,088
Contribution to provident fund & charges	2,888,938	386,727
Contribution to ESIC	1,148,381	-
Gratuity	2,963,263	1,804,342
	<u>278,398,924</u>	<u>181,131,616</u>
28. FINANCE COST		
Interest on bank borrowings	83,336,669	107,787,389
Interest on institution borrowings	36,236,539	57,769,713
Other borrowing costs	21,838,782	21,441,498
	<u>141,412,191</u>	<u>187,198,799</u>
29. OTHER EXPENSES		
Bank charges	881,478	244,157
Bad Debts	1,688,343	1,307,201
Balance written off	-	458,214
Business promotion expenses	8,889,896	1,416,596
Director's sitting fees	780,000	410,000
Donation	1,595,811	1,214,500
Electricity Charges	4,729,829	3,796,462
Claims & dispute expenses	1,178,389	-

Choice International United

Accompanying notes to the consolidated financial statements as at March 31, 2017

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
Communication expenses	9,822,100	3,604,422
Computer maintenance expenses	2,694,306	1,293,506
Custom Expenses	5,145,889	-
Commission & Brokerage	17,581,948	-
Conference & meeting expenses	954,888	1,382,085
CSR expenses	48,149	-
Insurance charges	231,993	70,148
Legal and professional	22,238,979	18,142,140
Loss on sale of Property, Plant & Equipment	197,921	1,544,637
Loss on sale of Investment	-	526,137
Lodging & boarding expenses	257,133	-
Marketing & advertisement expenses	12,867,446	12,756,210
Meeting & Seminar Expenses	639,889	-
Subscription Charges	698,823	182,700
Payment to auditors -		
Statutory audit fees	431,580	314,200
Tax audit fees	135,888	155,000
Unlimited review Fee	66,880	70,000
Other certification fees	106,998	53,031
Printing and stationery	3,637,887	2,524,541
Provision on standard loan assets	638,648	13,433
Rent including lease rentals & administrative exp	7,871,331	2,816,416
Repairs & maintenance	7,113,531	1,985,446
Rates & taxes	8,181,182	2,582,398
Sundry expenses	3,727,882	3,142,713
Travelling & Conveyance expenses	18,621,641	8,333,382
Tender expenses	1,236,884	-
Vehicle expenses	35,829	1,581,973
Warehousing Expenses	161,141	173,707
Water charges	384,876	291,587
	148,638,336	73,051,940

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
29. EARNINGS PER EQUITY SHARE		
Profit/(Loss) attributable to equity shareholders	60,197,344	41,318,685
Weighted average number of equity shares	10,004,800	10,004,800
Basic Earnings Per Share	6.02	4.13
Face value per Share	10	10
Profit after adjusting interest on potential equity shares	60,197,344	41,318,685
Weighted average number of equity share after considering potential equity shares	19,595,211	10,004,800
Dilutive Earnings per Share	3.08	4.13

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

NOTE 51 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

A Contingent Liabilities not provided for

Particulars	As at March 31, 2017	As at March 31, 2016
Bank Guarantees issued to -		
Executive Engineer National Highway, Kothapur	200,000	-
The Chief Engineer National Highways, PWD, CBD Belapur, Navi Mumbai	2,575,000	-
Executive Engineer, D&S Division Ranchi	500,000	-
Executive Engineer, D&S Division Ranchi	965,400	-
State Bank of Bikaner & Jaipur	-	110,000,000
Punjab National Bank	340,000,000	340,000,000
Canara Bank	55,000,000	300,000,000
Aide Bank	200,000,000	95,000,000
Bank of India	500,000,000	500,000,000
ICICI Bank	400,000,000	250,000,000
IL&FS Financial Services Limited	300,000,000	200,000,000
ECL Finance Limited	200,000,000	100,000,000
	1,994,500,400	1,895,000,000

B Statutory reserve :

The management has created a statutory reserve of ₹ 5,176,000/- (PY ₹3,321,000/-) as per the provisions of section 45-IC of Reserve Bank of India Act, 1934.

C 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.

D

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

E

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

F 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 Associate	Carrying Amount of Investment
Aqua Pumps Infra Ventures Ltd.	173,133,454	(2,535,723)	2,703,918	175,637,472

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017****NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS****G Expenditure in Foreign Currency**

Particulars	As on 31.03.2017	As on 31.03.2016
Foreign Travelling	2,356,797	521,224
Meeting & Seminar Expenses	-	233,025
Professional fees	71,341	-
Total	2,428,138	754,249

H

As per the information & explanation given by the management interest proven on Debenture amounting to ₹1,32,47,055/- is w/ back, being interest not payable in view of the premature redemption.

I

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

J 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 of Profit and Loss:

Particulars	As on 31.03.2017	As on 31.03.2016
Employers' Contribution to Provident Fund	2,808,968	384,727
Employers' Contribution to ESIC	1,148,381	-
Total	3,957,349	384,727

2. 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 31.03.2017	As on 31.03.2016
Components of employer expense		
Current service cost	1,917,404	1,226,923
Interest on obligation	298,899	180,161
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past Service cost	228,430	-
Actuarial losses/(gains)	294,587	395,258
Total expense recognised in the Statement of Profit & Loss	2,838,940	1,804,342

Choice International United
Accompanying notes to the consolidated financial statements as at March 31, 2017

NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

Net asset / (liability) recognised in the Balance Sheet	As on 31.03.2017	As on 31.03.2016
Present value of defined benefit obligation	6,908,287	3,701,230
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(6,748,557)	(3,701,230)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	6,908,287	3,701,230

Change in fair value of defined benefits obligation representing reconciliation of the the opening and closing balances thereof are as follows:	As on 31.03.2017	As on 31.03.2016
Opening fair value of defined benefit obligation	3,303,129	2,323,692
Net Transfer In(out) Obligation	10,816	(112,900)
Service cost	1,938,241	1,234,979
Interest cost	299,677	180,161
Actuarial (gain) / loss	386,886	399,451
Past Service Costs	228,748	-
Benefits paid	(661,798)	(140,745)
Closing defined benefit obligation	6,908,287	3,864,638

Experience Adjustments	As at March 31,		
	2018	2014	2013
Experience adjustments on plan liabilities	(278,745)	271,784	-
Actuarial loss/(gain) due to change in demographic assumptions	-	-	-
Actuarial loss/(gain) due to change in financial assumptions	274,299	(277,680)	(103,307)
Experience adjustments on plan assets	-	-	-
Net Actuarial loss/(gain) for the year	2,834	(5,896)	(103,307)

Experience Adjustments	As at March 31,	
	2017	2016
Experience adjustments on plan liabilities	(62,434)	10,034
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	486,228	111,740
Experience adjustments on plan assets	-	-
Net Actuarial loss/(gain) for the year	324,894	121,774

Choice International Limited**Accompanying notes to the consolidated financial statements as at March 31, 2017****NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in ₹)

Actuarial assumptions	As on 31.03.2017	As on 31.03.2016
Discount rate	7.40%	8.00%
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

Notes- 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.

K. 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. Property, Plant & Equipment used in the company's business or liabilities have not been identified to any reportable segment, as the Property, Plant & Equipment 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, 2017		
	NBFC & Other services	Broking & Distribution	
Segment Revenue			
Sales / Income	196,259,666	536,966,258	
	(778,552,165)	(506,246,856)	
Less: Intersegment Sales / Income	65,153,000	88,307	
	(29,805,000)	(97,130)	
Total Revenue External	131,106,666	536,877,951	
	(748,747,165)	(506,149,725)	
Total revenue of each segment as a percentage of total revenue of all segments	10.05%	41.17%	
	(40.64%)	(27.47%)	
Segment Result: Profit / (Loss) before interest & taxes	(30,774,359)	72,352,172	
	(-9,532,959)	(37,103,666)	
Profit before tax			
Less: Tax expense			
Net profit after tax			
Share of Profit in Associates			
Net Profit for the Year			
* Previous year figures are in brackets			

Business segments				Total (Segments)	Total (Enterprise)
Investment Banking	Consulting & Outsourcing	E-Commerce & Technical services			
70,537,834	538,670,070	27,057,773		1,369,491,601	
(69,661,396)	(517,670,907)	-		(1,872,131,324)	
-	-	303,949		65,545,256	
-	-	-		(29,902,130)	
70,537,834	538,670,070	26,753,825		1,303,946,346	
(69,661,396)	(517,670,907)	-		(1,842,229,194)	
5.41%	41.31%	2.05%			
(3.78%)	(28.10%)	(0.00%)			
2,704,381	65,842,262	(7,354,692)		102,769,765	102,769,765
(10,604,740)	(41,616,222)	(-11,988,013)		(67,803,655)	(67,803,655)
					102,769,765
					(67,803,655)
					42,572,421
					(26,484,971)
					60,197,344
					(1,654,969)
					2,703,918
					(1,654,969)
					62,901,262
					(42,973,654)

Choice International Limited
Accompanying notes to the consolidated financial statements as at March 31, 2017

NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

L 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	Karnel Poddar (Managing Director) Hamleta Poddar (Non-executive Director) Manoj Singhanis (CFO) 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. Manohari Biofuel Pvt. Ltd. S. K. Patodia Advisory Services Pvt. Ltd. Upton Infrastructure Pvt. Ltd. Aqua Pumps Pvt. Ltd. Whereasmypendit.com Pvt Ltd Gravotix Technology Private Limited Choice Startup Private Limited Motomatrix.Com Private Limited Thoughts Consultants Jaipur P L in JV with Choice Consultancy Services P L Samank Consumer Products Private Limited Samank Apparels Private Limited Choice Insurance Broking Private Limited (Formerly known as Satyan Insurance Brokers Private Limited) Farmer's Evolverment Foundation M/s. Shree Shaktambhari Edm Anil Patodia HUF Sunil Patodia HUF Karnel Poddar HUF

Choice International Limited
Accompanying notes to the financial statements as at March 31, 2017

U(i): Details of Related Party transactions during the year ended March 31, 2017

(Amount in ₹)

Particulars	Associates	KMP	Relative of KMP	Enterprises over which (c) & (d) are able to exercise significant influence	Total
Loan/Advance taken from*	-	69,00,000	-	-	69,00,000
	-	(39,00,000)	-	-	(39,00,000)
Loan/Advance repaid to*	-	69,79,734	-	-	69,79,734
	-	(39,20,266)	-	-	(39,20,266)
Loan/Advance given to*	-	-	-	3,12,060	3,12,060
	-	-	-	(27,85,247)	(27,85,247)
Loan/Advance repayment received from	-	-	-	990	990
	-	-	-	(9,685)	(9,685)
Revenue from operations	21,00,000	-	-	1,91,46,729	2,12,46,729
	(94,00,000)	-	-	(1,39,45,000)	(2,23,45,000)
Director remuneration	-	42,00,000	-	-	42,00,000
	-	(42,00,000)	-	-	(42,00,000)
Salary & Perquisites	-	20,54,031	3,48,948	-	24,02,979
	-	(14,57,810)	(3,01,762)	-	(17,59,572)
Balances outstanding at the end of the year					
Short term loans & advances	-	-	-	30,86,632	30,86,632
	-	-	-	(27,75,562)	(27,75,562)
Trade receivables	-	-	-	-	-
	-	-	-	(69,29,028)	(69,29,028)
Payable for staff salaries	-	1,89,452	28,879	-	2,18,331
	-	(1,40,576)	-	-	(1,40,576)
Payable for staff salaries	-	-	-	-	-
	-	(79,734)	-	-	(79,734)

In terms of our report of even date

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

Sd/-
Shyam Sunder Gupta
Proprietor
Mem. No. : 030684
Mumbai 29th April, 2017

Formed on behalf of Board of Directors

Sd/-
Kamal Poddar
Managing Director
(DIN-01518706)
Mumbai 29th April, 2017

Sd/-
Ajay Kishore
Director
(DIN-03001641)

Sd/-
Navej Hingane
Chief Financial Officer
Mumbai 29th April, 2017

Sd/-
Mr Karishma Shah
Company Secretary

AGM NOTICE 2016 - 2017

www.choiceindia.com





CHOICE INTERNATIONAL LIMITED

**CHOICE HOUSE, SHREE SHAKAMBHARI CORPORATE PARK, PLOT NO
155-158, J.B. NAGAR, ANDHERI (EAST),
MUMBAI - 400099**
Tel No: +91-22-6797-9999; Fax: +91-22-6797-9898
Email Id: info@choicelndia.com; Website: www.choicelndia.com
CIN No: L87490MH1993PLC07H17

Notice is hereby given that 24th Annual General Meeting (AGM) of the members of Choice International Limited will be held on Monday, September 18, 2017 at 12.00 P.M. at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400099 to transact the following business:

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, 2017 and the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Ajay Kejriwal (DIN No: 03051841), who retires by rotation and, being eligible, offers himself for re-appointment.

3. Appointment of Statutory Auditor & fix their Remuneration

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 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications (s) or re-enactment thereof, for the time being in force), M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Registration No.117366W/W-100018) be and is hereby appointed as the Statutory Auditor of the company, to hold office for a tenure of Five years from the conclusion this Annual General Meeting subject to ratification by the members at the subsequent Annual General Meeting of the company, at such remuneration plus taxes as applicable and reimbursements of out of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf, in place of M/s. Gupta Shah Shyam & Co. Chartered Accountants, Mumbai Registration No. (103450W) the retiring Statutory Auditor".

SPECIAL BUSINESS

4. To appoint Mr. Bharat Kumar Shah (DIN No: 07393883) 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, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, including and modifications or amendments thereof, Mr. Bharat Kumar Shah (DIN No. 07393883) who was appointed as an Additional Director of the Company with effect from April 29, 2017 by the Board of Directors and holds office up to the date of this Annual General Meeting under section 151 of the Companies Act, 2013 ("the act") and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from April 29, 2017."

Place: Mumbai
Date: August 14, 2017

By Order of the Board of Directors

Registered Office:
Choice House, Shree Shakambhari
Corporate Park,
Plot No., 155-158, J.B. Nagar,
Andheri (East),
Mumbai - 400099
Email Id : info@choicelndia.com

Sd/-
Kartishma Shah
(Company Secretary)

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. 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.

4. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of the Notice. The Profile of the Directors seeking reappointment, as required in terms of Regulation 35(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.

5. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with Identity Proof.

6. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules the Copy of the Annual Report comprising of Financial Statements, Board's Report etc. and the Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the Registrar and Share Transfer Agents of the Company, unless any member has requested for a physical copy of the Annual Report, you may send your request to info@choiceindia.com mentioning your Folio/ DP & Client ID.

7. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic (India) Private Limited or to their depository participants in case shares are held in depository form, so as to enable us to dispatch the future communications at the correct addresses.

8. 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.

9. The Registrar of Members and Share Transfer Books of the Company shall remain closed from September 12 to September 13, 2017 (both days inclusive).

10. 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/ Informational/ Annual Reports to the shareholders thus making the process much faster. In order to receive copies of Notice of Annual General Meeting 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.

11. Members may note that the Company's website is www.choiceindia.com

12. 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 Annual General Meeting 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 15, 2017 and ends on September 17, 2017. 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 14, 2017, 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 digit beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field In 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 4 then enter RA00000004 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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).

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

(b) 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.

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

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

(e) 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.

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

(g) 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.

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

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

(j) 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.

(k) Shareholders can also cast their vote using CDSL's mobile app m-voting available for Android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and Windows Phone Store respectively. Please follow the instructions as promoted by the mobile app while voting on your mobile.

(l) **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 linked in the login 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.

(m) 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 11, 2017.

(iii) M/S R.M.Mishra & 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.chocolindia.com and communicated to the stock exchanges.

(vi) 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. Mirmal & Associates LLP, Practising Company Secretary, at the Registered Office of the Company not later than September 16, 2017 (6.00 p.m.). Ballot Form received after this date will be treated as invalid.

EXPLANATORY STATEMENT

(Pursuant to Section 182 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. 3

As per the provisions of the Companies Act, 2013 read with rules made thereunder no Listed Company shall appoint an audit firm as auditor for more than two consecutive terms of five years and an audit firm who has completed its term shall not be eligible to be reappointed as auditor in the same company.

Accordingly, the term of the existing Statutory Auditors M/s. Gupta Shyam & Co. Chartered Accountant, Mumbai is coming to an end. The Board of Directors have recommended appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai to hold office for a term of five years starting from the conclusion of the ensuing Annual General Meeting subject to ratification by the members at the subsequent Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relative are concerned or interested in the proposed Item No. 3.

The resolution as set out in Item No. 3 of this Notice are accordingly commended for your approval.

Item No. 4

The Board of Directors of the Company have appointed Mr. Bharat Kumar Shah (DIN No: 07393883) as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting (AGM).

As an Additional Director, he holds office till the date of the AGM and is eligible for being appointed as Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Mr. Bharat Kumar Shah as a Director of the Company. The Company has also received a declaration from Mr. Bharat Kumar Shah confirming that he meets the criteria of Independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Bharat Kumar Shah is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given their consent to act as a Director of the Company.

In the opinion of the Board, Mr. Bharat Kumar Shah fulfils the Condition for appointment as an Independent Director as specified in the Act and the Listing Regulations and are

Independent of the Management.

A copy of the draft letter of appointment for Independent Director, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the Registered Office of the Company during business hours on any working day.

Mr. Bharat Kumar Shah is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relative are in any way concerned or interested in the said resolution. The resolution as set out in Item No. 4 of this Notice is accordingly commended for your approval.

Details of Directors seeking appointments/ re appointment at the Annual General Meeting scheduled to be held on September 18, 2017 (Pursuant to Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015.

NAME OF THE DIRECTOR	BHARAT KUMAR SHAH (Appointment)	AJAY KESHUJAL (Reappointment)
DATE OF BIRTH & AGE	OCTOBER 17, 1950	FEBRUARY 14, 1979
DATE OF APPOINTMENT	SEPTEMBER 18, 2017	SEPTEMBER 18, 2017
RELATIONSHIP WITH DIRECTORS & KEY MANAGERIAL PERSONNEL	INDEPENDENT DIRECTOR	EXECUTIVE DIRECTOR
EXPERTISE IN SPECIFIC FUNCTIONAL AREA	FINANCE	FINANCE
QUALIFICATION	B.COM	DESA, CA
BOARD MEMBERSHIP OF OTHER LISTED COMPANIES	NIL	NIL
CHAIRMAN/ MEMBER OF THE COMMITTEE OF THE BOARD OF DIRECTOR AS ON MARCH 31, 2017	NIL	NIL
A) AUDIT COMMITTEE	NIL	1
B) NOMINATION & REMUNERATION COMMITTEE	NIL	NIL
C) STAKEHOLDER RELATIONSHIP COMMITTEE	NIL	1
NO. OF SHARES HELD IN THE COMPANY	NIL	6,808

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.

NOTES

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, Three Shikharbhari Corporate Park, Plot No. 186-188, 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 FALING HIM,

Name			
Address			
E-mail ID		Signature	

OR FALING 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 24th Annual General Meeting of the company, to be held on Monday, September 18, 2017 at 12:00 P.M. at Anchorage Hall, Hotel Suba International, 211, Chakala Sehar Road, Andheri (East), Mumbai – 400099 and at any adjournment thereof in respect of such resolutions as are indicated herein:

Item No.	Resolutions	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, 2017 and the reports of the Board of Directors and Auditors thereon.		
02	To appoint a Director in place of Mr. Ajay Kajriwal (DIN No: 03051841), who retires by rotation and, being eligible, offers himself for re-appointment.		
03	To appoint Statutory Auditor and to fix their remuneration		
	SPECIAL BUSINESS		
04	To appoint Mr. Bharat Kumar Shah (DIN No: 07393863) as an Independent Director.		

Signed this _____ day of _____ 2017

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

Notes:

I. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

II. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/ depository participant.

III. A Proxy need not be a Member.

IV. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights.

V. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Choice International Limited**Registered Office:** Choice House Shree Shikombhari 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:** L67190MH1993PLC07117**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 24th ANNUAL GENERAL MEETING of Choice International Limited at Anchorage Hall, Hotel Suba International, 211, Chakola Sahar Road, Andheri (East), Mumbai - 400099 on Monday, September 18, 2017 at 12.00 p.m.

Signature(s) of the Member or Proxy

NOTE: You are requested to bring your copy of the Annual Report to the Meeting.**E-MAIL ID REGISTRATION REQUEST**

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

Email Ids

(Signature of Member)

ROUTE MAP OF 24th AGM CHOICE INTERNATIONAL LIMITED TO BE HELD ON SEPTEMBER 18, 2017



the 1990s, the number of people in the UK who are aged 65 and over has increased by 1.5 million (1990–2000) and is projected to increase by a further 1.5 million by 2020 (Office for National Statistics 2001). The number of people aged 65 and over is projected to increase from 10.5 million in 1990 to 12.5 million in 2000, and to 14.5 million in 2020. The number of people aged 65 and over is projected to increase from 10.5 million in 1990 to 12.5 million in 2000, and to 14.5 million in 2020.

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Address

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

Contact

(T) +91-22-6707 9999
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www.choiceindia.com