

CHOICE INTERNATIONAL LIMITED



Choice

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For Choice International Ltd.

[Signature]

Authorised Signatory.

**15th ANNUAL REPORT
2007-08**



CHOICE INTERNATIONAL LIMITED

BOARD OF DIRECTORS

**Mr. Hansraj Goyal
Mr. Vivek Jain
Mr. Indresh Goyal
Mr. Dhananjay Datar**

AUDITORS

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

BANKERS

The Bharat Co-op. Bank (Mumbai) Ltd.

REGISTERED OFFICE

**Office No. 305, A.P. Market,
Dr. C.H. Street, Behind Parsi Diary,
Marine Lines, Mumbai - 400 002.**

**REGISTRAR AND
SHARE TRANSFER AGENTS**

**Sharex Dynamic (India) Pvt. Limited
Unit-I, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai-400072.**

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CHOICE INTERNATIONAL LIMITED

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of **CHOICE INTERNATIONAL LIMITED** will be held on Monday, 22nd September 2008 at 11.00 a.m. at Kailash Parbat, 7A/8A, A wing Crystal Plaza, New Link Road, Andheri (W), Mumbai - 400053 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hansraj Goyal who retires by rotation under Article 131 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint Messers Gupta Shyam & Company, Chartered Accountants, as a Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and fix their remuneration.

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
2. The Transfer Register and the Register of Members shall remain closed from 17th September 2008 to 22nd September 2008 (both days inclusive).
3. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic (India) Pvt. Ltd. or to their depository participants in case shares are held in electronic form.
4. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours.
5. As a measure to save the cost, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at least seven days before the date of the Meeting to the Company so that information required may be made available at the Meeting.
7. Members are requested to sign at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the Meeting Hall.
8. At this Annual General Meeting Shri. Hansraj Goyal retires by rotation, and being eligible, offer himself for re-appointment. The brief background and functional experience of the director proposed for re-appointment are given below along with the details of the companies in which he is a director and committee of which he is a member.
Mr. Hansraj Goyal is a Chartered Accountant having experience of over 17 years in the field of finance and portfolio management. He also looks after the Investment in the Capital market, Financing to the Corporate and non-Corporate and building customer relationship. He does not hold any directorship and / or committee membership in any other public limited company.

On behalf of the Board of Directors

REGD OFFICE:

Office No. 305, A.P. Market,
Dr. C.H. Street, Behind Parsi Diary,
Marine Lines, Mumbai - 400 002.

Chairman

Dated: 20th May 2008



CHOICE INTERNATIONAL LIMITED

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting their fifteenth Annual Report and Audited Financial Statement of the Company for the year ended 31st March 2008.

FINANCIAL RESULTS

(Rs. in Lacs)

	Year Ended 31-03-2008	Year Ended 31-03-2007
Total Income	110.68	29.22
Total Expenditure	80.09	27.46
Profit before depreciation and tax	30.59	1.76
Less: Depreciation	1.24	0.90
Profit after Depreciation	29.35	0.86
Less: Provision for Income Tax & FBT	3.11	0.51
Profit after Tax	26.24	0.35
Add: Balance brought forward	(32.17)	(32.07)
Excess/Short provision W/back	-	(0.45)
Balance carried forward to next year	(5.93)	(32.17)

DIVIDEND

In view of insufficient profit, the Directors have not recommended any dividend for the year.

REVIEW OF OPERATIONS

The Company's gross revenue for the year under review amounted to Rs. 110.68 lacs as compared to Rs. 29.22 lacs for the last year. The net profit after tax for the year amounted to Rs. 26.24 lacs as compared to profit of Rs. 0.35 lacs in the previous year.

RE-ISSUE OF FORFEITED SHARES

Company has re-issued 1,73,900 forfeited equity shares during the year under review to the persons other than the existing share holders as approved and authorized by the shareholders in the Annual General Meeting held on 31st August 2007 and the same has been admitted for trading by the Bombay Stock Exchange.

DIRECTORS

Mr. Hansraj Goyal retires by rotation and being eligible, offer himself for re-appointment.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the future outlook of the company and its business, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- 1 In the preparation of the annual accounts, the applicable accounting standards have been followed;
- 2 Appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the affairs at the end of the financial year and of the profit of the Company for the Financial year ended 31st March, 2008;
- 3 Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4 The annual accounts have been prepared on a going concern basis.

AUDITORS

M/s Gupta Shyam & Co., Chartered Accountants, retire as Auditors at conclusion of this Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if reappointed. The remarks in their Report are self-explanatory.

PUBLIC DEPOSITS

The Company has not accepted any deposits from Public within the meaning of Section 58 A of The Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There are no employees whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.



CHOICE INTERNATIONAL LIMITED

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company's operations are not energy intensive, the Company continues to conserve energy by keeping control over expenses on power/electricity. Regarding technology absorption, the Company continues to focus on technology and quality upgradation in respect of all its activities. Please refer to Schedule 'P' to the Balance Sheet for earnings & expenditure in foreign currency.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

CAUTIONARY STATEMENT

Statements in the report on Management Discussion & Analysis describing the Company's projections and estimates may be forward looking and are based on certain assumptions and expectations of future events. Actual Results would differ from Projections due to demand-supply conditions, prices of share/stocks & other commodities, Interest rate and changes in Government regulations, tax structure and other factors. The Company assumes no responsibility in respect of forward-looking statements, which may undergo change on the basis of subsequent developments or events.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the continuous support received by the Company from its Customers, Bankers, Business Associates, Shareholders as well as the Employees of the Company.

For and on behalf of the Board

Place: Mumbai
Dated: 20th May 2008

Hansraj Goyal
Chairman

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MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

During the year under review, the Company had operations in Non-Banking Financial Activities. At macro level, the growth in the Indian Economy, noticed slowdown from about 8.7% in 2007-08, the rate of economic growth has been forecast to come down to about 8%. Today we see this as slow. It was the fastest the Indian economy grew in any year in the nineties. Further there is hardly any other major economy in the world other than China that is expected to grow 8% this year. If Indian economy grow 8% in the Midst of a global slowdown, that should be considered terrific, not terrible.

Opportunities and Threats

The Company mainly operates in investments and lending activities in the NBFC sector. A clutch of depressing macro news both global and domestic has sent India's capital markets, which were experiencing something of a bull run just 5 months ago, into a tailspin. The first shock wave for the stock market came from the news of the collapse of Bear Stearns, 5th biggest investment bank in USA, finally bailed out by the fed. Of let not a single day goes out without some bad news. And much of it is home grown. On the hills of the rising inflation raising its early head again and slackening industrial output comes the latest change in accounting norms by Institute of Chartered Accountants of India (ICAI), requiring Indian Companies to disclose losses arising out of derivative contract, the market is clue less as to how many companies have sign such deals. Still the dominant concern at the moment is inflation, which has now climbed 42 months high to 7.83%. The good thing is that the FII's still believe that India is a good story in the medium term just that in the near term, they have more to do with their own problems in their markets which resulted in a bit of a slowdown in flows into India. On the other hand, if USA is going to have a bad outcome resulting in deep and prolonged recession affecting the other global economies, then the investors have to look for alternatives and those alternatives cannot only be copper, steel, aluminum and gold. It also has to be non-US equities and therefore in both these scenarios, at least Indian equities should on a relative basis be an attractive option.

Outlook

Inflation raising its ugly head again. If the International commodity price remains at elevated levels, then definitely there will be a pass-through of it in Asia and that might result in further tightening by RBI. The unchanged repo and reverse repo rates indicates that the RBI is concerned about the growth slowdown. However containing inflation and inflation expectations remains its priority because of high global commodity prices; therefore the central bank may choose to drain liquidity on a periodic basis.

Risk and concerns

The uncertain interest rate regime and the increasing competition continue to be concerns to the NBFC activities. Further, rising crude oil prices may affect the overall economic scenario of the country.

Internal Control Systems

The Company has a reasonable internal control system, which is adequate considering the size of the operations carried out by the Company.

Financial performance vis-à-vis Operational Performance

Your Company reported a net profit of Rs. 26.24 lacs for the current year that constitutes an operational profit of Rs. 30.59 lacs. Depreciation provided during the year was Rs. 1.24 lacs. Like last year the Company did not incurred any interest expense in the current year also.

Material Developments

As part of the cost-cutting exercise, the Company trimmed the work force to the required level. There were no other major developments in the human resource areas.



CHOICE INTERNATIONAL LIMITED

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2007-08
(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchange)

A. MANDATORY REQUIREMENTS**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Board of Directors and management lay greater emphasis on adopting and practicing principles of good Corporate Governance with a view to achieve business excellence by enhancing long term shareholders value and interest of all its stakeholders through sound business decisions, prudent financial management and high standard of business ethics.

2. BOARD OF DIRECTORS:**COMPOSITION AND CATEGORY**

The Company has four directors with an Executive Chairman. The number of Independent Non-Executive Directors (NED's) is more than 50% of the total number of Directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

The Details of the Directors seeking appointment / reappointment in forthcoming Annual general Meeting (In pursuance of Clause 49 of the Listing Agreement) are given below:

Name of Director	Mr.Hansraj Goyal	Mr.Indresh Goyal	Mr.Vivek Jain	Mr. Dhananjay Datar
Date of Birth	29.03.1969	11.09.1975	25.07.1976	22.12.1962
Date of Appointment	05 th March, 2007	05 th March, 2007	05 th March, 2007	08 th June, 2005
Expertise in specific functional areas	Chartered Accountant having experience of over 17 years in the field of finance and portfolio management. He also looks after the Investments in Capital market, Financing to the Corporate and non Corporate and building customer relationship.	More than 6 year of experience in trading in Pharma Products. He has good knowledge of the pharmaceutical area and also conversant in marketing of pharma products.	He has a broad background in finance working for number of companies in diverse areas undertaking numerous professional assignments in finance, Management & accountancy.	19 Years of experience in the field of Corporate finance and taxation..
Qualifications	B.Com. A.C.A.	B.D.S.	B.Com. A.C.A.	B.Com. F.C.A.
List of public Companies in which Directorship held as on March 31,2008	NIL	NIL	NIL	NIL

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name	Category	No. of Board Meetings Attended During 2007-08	Whether Attended AGM held on 31 st August, 2007	No. of Directorship and Committees Membership/ Chairmanship in other public Companies.		
				Other Directorship	Committee Membership	Committee Chairmanship
Mr. Dhananjay Datar	Independent Non Executive	5	Yes	---	---	---
Mr.Hansraj Goyal	Managing Director Non Independent Executive	5	Yes	---	---	---
Mr.Indresh Goyal	Non Independent Non Executive Director	4	Yes	---	---	---
Mr. Vivek Jain	Independent Non Executive	5	Yes	---	---	---

5 (Five) Board Meetings were held during the year 2007-08. These were on 30th April 2007, 23rd July, 2007, 8th August 2007, 29th October, 2007 and 28th January, 2008 and The gap between two meetings did not exceed four months.