

# 16<sup>th</sup> Annual Report 2009

Success is a matter of  
**CHOICE**



Choice International Ltd



Advisory

Investment Banking

Financing Assistance

Insurance Consulting

Outsourcing

We are nurturing a mission to strengthen the operating performance and reputation of our clients by optimising their business processes.

For delivering the best, we believe in two words

"Passion" and "Talent".

The former gives us the commitment to deal with the utmost complications and the latter gives us the fundamentals to deliver the best in quality.

With presence in 5 cities across India viz., Mumbai, New Delhi, Kolkata, Bangalore, Jaipur, we have a robust network enabling us to serve our clients better.

At Choice International,

We provide services to help our clients in executing their business plans/objectives, manage risk, strengthen the controls and achieve their potential.



**NOTICE**

Regd. Office: 202, Chartered House, Dr.C.H.Street, Marine Lines, Mumbai-400 002.

**NOTICE** is hereby given that the sixteenth Annual General Meeting of the shareholders of **CHOICE INTERNATIONAL LIMITED** will be held at **Sahara Star, Domestic Airport, Vile Parle (East), Mumbai – 400 099** on Wednesday, September 30, 2009 at 11.00 am. to transact, with or without modification (s) as may be permissible, the following business: -

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare and sanction the payment of dividend on equity shares of the Company for the financial year 2008-09.
3. To appoint a Director in place of Mr. Mukesh Agarwal who was appointed as an Additional Director of the Company with effect from September 23, 2008, by the Board of Directors and who holds office upto the date of the forthcoming Annual General Meeting of the Company under section 260 of the Companies Act, 1956 and who being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing his candidature, for the office of Director of the Company.
4. To appoint a Director in place of Mrs. Sujata Chattopadhyay who was appointed as an Additional Director of the Company with effect from September 23, 2008, by the Board of Directors and who holds office upto the date of the forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and who being eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing her candidature, for the office of Director of the Company.
5. To appoint a Director in place of Mr. Satish Kulhari who was appointed as Additional Director of the Company with effect from May 30, 2009, by the Board of Directors and who holds office upto the conclusion of the forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and who being eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing his candidature, for the office of Director of the Company.
6. To appoint a Director in place of Mr. Govind Patodia who was appointed as Additional Director of the Company with effect from August 25, 2009, by the Board of Directors and who holds office upto the conclusion of the forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and who being eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing his candidature, for the office of Director of the Company.
7. To appoint Messrs Gupta Shyam & Company, Chartered Accountants, as 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 to fix their remuneration.

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 September 25, 2009 to September 30, 2009 (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. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/ re-appointment at the meeting are annexed.

By order of the Board of Directors  
For **CHOICE INTERNATIONAL LIMITED**

Sd/-

Mumbai  
August 25, 2009

**Kamal Poddar**  
**Managing Director**

As per the requirement of Clause 49 of the listing agreement on Corporate Governance for seeking appointment of the Directors / re-appointment of the retiring Directors at the forthcoming Annual General Meeting of the Company, a statement containing details of the concerned Directors is given below:

Name of Director	Mukesh Agarwal	Sujata Chattopadhyay	Satish Kulhari	Govind Patodia
Date of Birth	September 21, 1982	August 27, 1964	July 31, 1957	November 8, 1974
Date of appointment on the Board	September 23, 2008	September 23, 2008	May 30, 2009	August 25, 2009
Expertise in specific functional area	Finance & taxation	Corporate Finance	Management, Software Industry & Academics	Finance & Taxation
Qualification	B.Com, ACA	B.Com, FICWA, CS	M.Tech(Computer Science), M.B.A, Ph.D	B.com, ACA
Details of shares held in the Company	Nil	Nil	Nil	Nil
Directorship in Public Limited Company	Nil	Nil	Nil	Nil
Chairman/ Member of the Committees of other Companies on which they are Directors as on 31.03.2009	Nil	Nil	Nil	Nil

**SIXTEENTH ANNUAL GENERAL MEETING ON SEPTEMBER 30, 2009**

**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting)

Ledger folio no. \_\_\_\_\_  
DP ID\*: \_\_\_\_\_

No. of shares held \_\_\_\_\_  
Client ID\*: \_\_\_\_\_

Name(s) in full

Father's/ Husband's name

Address as regd. With the Company

1. \_\_\_\_\_  
2. \_\_\_\_\_

I/We hereby record my/our presence at the Sixteenth Annual General Meeting of the Company at Sahara Star, Domestic Airport, Vile Parle (East), Mumbai-400 099 on Wednesday, September 30, 2009 at 11.00 am.

Signature of the Shareholder(s)/Proxy \*\*

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

\*Applicable for the Investors holding shares in electronic form.

\*\* Strike out whichever is not applicable.

Note: Attendance slip in original should be completed in all respects.

**CHOICE INTERNATIONAL LIMITED**

Regd. Office: 202, Chartered House, Dr.C.H.Street, Marine Lines, Mumbai-400 002

**SIXTEENTH ANNUAL GENERAL MEETING ON SEPTEMBER 30, 2009**

**PROXY FORM**

Ledger folio no. \_\_\_\_\_  
DP ID\*: \_\_\_\_\_

No. of shares held \_\_\_\_\_  
Client ID\*: \_\_\_\_\_

Name(s) in full

Father's/Husband's name

Address as regd. With the Company

1. \_\_\_\_\_  
2. \_\_\_\_\_

Being a member(s) of Choice International Limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the sixteenth Annual General Meeting of the Company to be held on Wednesday, September 30, 2009 at 11.00 am. and at any adjournment thereof.

Signature of the Shareholder(s)

Signature(s) of the Proxy(s)

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_  
1. \_\_\_\_\_  
2. \_\_\_\_\_

Date:

\* Applicable for the Investors holding shares in electronic form.

Note: This Proxy Form duly completed must be deposited at the Company's Registered Office at least 48 hours before the meeting. The Proxy need not be a member of the Company.

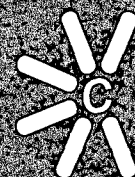
Revenue  
Stamp

**Contents :**

From the desk of Managing Director	1
Directors' Report to Members	3
Management Discussion and Analysis	6
The Strategy Ahead	7
Abridged profit and loss account	10
Corporate Governance Report	11
Director & Chief Executive Officer's Certification	23
Auditors' Report	25
Financial Statement	30
Schedule forming part of Financial Statements	36







### **Board of Directors :**

Kamal Poddar, Managing Director -  
Sujata Chattopadhyay -  
Mukesh Agrawal -

### **Auditors :**

M/s Gupta Shyam & Co.  
Chartered Accountants

### **Bankers :**

- The Bank of Rajasthan Ltd  
- HDFC Bank Ltd.

### **Registrar and**

### **Share Transfer Agents :**

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

### **Registered Office :**

202, Chartered House, Dr. C.H. Street,  
Marine Lines, Mumbai - 400 002, India  
**T: 91. 22. 2206 8602 / 3 F: 91. 22. 2206 8600**  
[www.thechoivce.com](http://www.thechoivce.com)





## ***From the desk of Managing Director...***

---

Dear Share Holders,

By the time you read this letter, I am sure the financial world around us would be well on its path to recovery especially with India recovering at a pace faster than the rest of the world. In the past 14 months, we have probably witnessed the worst ever financial collapse. However, even in the tumultuous times, Choice International Limited is striving for a swift walk on the road to growth.

When I took over the role of managing director in the company, I started with mission of making Choice a financial service conglomerate with deep roots in India, spreading its branches across the globe within a span of the next 10 years. History has taught us that the right time to tap opportunities in an industry comes when the rest of the players are struggling. It is amidst the struggle, that we should prepare ourselves for the turning facets lying ahead.

As the saying goes, "tough times don't last, but tough people do", this truly defines your company's determination. We believe that Choice has been a steadfast service provider in these tough times and thus the company's performance in future will have sustained levels.

### **The Performance**

A look at our company's performance shows that our gross revenue has increased by 70.31%. This has been greatly achieved by our response to the changes in the environment. In an industry, where the market size can shrink and expand rapidly, our costs have also been flexible and we are not leveraged on long term assets that build stress on the company.

Though the capital markets had taken a dive in the last 14 months, your shares have appreciated in value in the worst of the financial times.

### **Future Plans**

Your company saw a change in the management of and it has ambitious plans to venture into areas of corporate advisory, financing assistance, insurance consulting and business outsourcing. As a registered NBFC, the company is diversifying into other areas of financial services.





Growth in the last few months has been achieved by the industrious efforts of our people, who, we believe are the most prized assets of the company. For a growing business your company is fast becoming home to the right kind of talent.

With the current performance, our entrepreneurial spirit and our talent pool, the future foundations of the company are sure to strengthen.

## **The India – Perspective**

India has shown laudable adaptability to the fast changing world, and with the future growth projections, the financial services sector is poised to enter into a golden age. Capital Markets, Banking and insurance, the three pillars of financial world have shown sustained growths and still the scope for penetration in these sectors is still very large. With not many people in India having bank accounts, only 1% of the population having Demat accounts and most of the Indians needing insurance, there is a tremendous scope for your company to tap a huge financial market.

With a stable government at the centre, a positive outlook in the economy and a positive performance of the company, Choice International is poised for a robust growth.

The above was not possible without your continued support and we thank you all for the same.

Sincerely,

Sd/-

**Kamal Poddar**

Managing Director

# Directors Report



Your Directors have the pleasure in presenting the sixteenth Annual Report together with the Audited Accounts for the year 2008-09.

## Financial Results

Particulars (Amounts in INR Lacs)	Year Ended	
	31-03-2009	30-03-2008
Total Income	188.49	110.68
Total Expenditure	163.74	80.09
Profit before Depreciation & Tax	24.75	30.59
Less: Depreciation	4.50	1.24
Profit after Depreciation	20.25	29.35
Less: Provision for Income Tax & FBT	5.84	3.11
<b>Profit after Tax</b>	<b>14.41</b>	<b>26.24</b>
Balance brought forward	(5.93)	(32.17)
Appropriations	7.61	Nil
Balance carried forward to next year	0.87	(5.93)

## Operations

The year under review has been challenging for your Company. We are pleased to inform you that with fore-sight and dynamic business strategy your Company has fared positively, despite the economic slowdown.

The Company has complied with all the applicable regulations of the Reserve Bank of India as on March 31, 2009.

## Dividend

The Directors have recommended dividend of Rs. 0.10/- on equity shares of Rs 10/- each for the year under review.

## Management Discussion and Analysis

Management Discussion and Analysis of financial condition including the result of operations of the Company for the year under review, as required under Clause 49 of the listing agreement with Stock Exchange is given as separate statement in the Annual Report.