

CHOICE INTERNATIONAL LIMITED
CIN: L67190MH1993PLC071117

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

Tel: 022-6707 9999 Tel Fax.: 022-6707 9959
Email: info@choiceindia.com
Website: www.choiceindia.com

21st ANNUAL REPORT

CHOICE INTERNATIONAL LIMITED



ANNUAL REPORT 2013-14

VISION

To be a leader in the global financial services industry by providing quality services in professional and time bound manner, while nurturing relationships.



MISSION

To persistently pursue the creation of superior stake holder value by exceeding customer expectations profitably , unleashing employee potential, while being a responsible corporate citizen, adhering to our values.

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Our Values

We capitalize on our strengths by embracing the following values:

Stand by our words

We always keep promises - big or small. We work tirelessly to proactively address exceptional circumstances when we face challenges in keeping our commitments.

Valuing differences and respecting them

We are passionate about encouraging diversity and equal opportunity at Choice. We treat every person with respect and value his or her ideas and thoughts. We view constructive differences in opinion as learning opportunities and make decisions rationally.

Honour and develop expertise and apply it to uniquely benefit our customers

We value industry and functional expertise and recognize that our clients look to us to provide the best solutions. We make the investments needed to help our associates build and apply the expertise required.

Anticipate ideas and trends, not just follow them

Our success depends on our ability to innovate and outdo the competition. We think deeply about the new trends that impact our business and are not shy about developing new ideas and taking calculated risks to succeed in a rapidly changing environment. Being an early mover and anticipating trends are the keys to our success.

Recognize and fulfill our responsibilities to the communities around us

We are sensitive to the needs of the communities around us. We constantly look for ways to help them overcome challenges. Our contribution is an important corporate and individual priority.



Managing Director

Message from

Dear Stakeholders,

I am very pleased to present the 21st Annual Report of our company which contains a compilation of the financial performance of our businesses and a brief description of the values, beliefs and practices that shape our company.

The year 2013-14 was one of the most challenging for the Indian economy, with India's GDP growing below the psychological 5% level for the second successive year with high inflationary pressure, rupee dipping to life time lows with large current account deficit and indications of tapering by US Federal Reserve. Being a holistic Financial Service Company, this naturally impacted our business.

Even though the financial year continued to witness the constraints that have hampered the economy in last couple of years. On the positive side, our Company has done well, which in these turbulent times is commendable. Choice's objective is to accelerate a cultural shift to address significant opportunities. On the one hand, we verticalised the marketing function; on the other, we recognized that unless we worked with a high operating efficiency, it was likely that the objectives behind the verticalisation would not be achieved. We have the widest basket of products in India's financial services sector. What we are essentially doing is creating a product-specific company reaching deeper and wider into national pockets that commercial banks find difficult to access. In this product-specific company, what we are building is a distribution pipeline to the customer through which we keep pushing an increasing number of products.

Close to 40 percent of the SME segment's financial demands are met by informal sources of finance at a high cost. Based on a recent study, close to 43 percent of existing bank customers also count on informal sources of finance. CIL, through its distinctive proposition, robust underwriting model and processes coupled with strong monitoring methodology is targeting this segment. We expect significant growth in this segment in the coming financial year.

Capital Markets businesses have, over the last three years, seen a fundamental shift in industry structure; greater volatility has become order of the day and customers have become more discerning. We have transformed our Retail Broking business into an agile organization having low fixed costs and embracing technology in all aspects of its operations, thereby enabling it to benefit substantially during the cyclical upswings. The Retail Broking, Institutional Equities, Investment Banking and Wealth Management businesses have been brought under a common roof to help better utilize client, product and distribution capabilities of the businesses.

The demand for analytics professionals in the knowledge process outsourcing (KPO) centers across the country would grow exponentially in the coming years, "Today analytics has moved from the backroom to boardroom and is fuelling the demand for managers with analytical skills,"

The Company today is inundated with a talent pool eager to explore opportunities in various fields. We keep getting new business ideas and suggestions to expand our product portfolio. Each idea or proposal is meticulously evaluated. Entrepreneurship, innovation and initiative are the driving forces of your Company. Our aim is to stay ahead of competition and for that fresh ideas must keep coming. We realize the growing importance of technology and how in coming times it can emerge to be the key differentiation. Therefore, to stay ahead of competition our investment in training and knowledge acquisition is now being supplemented by investing in technology. Most of tomorrow's innovations will be technology-driven.

Before I conclude, I would like to express my gratitude towards all the stakeholders who have reposed trust in us and extended their constant support, the dedicated team of employees and the Board of Directors for their unwavering support and guidance.

We look forward to your continued support in our future journey.

Thank you,

Sd/- 
Kamal Poddar
Managing Director
DIN: 01518700



CA Kamal Poddar
(Managing Director)



CA Ajay Kejriwal
(Non-Executive Director)



Mrs. Hemlata Poddar
(Non-Executive Director)



Dr. Kali Mohan Bhattacharya
(Independent Director)



Mr. Debkumar Goswami
(Independent Director)



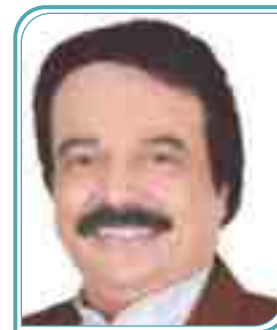
Dr. Satish Chandra Kulhari
(Independent Director)



Mrs. Bhagyam Ramani
(Independent Director)



CA Brijmohan Agarwal
(Independent Director)



Mr. Alexander Koshy
Prince Vaidyan
(Independent Director)

Mile Stones

Incorporated to provide advisory services in the capital market.

1993

Listed on the Bombay Stock Exchange Limited.

1995

Registration as a NBFC with RBI.

1998

Takeover of the Choice International Ltd. by Mr. Sunil Patodia (Promoter).

2008

- Commenced Investment Banking and Debt Syndication business.
- Acquired stake in Choice Infra Ventures Limited.

2009

- Formation of Subsidiaries to venture into identified business verticals.
- Acquired Commodities Broking license from MCX, NCDEX and ICEX in Choice Merchandise Broking Pvt. Ltd.
- Acquired Stock Broking membership from NSE, BSE, USE Choice Equity Broking Pvt. Ltd.
- Acquired membership for Depository Participant with CDSL.

2010

- Registration as a Category I Merchant Banker from SEBI.
- Established new corporate office – Shree Shakambhari Corporate Park, an eight storied building located in J.B. Nagar, Andheri, Mumbai.

2011

- Registered as a Market Maker in SME segment of BSE.
- Obtained broking license in MCX-SX in cash, F&O and currency derivative segment.

2012

- Acquired license in Securitisation Lending & Borrowing Market (SLBM) in NSE.
- Started Market making activities in SME segment.
- Acquired membership in Debt Market of NSE Ltd.
- Converted NSE currency derivatives segment membership from Trading to Trading cum Clearing Membership.

2013

Started and managed SME IPO as a Merchant Banker.

2014



Broking & Distribution

With our time tested knowledge and years of experience in the world of capital market, we provide personalized broking services backed with extensive research for client's portfolio. The trading platform is a high-end, integrated application for fast, efficient and reliable execution of trades. One can trade on different exchange platforms simultaneously from any location at their convenience.

Building Trust, Building Scalability, Building Profitability

Our Product Offerings:

- Equities
- Derivatives
- Commodities
- Currency
- Depository Services
- Distribution of Mutual Funds/IPO/Bonds/Fixed Deposits/Insurance
- SME Market Making in NSE & BSE
- IPO Services

Key Strategies:

- Deliver quality research to clients with regular market updates and actionable ideas across asset classes.
- Increase in Distribution network through branches and sub- brokers/bussiness partners across India
- A well trained sales team for reaching the institutional clients.
- Educating the customers about the various financial products available in the market and its advantages.



Investment Banking

Finance is a fine art of stretching scarce resources over conflicting demands for them. We, at Choice combine excellent execution capabilities, microscopic research, rich transaction experience and a wide network of global partnerships to help our clients choose a variety of strategic and financial transactions.

We are Category I Merchant Banker Registered with SEBI.

Our Product Offerings:

- IPO's/FPO's/Right Issues/QIPs
- Private Equity
- Debt Syndication
- Mergers & Acquisitions /Restructuring
- Listing / Delisting of Securities
- Open Offers / Preferential Issues /Buy- Backs
- Splits/Consolidation
- Revocation of Suspended Companies
- Valuation
- Due Diligence

Key Strategies:

- Establishing partnerships with our associate professionals to tap clients across length and breadth of the country.
- Leverage our research capabilities to identify client's needs and offer appropriate solutions to them.
- Continue to build the team along with the infrastructure having advanced technologies.



Knowledge Process Outsourcing

Choice Business Services operations are a seamless extension of our clients' operations. Our well-built operating culture defines our process effectiveness that aims at delivering the best business results and thus adding value to our clients. The team has over the period, developed wide network and relationships which are helping in rendering timely services at any place in India

Our Product Offerings:

- Finance & Accounting
- International Taxation Management
- Company Law & SEBI Compliances
- Indirect Taxation
- Due Diligence Assistance
- International Business Setup
- Human Resource Services

Key Strategies:

- Leveraging the knowledge and technology to provide best solutions to our clients.
- Continue to partner with associate professionals to widen our presence across globe.
- Building knowledge infrastructure through increasing the employee strength and training them to suit the client's needs and requirements.

Corporate Information

Board of Directors:

CA Kamal Poddar
CA Ajay Kejriwal
Mrs. Hemlata Poddar
Dr. Kali Mohan Bhattacharya
Mr. Debkumar Goswami
Dr. Satish Chandra Kulhari
CA Brijmohan Agarwal
Mr. Alexander K P Vaidyan
Mrs. Bhagyam Ramani

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

Company Secretary:

Mahavir Toshniwal (FCS, FCA)

Bankers:

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

Auditors:

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

Registrar and Share Transfer Agent:

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

Subsidiary Companies:

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

Registered Office:

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

DIRECTORS REPORT

To,
The Members,

Your Directors have pleasure in presenting the 21st Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the Financial Year ended March 2014.

FINANCIAL HIGHLIGHTS

- 1) A Snapshot of Standalone & Consolidated Financial Performance of the Company and its Subsidiaries for the year is as under:

(` in Lacs)

Standalone		Particulars	Consolidated	
2012-13	2013-14		2013-14	2012-13
806.62	1281.07	Total Revenue	6164.93	4153.61
657.95	1079.30	Total Expenditure	5603.25	3593.20
148.68	201.77	Profit Before Tax	561.68	560.41
36.83	65.24	Provision for Tax (Including Deferred Tax)	212.93	194.74
111.85	136.53	Profit After Tax	348.75	365.67
357.72	347.02	Add: Surplus brought forward from previous year	780.02	553.59
469.57	483.55	Profit available for Appropriations	1128.77	919.26
-	-	Less: Appropriations:		
		Transfer to General Reserve	(3.97)	-
(22.50)	(27.50)	Transfer to Statutory Reserve	(27.50)	(22.50)
(100.05)	(100.05)	Proposed Dividend	(100.05)	(100.05)
-	-	Dividend Distribution Tax on Proposed Dividend	(16.44)	(16.69)
347.02	356.00	Surplus carried forward	980.81	780.02

RESULT OF OPERATION

Your Company being focused primarily on Financial Services activities needed to march very cautious path during the year as to balance between the return, expectations and risk involved in serving to various clients.

On consolidated basis, the company's revenue increased by 48.42% to ` 6164.93 Lacs as compared from ` 4153.61 Lacs of the FY2012-13. During the year, the income is primarily generated by Broking and Outsourcing services segment of the company as compared to other segment of the Company.

The Profit before Tax of FY 2013-14 as compared to last FY 2012-13 was on average same with slightly increase of 0.22 % only to ` 561.66 Lacs from ` 560.41 Lacs and the Profit after Tax is ` 348.73, which is slight below as compared to the Profit after Tax of FY 2012-13.

On standalone basis, revenues for the FY 2013-14 were Rs. 1281.07 Lacs, showed a upper movement by 59% as compared to previous year FY 2012-13.

Similarly Profit before Tax has increased by 36% from ` 148.68 Lacs in FY 2012-13 to ` 201.77 Lacs in FY 2013-14 and Profit after Tax also increased by 22% from ` 111.85 Lacs in FY 2012-13 to ` 136.53 Lacs in FY 2013-14.

DIVIDEND & RESERVES

Your company has continued to reward shareholders with regular dividends. Considering the growth and continuous profits, the Board has proposed a payment of dividend of ` 1 per share (10%) for the year ending March 31, 2014 on equity shares aggregating to ` 100.05 Lacs.

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

The dividend, as recommended by the Board, if sanctioned at the ensuing AGM, will be paid

after September 27, 2014 to those members or their mandates whose names are registered on the Company's Register of Members as on record date. The company in the year 2013-14 has appropriated a sum of ` 27.50 Lacs towards Reserve Fund under Section 45- IC of Reserve Bank of India Act, 1934

SHARE CAPITAL

There was no change in the Authorised or the Paid-up Capital/Subscribed Capital during FY 2013-14.

DEFERRED TAX

In terms of Accounting Standard on 'Accounting for Taxes on Income' (AS-22), a sum of ` 2,32,08,098/- has been provided being netDeferred Tax Liability for the year under review.

SUBSIDIARIES

The company has seven subsidiaries functioning into various sectors as below:



Choice Equity Broking Private Limited in 2013-14 has been registered with NSE for Market making services to SMEs and Securities Lending & Borrowing Mechanism (SLBM).

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet, and Statement of Profit & Loss Account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide

its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in their Annual Report. Accordingly, the Annual Report 2013-14 does not contain individual financial statements of its subsidiaries, but contains the audited consolidated financial statements of the Company and its subsidiaries. Further, as required under the circular, the Board of Directors has, at its meeting held on 14th August, 2014 passed a resolution giving consent for not attaching the balance sheet of the subsidiary companies. The audited annual accounts and related information of the subsidiaries will be made available to the shareholders of the Company seeking such information upon request.

These documents will also be available for inspection during business hours at the company's registered office.

The same will also be published on our website, www.choiceindia.com The Statement pursuant to Section 212 of Companies Act, 1956, containing details of the Company's Subsidiaries is attached herewith.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared as per Accounting Standard AS 21 and Accounting Standard AS 23, consolidating the Company's accounts with its subsidiaries and an associate have also been included as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual report.

CORPORATE GOVERNANCE REPORT

A report on corporate governance repeat ahead together with the Auditors' Certificate on compliance with the conditions of Corpo-

rate Governance as laid down as per clause 49 of the Listing Agreement and the corporate governance voluntary guidelines, 2009 issued by Ministry of Corporate Affairs form part of the Annual Report.

DIRECTORS ELIGIBLE FOR RE-APPOINTMENT/APPOINTMENT

In light of the provisions of the section 152 of the Companies Act, 2013, Mrs. Hemlata Poddar, Non-Executive Director has now become a retiring director by rotation, thus Mrs. Hemlata Poddar retires from the Board this year and being eligible, offers herself for re-appointment.

Dr. Satish Chandra Kulhari, (DIN- 02699281), Director of the Company, who is retiring by rotation at the 21st Annual General Meeting has not sought re-appointment. It is proposed not to fill up the vacancy thereby caused.

With the enactment of the Companies Act, 2013 (Act) it is now incumbent upon every listed company to appoint Independent Directors as defined in section 149 of the Act, who are required to be appointed for a term of maximum of 5 (five) consequent years and shall not be liable to retire by rotation and pursuant to clause 49 of the Listing Agreement with Stock Exchanges (to come into effect from October 1, 2014), a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of upto five years only. Hence, Mr. Brijmohan Agarwal, Dr. Kali Mohan Bhattacharya, Mr. Deb Kumar Goswami, Mrs. Bhagyam Ramani and Mr. Alexander Koshy Prince Vaidyan are proposed to be appointed for a period as mentioned in the notice from the conclusion of this Annual General Meeting Accordingly. The Independent directors have filed requisite declarations with the Company under section 149 (7) of the Act to the effect that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock

Exchanges.

Mr. Manak Chand Daga has resigned as director in the company with effect from August 08, 2013 due to his personal commitments. The resignation has been duly accepted by the Board. The Board places on record its sincere appreciation for the valuable services rendered by him during his tenure.

Brief resume of the Directors proposed to be re-appointed/appointed, nature of their expertise in specific functional areas and names of public limited companies in which they hold directorships and memberships/ chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreements with the Stock Exchanges in India, are provided in the notice along with the 21st Annual Report of the Company.

LISTING OF EQUITY SHARES

Your Company, at present is listed at:

The BSE Limited,
P. J. Towers, Dalal Street, Fort,
Mumbai – 400 001

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from public and is therefore not required to furnish information in respect of outstanding deposits under Non Banking Non Financial Companies (Reserve Bank) Directions, 1966 and the Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS

The Statutory Auditors Gupta Shyam & Co, Chartered Accountants, having Firm Registration No. 103450W, holds office until the conclusion of this ensuing Annual General Meeting and is eligible for reappointment pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder. Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in

Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.

Your Board is of the opinion that continuation of Gupta Shyam & Co., Chartered Accountants, Statutory Auditors during FY 2014-15 will be in the best interests of the Company and therefore, members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till conclusion of next Annual General Meeting at remuneration as may be decided by the Board.

AUDITORS' REPORT

The Auditors Report to the shareholders does not contain any qualifications. A company, whose securities are listed on the Stock Exchanges, is compulsorily required to follow the accounting standards prescribed by the Institute of Chartered Accountants of India.

In accordance with the Accounting Standards (AS) 21 on consolidated financial statement read with AS 23 on Accounting for Investments in Associates, the Directors have provided the Audited consolidated financial statements in this Annual Report.

In the year under review provisions have been made for deferred tax liabilities/(assets).

PARTICULARS OF EMPLOYEES

During the year no employee whether employed for the whole year or part of the year was drawing remuneration exceeding the limit as laid down under section the Companies Act, 1956 and Rules made there under which needs to be disclosed in the Director's Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities which are being carried on by the company, Rules 2A and 2B of the companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applica-

ble to the company. There was no inflow/outflow of foreign exchange during the year under review.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with stock exchange, a separate section titled 'Corporate Governance' has been included in the annual report along with 'Management Discussion and Analysis Report'.

All Board members and senior management personnel have affirmed compliance with the code of conduct for FY 2014. A declaration to this effect signed by the Chief Executive Officer (CEO) of the Company is contained in this Annual Report. The CEO have certified to the Board with regard to the financial statements and other matters as specified in clause 49 of the Listing Agreement and the said certificate is included in this annual report.

THE COMPANIES ACT, 2013

The Companies Act, 2013 (the Act) came into force as on 1st April, 2014 (in the manner, to the extent notified by the Ministry of Corporate Affairs). The Act has replaced the Companies Act, 1956 and has brought a new set of compliances for companies.

The new Legislation will facilitate greater transparency, more disclosures and enhanced corporate governance. The Exchange is taking necessary steps for implementation of the provisions of the Act.

STATUTORY DISCLOSURES

Directors' responsibility statement as required by section 217(2AA) of the Companies Act, 1956 appears in the foregoing paragraph.

Certificate from auditors of the Company regarding compliance of conditions of Corporate Governance is annexed to this report.

Disclosures as prescribed by Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and other NBFC regulations have been made in this annual report.

A cash flow statement for FY2014 is attached to the balance sheet.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

1. In preparation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed and that there are no material departures from the same;
2. The Directors have been selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014, and of profit of the Company for the said period.
3. The Directors have taken proper and sufficient care to the best of their knowledge and ability 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 detecting fraud and other irregularities; and
4. The Directors have prepared the accounts for the financial year ended March 31, 2014 on a going concern basis.

LOANS AND ADVANCES

The particulars of loans/advances and investment in its own shares by listed companies, their subsidiaries, associates, etc., required to be disclosed in the annual accounts of the company pursuant to clause 32 of the Listing Agreement with the Company, are furnished separately.

ESTABLISHMENT OF WHISTLE BLOWER

POLICY/VIGIL MECHANISM:

As per the provisions of section 77 of Companies Act, 2013 and as per amendment in the Clause 49 of Listing Agreement, your Company has adopted Vigil Mechanism/Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principals of the Company.

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Audit Committee of the Company or Chairman of the Company.

The Whistle Blower Policy has been appropriately communicated within the Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices.

No personnel has been denied access to the Audit Committee. Further, the Whistle Blower Policy has been adopted to make it applicable to both the Directors and the Employees of the Company alike, to facilitate implementation of Vigil Mechanism. The Policy empowers the Chairman of the Audit Committee/Chairman of the Company to investigate any protected disclosure including matters concerning financials/accounting, etc. received from the Employees under this policy.

Whistle Blower Policy of the Company is being displayed on the Company's website <http://www.choiceindia.com>.

VOTING THROUGH ELECTRONIC MEANS:

Pursuant to section 108 of the Companies Act, 2013 and Clause 35B of the amended Listing Agreement, your Company is taking necessary steps to make available the facility provide to its members the facility to exercise their right to

vote by Electronic means for the transactions which require approval through Postal Ballot. The Company will also have the E-voting facility for the items to be transacted at this AGM. The MCA has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has an agreement with CDSL for availing e-voting facilities.

ACKNOWLEDGEMENT

The directors would like to thank every one of the Company's customers, business associates and other stakeholders for their valuable contribution to the Company's growth and success. The directors also recognise and appreciate the passion and commitment of all the employees of the Company across the country.

The directors are also grateful to the Company's other stakeholders and partners including its shareholders, promoters, strategic partner and Government of India, bankers and others for their continued support.

On behalf of the Board of Directors

Sd/- Kamal Poddar Managing Director (DIN-01518700)	Sd/- Ajay Kejriwal Director (DIN-03051841)
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Mumbai, August 14, 2014

Statement pursuant to Section 212 of the Companies Act,1956
relating to Subsidiary Companies

(Amount of `)

Particulars	Choice Capital Advisors Private Limited	Choice Equity Broking Private Limited	Choice Merchandise Broking Private Limited	Choice Wealth Management Private Limited	Choice Business Services Private Limited	Choice Insurance Brokers Private Limited	Choice Corporate Services Private Limited*
The Financial year/period of the Subsidiary Company.	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014
Extent of interest in Subsidiary Company							
Equity Share Capital	50,500,000	42,360,000	10,000,000	100,000	100,000	5,100,000	100,000
% Shares held by Choice International Limited	100%	100%	100%	100%	100%	100%	-
Net aggregate amount of the profits/(losses)of the Subsidiary Company for the period , so far as it concerns members of Choice International Limited							
a) not dealt with in the Accounts of the Company							
(i)For the financial year of the subsidiary	6,548,310	15,852,727	368,762	31,123	8,682,349	28,964	(4097)
(ii)For the previous financial years since it became the subsidiary of the Company	13,429,206	10,111,015	1,423,696	83,064	7,573,288	336,031	(14001)
b) dealt with in the Accounts of the Company							
(i) For the financial year of the subsidiary	0	0	0	0	0	0	0
(ii)For the previous financial years since it became the subsidiary of the Company	0	0	0	0	0	0	0
Additional Information u/s 212 (5)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

* The Choice Corporate Services Pvt. Ltd. is wholly owned subsidiary of Choice Capital Advisors Pvt. Ltd.

**The above details are as on March 31, 2014

On behalf of the Board of Directors

Mumbai, August 14, 2014

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

Sd/-
Ajay Kejriwal
(Director)
DIN: 03051841

Statement pursuant to Section 212 of the Companies Act ,1956
relating to Subsidiary Companies

(Amount of `)

	Choice Capital Advisors Private Limited	Choice Equity Broking Private Limited	Choice Merchandise Broking Private Limited	Choice Wealth Management Private Limited	Choice Business Services Private Limited	Choice Insurance Brokers Private Limited	Choice Corporate Services Private Limited*
The financial year/period of the Subsidiary Company	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014	April 1, 2013 to March 31, 2014
Share Capital (Equity & Preference)	50,500,000	42,360,000	10,000,000	100,000	100,000	51,00,000	100,000
Reserve & Surplus (Net of debit balance of profit & loss Account & miscellaneous expenditure to the extent not written off)	9,989,861	129,390,409	1,004,488	466,034	20,100,959	(29,165)	(18,098)
Total Assets (Fixed Asset+Current Assets)	30,622,046	1,040,915,259	28,264,634	1,275,028	98,336,232	5,285,964	85,273
Total Liabilities (Debts+Currents Liabilities & Provisions)	20,429,091	981,728,247	34,748,343	708,994	78,135,272	215,129	3,371
Details of investments(excluding investments in subsidiary companies)	50,296,906	112,563,398	-	-	-	200,000	-
Turnover	136,109,940	211,695,801	13,070,828	1,610,801	150,442,159	328,622	-
Profit Before Taxation	9,450,199	23,340,948	584,695	54,175	12,809,404	41,964	(4,097)
Provision for Taxation	2,901,889	7,488,221	215,933	23,052	4,127,055	13,000	(4,097)
Profit after Taxation	6,548,310	15,852,727	368,762	31,123	8,682,349	28,964	-
Proposed/interim Dividend(including Dividend tax)	5,869,236	5,907,822	-	-	-	-	-

Notes: *Information on subsidiaries is provided in compliance with the circular no. 2/2011 dated February 8,2011 of the Ministry of Corporate Affairs, Government of India. We undertake to make available the audited annual accounts and related information of subsidiaries,where applicable,upon request by any of the shareholders. The annual accounts will also be available for inspection during business hours at our registered office in Mumbai, India.

On behalf of the Board of Directors

Mumbai, August 14, 2014

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

Sd/-
Ajay Kejriwal
(Director)
DIN: 03051841