



We made the choice



CHOICE HOUSE

Shree Shakambhari Corporate Park, Plot No. 156-158,
J. B. Nagar, Andheri (East), Mumbai - 400099.

☎ Tel.: +91 22 6707 9999

✉ Fax : +91 22 6707 9959

🌐 Website : www.choiceindia.com

28th
**ANNUAL
REPORT**
— 2020-21 —

WE CARE



Vaccination Drive
At Choice House

OUR VISION & MISSION

सर्वश्रेष्ठ

To become "The Institution of Choice"
by delivering the best services and
innovative products, for clients across
the Globe, for business partners and
our employees

FinTech Products Roadmap



Pre Digitization Era
2010-2015



INVESTICA
2017



JIFFY
2018



Choice Connect
2019



Alphabee
March 2021



ISMOS
April 2021



E-filex
May 2021



Alphabee global
July 2021



Spark
July 2021



Credue
October 2021



OPTIMO
October 2021



Financial education
2022



Neo Bank License
2022

CREATING NEW BENCHMARKS IN SERVICE DELIVERY

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Letter From Chairman



CA SUNIL PATODIA
CHAIRMAN

Dear Stakeholders,

As we start a new year, I would like to thank all the stakeholders, Board of Directors, employees and investors who believed in me and my vision and shall consider my appointment as the Chairman of the Company at the 28th Annual General Meeting.

A few years ago I saw a dream to become the leading financial services firm in the country and now I can proudly say that we have reached that level that I once hoped to achieve. This would have been an impossible task without the help and support of my colleague, business partner and more than that my friend Kamal Poddar, our Managing director and all my colleagues of the "Choice Parivaar".

A very famous life quote that I truly believe in, "Great things take time" and this is absolutely true in our case. We as a group are growing and giving our best foot forward always. The growth that once seemed unattainable is now within our reach. With constant hard work and determination of each and every person of the "Choice Parivaar", we can dare to dream higher and achieve many more impossible tasks.

"Choice" aims to become a fintech company and build a robust ecosystem for our customers and to aid in their end to end financial journey. The group as a whole is expanding geographically and has successfully added many business associates under its umbrella. Along with this, we are pleased with the financial growth of your group as we are growing organically and inorganically. We aim to continue this growth in the coming years and the goal is to make Choice one of the best financial services firm in the country.

"Growth is never by mere chance; it is the result of forces working together" and therefore, we have always believed in team work and working towards one common goal. The COVID-19 pandemic has taught us to fight our vulnerabilities and stand up against difficulties. Our vision to become "Sarvasresth" will always be our top most priority and we promise to grow your company in the future and put our best foot forward always.

With best wishes,

Thanking You,

Sd/-

SUNIL KUMAR PATODIA

Chairman

DIN No: 00751941





From Managing Director's Desk



Mr. Kamal Poddar
MANAGING DIRECTOR

Dear Stakeholders,

The world has seen a turnaround in the last financial year due to COVID-19 and most of the economies have witnessed the most difficult times historically. But with strong determination and utmost strength we have all stood firm and faced these unprecedented times.

As this year has been difficult for everyone, I would like to take this opportunity and thank each and every employee and our stakeholders for your immense support. It is because of your hardwork and unconditional faith that we have been able to achieve our goals for the past year.

I can proudly say that we have managed to keep ourselves motivated during these hard times and have given the best services to all our stakeholders. We have handled all the key operations smoothly by working at 25-30% capacity and rest from home almost the entire year without hampering the day to day operations. We expect the same to continue for the next financial year as well.

In the financial year 2020-2021, the group has done really well in terms of business and financials. We have managed to clock in a growth of 35% YoY in our revenue with a growth of 25% YoY in our bottom-line. This was possible only through our efficiency in business and managing our operations well.

From the business perspective, I can proudly say that our equity broking business has achieved new heights this year and we now belong to the Top 25 broking houses in the country. We expect this bull run to continue for the next three years which will aid our future growth. As far as the other businesses our concerned, they are picking up steadily and we hope to clock in a hundred percent growth in revenue in the coming financial year.

Choice group now can be synonymously known as a Fintech company as we have managed to launch new fintech products in this financial year and have many more in the pipeline for the coming year which can be seen in the road map which forms the part of the report. We have launched a new fintech product for our customers called Alphabee (for long term investors) and are in process of launching multiple products like ISMOS, e-filix, SPARK, Credue and Optimo in the upcoming years. Choice is at the foothold for a very strong year ahead and we hope to launch a fintech ecosystem for our customers assisting them in their end-to-end financial journey.

We believe our employees are our strength and we have made all efforts to provide the best working infrastructure and support to them. This year we have decided to provide financial security to all its employees in case of an unfortunate incident with the member. Under this, the Group shall bear the expenses of their children's education till graduation for children below 18 years of age. In addition to this, the family shall get the last drawn salary of the deceased employee till 12 months.

I take this opportunity to thank all our stakeholders for their faith in our Company and further appeal for their continued support in achieving our vision of being "Sarvasrestha"

**With best wishes,
Thanking You,**

Sd/-
KAMALPODDAR
Managing Director
DIN No: 01518700





While innovation influxes a CHANGE
in the system, It's the leadership that
distinguishes you from being a ME TOO
& become **सर्वश्रेष्ठ**



CA SUNIL PATODIA
Non executive and
Non Independent Chairman



CA KAMAL PODDAR
Managing Director



Board of Directors

Mrs. Hemlata Poddar
Non - Executive Director



Mr. Kanhaiyalal Berwal
Independent Director



CA Ajay Kejriwal
Executive Director



Mr. Ashok Kumar Thakur
Independent Director

CA Subodh Kumar Agrawal
Independent
Director



CA Sudha Bhushan
Independent
Director



Mr. Sandeep Singh
Independent
Director



Corporate Information

CS Karishma Shah
Company Secretary



CA Manoj Singhania
Chief Financial Officer

BANKERS

AXIS | PNB | ICICI | HDFC | INDUSIND

SUBSIDIARY COMPANIES

- Choice Equity Broking Private Limited
- Choice Capital Advisors Private Limited
- Choice Consultancy Services Private Limited
- Choice Finserv Private Limited
- Choice Portfolio Management Services Private Limited

STEP-DOWN SUBSIDIARY COMPANIES

- Choice Corporate Services Private Limited
- Choice Wealth Management Private Limited
- Choice Retail Solutions Private Limited
- Choice Tech Lab Solutions Private Limited



Register And Share Transfer Agent

M/s. Link Intime India Pvt Ltd
Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.
Contact No: 022 - 4918 6270;
Fax No: 022 - 4918 6060
Website: <https://www.linkintime.co.in/>
Email: rnt.helpdesk@linkintime.co.in



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. Deloitte Haskins & Sells LLP,
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS
M/s. R.M.Mimani & Associates LLP
Practicing Company Secretaries
Thane



Board Report

Dear Member,

At the onset, your company's Director's place before you, their prayers for the families of all employees & shareholders who have succumbed their family member's to the Pandemic COVID-19.

Your Director's are pleased to present the Twenty-Eight Annual Report detailing the Business & Operations of the Company together with the Audited Financial Statements both Standalone & Consolidated for the Year ended March 31, 2021.



CORPORATE OVERVIEW

"Choice Group" an end-to-end Financial service conglomerate through its multiple subsidiaries offers financial services across all platforms catering to Retail & Institutional Client, Corporates, State & Central Government Authorities.

The group successfully has created a Fintech eco system which combines all its services under one roof for all its financial products.

FINANCIAL SUMMARY & HIGHLIGHTS:

The highlights of the Company's Standalone & Consolidated Financial Results are incorporated below:

(Rupees in Lakhs)

Particulars	Consolidated		Standalone	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue				
Revenue from Operations	16,874.35	12882.00	835.83	875.89
Other Income	707.23	539.88	30.91	26.19
Total Revenue	17,581.88	13,421.88	866.74	902.08
Expenses				
a) Operating Expenses	7,648.43	2,882.85	-	-
b) Employee benefit expenses	4,193.80	4,746.16	83.34	78.38
c) Finance Cost	1545.75	1,729.76	192.05	154.31
d) Depreciation & Amortisation Expenses	308.74	345.54	71.39	73.72
e) Administrative & Other Expenses	1,603.31	1,897.20	192.11	299.45
Total Expenses	15,300.03	11,601.52	538.89	605.86
Net Profit before Tax	2,281.56	1,820.35	327.85	296.22
Tax Expenses				
a) Current Tax	1,002.22	480.50	75.89	70.90
b) Earlier Years Tax Expense	12.84	(18.31)	6.48	-
c) Deferred Tax	(404.51)	115.06	15.28	27.90
Total Tax Expenses	610.55	577.25	97.65	98.80
Net Profit After Tax	1,671.00	1,243.11	230.20	197.42
Other Comprehensive Income	36.38	134.60	0.43	0.66
Total Income	1,707.38	1,377.71	230.63	198.08
Paid Up Equity Share Capital	2856.83	2000.48	2856.83	2000.48
Reserves excluding Revaluation Reserves as per Balance Sheet	19,276.19	15,149.64	13,072.37	10,422.56
Earnings Per Share				
1. Basic	7.78	6.21	1.07	0.99
2. Diluted	5.11	5.86	0.70	0.93

PERFORMANCE HIGHLIGHTS

Consolidated Financial Performance

The Consolidated gross income of the Company for the financial year ended March 31, 2021 is ₹ 17,581.58 Lakhs as against ₹ 13,421.88 Lakhs in the previous year. Consolidated net profit during the year under review is ₹ 1,671.00 Lakhs as compared to ₹ 1,243.11 Lakhs in the previous year.

Consolidated Financial statements for the financial year ended March 31, 2021 have been prepared in accordance with Section 133 of the Companies Act, 2013 (the "Act") read with rules made thereunder and Indian Accounting Standards (the "Ind AS") 110. The Consolidated Financials reflect the cumulative performance of the Company together with its various subsidiary companies.

Standalone Financial Performance

The total gross income of the Company for the financial year ended March 31, 2021 on standalone is ₹ 866.74 Lakhs as against ₹ 902.08 Lakhs in the previous year. The Company reported a net profit of ₹ 230.20 Lakhs for the year ended March 31, 2021 as compared to the Net Profit of ₹ 197.42 Lakhs in the previous year.

Pursuant to the provisions of Section 136 of the Act, the Annual Report of the Company, containing, inter alia, its Standalone and the consolidated financial statements, along with the relevant documents and separate audited financial statements for each of the subsidiaries are available on the Website of the Company www.choiceindia.com under the "Investor's Relation" tab.

DIVIDEND

Considering the existing economic situation, the Board of Directors of the Company has decided to safeguard the resources to augment our long term growth, the Board hence has not recommended the Dividend for the Financial Year ended March 31, 2021.

The details of the Unclaimed / Unpaid Dividend pertaining to the previous year's lying in the unpaid account liable to be transferred to the Investor Education & Protection Fund is detailed in the Corporate Governance Report forming part of this Report.

RESERVES

The Board of Directors of the Company has decided to retain the entire amount of the Profit for FY 20-21 in the Profit & Loss account.

COVID-19 PANDEMIC

It has been more than one & half year since "COVID 19" pandemic infiltrated the Human Society, leaving each one of us in grief. After the first wave of the on-going pandemic there was a subsequent lifting of the Nation-wide Lockdown presuming the control over on-going active cases. However, situations got deteriorated even more in the month of March & April 2021, leaving us in the turmoil followed again with the State Lockdowns.

But it is always believed that, even the worst times teaches you the best lessons of life. Similarly the pandemic COVID-19 has forever reformed the operational synergies of how the organizations across the world operate.

The Pandemic has by no choice transferred the working culture from being Manual to Digital, the organisations across has entered in to the sphere of an "Digital Era". Likewise your Company too have by all means have transformed their Scope of Service in to an gamut of Digital Financial services under one gable with least human interference.

Further the Pandemic has also introduced the "Work from Home" policy in the interest of the employees of the company, your

company too has adopted the policy for the safety & security of our employees.

We are further glad to inform you that the Business activities of the Company & its Subsidiaries have not been halted at any point time. The Management of your Company do not anticipate any medium to long term risk in the Company's ability to continue as a going concern and meeting its liabilities. An elaborative narration on the impact of COVID-19 is detailed in notes to the Financial Statements.

MATERIAL CHANGES AFFECTING THE COMPANY

- 1) As detailed in the previous report, the company was awaiting the Voluntary Cancellation of its "NBFC" status on transferring its entire "NBFC Business" to its Subsidiary Company M/s. Choice Finserv Private Limited.

On November 25, 2020 the company was in receipt of communication from the "Reserve Bank of India" detailing the order of Voluntary Cancellation of our "NBFC" status with effect from October 23, 2020.

On cancellation of our "NBFC" status the company M/s. Choice International Limited is acting as a "Holding Company" to its various subsidiaries.

- 2) The Company on approval of its Members dated December 23, 2019 & on receipt of the In Principal approval from the exchange dated December 24, 2019, the Company on January 02, 2020 had allotted 19800000 Equity Warrants at a price of Rs. 51/- Per warrants to be converted in to equivalent number of Equity within 18 Months of allotment on Preferential Basis.

On the receipt of the entire consideration amount, the Warrants were converted in to equivalent number of Equity shares in trenches. As on the date of report, there are no outstanding warrants to be converted in to Equity.

- 3) The Board of Director's at their Meeting held on June 25, 2021 has approved the raising of Funds on Right Issue basis amounting to Rs. 60 Crores. For infusing the additional capital through Right Issue basis, the Company need to increase the Authorised Capital of the Company.

Your Board seeks the approval from the Members for Increase in the Authorised Capital of the Company from Rs. 40,10,00,000/- (Rupees Forty Crores Ten Lakh only) divided in to 4,10,00,000 Equity Shares of Rs. 10/- each to Rs. 50,10,00,000/- (Rupees Fifty Crores Ten Lakh only) divided in to 5,10,00,000 Equity Shares of Rs. 10/- each.

Resolution seeking approval of the Members forms part of the Notice to the 28th Annual General Meeting of the Company.

- 4) The Company M/s. Choice International Limited had applied to the Company M/s. Paramone Concepts Limited to reclassify its status from "Promoter Category" to "Public Category". The request for reclassification was further placed before the exchange by the company M/s. Paramone Concepts Limited which was approved by the exchange BSE Limited on March 31, 2021.

The Company do not stand as a Promoter to the Company M/s. Paramone Concepts Limited With effect from March 31, 2021.

- 5) Post the Financial Year end, M/s. Choice Equity Broking Private Limited "CEBPL" our wholly owned Subsidiary has entered in to the agreement with Promoters and Shareholders of M/s. Escorts Securities Limited "ESL" subsidiary of M/s. Escorts Limited a renowned Business House located at National Capital Region, listed on BSE & NSE for acquisition of ESL, which is mainly in Broking business.

M/s. Escorts Securities Limited an Unlisted Public Company, incorporated in the year 1996 is a prominent player in the Broking Industry since last two decades headquartered in "Delhi".

- 6) During the Year under review, our step down subsidiary M/s. Choice Wealth Private Limited had acquired the "Mutual Fund" Distribution Business of "Bank Bazar". The acquisition of Mutual Fund Distribution process of "Bank Bazar" shall enable our product "Investica" to rapidly grow its AUM and number of clients and push itself to the category of large Mutual Fund Investment Platform with complete focus on wealth creation for its clients.
- 7) The application of our subsidiary Company M/s. Choice Equity Broking Private Limited "CEBPL" to acquire an "IRDA" Registered company has been transferred in the name of M/s. Choice International Limited, the application for acquiring an "IRDA" Registered Company is pending now with the "Insurance & Development Authority of India (IRDA)" in the name of M/s. Choice International Limited, the approval of which is soon awaited.
- 8) During the Year under review, the Registrar & Share Transfer Agent of the Company M/s. Sharex Dynamics India Pvt Ltd has been merged in to M/s. Link Intime India Pvt Ltd with effect from Aug 31, 2020.

RTA Details:

Website: <https://www.linkintime.co.in>
Email: rti.helpdesk@linkintime.co.in
Address: C. 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.
Contact No: 022 - 4918 6270; Fax No: 022 - 4918 6060

The Details of Change in Capital Structure during the Year are as follows:

Details of Equity Share Capital of M/s. Choice International Limited: ISIN No: INE102B01014

Sr. No.	Particulars	Date of Allotment	Number of Shares Allotted	Cumulative Total	Nominal Capital bearing face value of Rs. 10/- each (Cumulative Total)
1	Equity Shares at the beginning of the Year	April 01, 2020	-	20004800	200048000
2	Conversion of Warrants in to Equity	December 14, 2020	2663473	22668273	226682730
3	Conversion of Warrants in to Equity	January 14, 2021	2550000	25218273	252182730
4	Conversion of Warrants in to Equity	March 17, 2021	3350000	28568273	285682730
5	Conversion of Warrants in to Equity	April 17, 2021	3449989	32018262	320182620
6	Conversion of Warrants in to Equity	June 17, 2021	3236538	35254800	352548000
7	Conversion of Warrants in to Equity	June 25, 2021	4550000	39804800	398048000

As on date of the report, there are no outstanding Warrants to be converted in to Equity Shares of the Company. The above allotted shares have been Listed & Traded on BSE Limited as on the date of the Report, except the last trench dated June 25, 2021 for which the the approval is awaited.

There are no other material changes or commitments affecting the Financial position of the Company which have occurred during the end of the financial year and the date of the report.

SHARE CAPITAL

AUTHORISED CAPITAL:

As on March 31, 2021 the Authorised Capital of the Company is Rs. 40,10,00,000/- (Rupees Forty Crores Ten Lakhs Only) divided in to 4,10,00,000 Equity Shares of Rs. 10/- each.

However the same is to be increased by Rs. 10,00,00,000/- (Rupees Ten Crores Only) subject to the approval of the members in the proposed Annual General Meeting scheduled to be held on September 23, 2021.

PAIDUP CAPITAL:

As on March 31, 2021 the Issued, Subscribed & Paid up Capital of the Company on account of conversion of Warrants in to Equity was increased from Rs. 20,00,48,000/- (Rupees Twenty Crores Forty Eight Thousand only) dividend in to 2,00,04,800 Equity Shares to Rs. 28,56,82,730/- (Rupees Twenty Eight Crores Fifty Six Lakhs Eighty Two Thousand Seven Hundred Thirty Only) dividend in to 2,85,68,273 Equity Shares of Rs. 10/- each.

As on date of the report, on conversion of all the outstanding Warrants in to Equity, the Issued, Paid up & Subscribed Capital of the Company was further increased to Rs. 39,80,48,000/- (Rupees Thirty Nine Crores Eighty Lakhs Forty Eight Thousand) dividend in to 3,98,04,800 Equity Shares of Rs. 10/- each.