



INDEPENDENT AUDITORS' REPORT

To

The Members of CHOICE FOUNDATION.

Report on the Financial Statements

We have audited the accompanying financial statements of **CHOICE FOUNDATION** ("the Company"), which comprises the balance sheet as at 31st March 2019, the statement of profit and loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the 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 and financial performance 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting standards and the auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards 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 the 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 auditor considers internal financial 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. An audit also includes evaluating the appropriateness of the 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 financial statements.


Report on Other Legal and Regulatory Requirements

- i) As required by Section 143(3) of the Act, we report 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 purposes 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.
 - c) The balance sheet dealt with in this Report is in agreement with the books of account.



- d) In our opinion, the aforesaid financial statements 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 the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2019 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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 information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **VASG & ASSOCIATES**
Chartered Accountants
Firm Reg. No.0060705



(A. Viswanath Rao)
Partner
M.No.029597

Place: Hyderabad
Date: 18/09/2019
UDIN : 19029597AAAADT1278

Annexure – A 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 FOUNDATION** ("the Company") as of 31st March 2019 in conjunction with our audit of the 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. 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.

Auditor's 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 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.

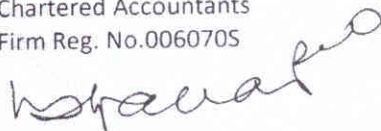
Opinion

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 31st March 2019, 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 **VASG & ASSOCIATES**

Chartered Accountants

Firm Reg. No.0060705



(A. Viswanatha Rao)

Partner

M.No.029597

Place: Hyderabad

Date: 18/09/2019

UDIN : 19029597AAAADT1278

CHOICE FOUNDATION
F-202, EMKAY MANOR, PLOT NO.30
SRINAGAR COLONY, HYDERABAD-500073

Resident
Company

Previous Year Ending 31.03.2019
Assesment Year 2019-20

COMPUTATION OF TOTAL INCOME

INCOME FROM BUSINESS

Deficit for the Year		-	664,450
	Gross/Net Total Income	-	664,450


COMPUTATION OF TAX THEREON

Tax on Total Income		-	
Add: E.Cess		-	

Total Tax		-	
Less : TDS		15,000	
Refund Due		15,000	
		=====	

For M/s. CHOICE FOUNDATION

G. Satish Babu
(DIRECTOR)



[Signature]
(DIRECTOR)

CHOICE FOUNDATION
F-202, EMKAY MANOR, PLOT NO.30
SRINAGAR COLONY, HYDERABAD-500073

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note. No.	AS ON 31-03-2019	AS ON 31-03-2018
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	100,000	100,000
(b) Reserves and Surplus	2	(1,299,843)	(635,393)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	11,500	-
(3) Current Liabilities			
(a) Trade Payables	4	2,305,000	-
(b) Short-Term Provisions	5	861,541	861,541
Total Equity & Liabilities		1,978,198	326,148
II. ASSETS			
(2) Current Assets			
(a) Cash and cash equivalents	6	1,921,560	284,512
(b) Other Current Assets	7	56,637	41,637
Total Assets		1,978,198	326,148

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR VASG & ASSOCIATES
CHARTERED ACCOUNTANTS

(Signature)
(A. VISWANATHA RAO)
PARTNER
Membership No. : 029597
Firm Reg. No.: 006070S



For Choice Foundation

(Signature)
(DIRECTOR) *(Signature)*
(DIRECTOR)



PLACE: Hyderabad
DATED:04-09-2019

CHOICE FOUNDATION
F-202, EMKAY MANOR, PLOT NO.30
SRINAGAR COLONY, HYDERABAD-500073

INCOME AND EXPENDITURE FOR THE PERIOD ENDED 31ST MARCH, 2019

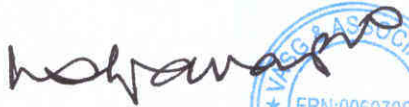
Sr. No	Particulars	Note. No.	AS ON 31-03-2019	AS ON 31-03-2018
I	Revenue from operations	8	4,818,647	70,000
II	Other Income	9	206	-
III	III. Total Revenue (I +II)		4,818,853	70,000
IV	Expenses:			
	Financial Costs	10	9,901	-
	Other Administrative Expenses	11	5,473,402	75,000
	Total Expenses (IV)		5,483,303	75,000
V	Surplus /Deficit for the year	(III - IV)	-	5,000

Schedules referred to above and notes attached there to form an integral part of Income & Expenditure Statement

In Terms of our even date

FOR VASG & ASSOCIATES
 CHARTERED ACCOUNTANTS

For Choice Foundation


 (A.VISWANATHA RAO)
 PARTNER
 Membership No. : 029597




 (DIRECTOR)




 (DIRECTOR)

CHOICE FOUNDATION

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2019

Note : 1 Share Capital

Sr. No	Particulars	Current Year	Previous Year
1	AUTHORIZED CAPITAL 10,000 Equity Shares of Rs. 10/- each.	100,000	100,000
		100,000	100,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL Paid up Share capital by allotment 10000 Equity Shares of Rs. 10/- each, Fully	100,000	100,000
	Total	100,000	100,000

SHARES HELD BY THE MEMBERS IN EXCESS OF 5% OF OF THE SHARE CAPITAL

NO.OF SHARES

Sr. No	Particulars	Current Year	Previous Year
1	Dr.Satish Babu Ghanta	51,000	51,000
2	Bhaskar Reddy Dasari	15,000	15,000
3	Dr Roopa G	24,000	24,000
4	Radha Krishna	10,000	10,000

Note : 2 Reserve & Surplus

Sr. No	Particulars	Current Year	Previous Year
1	Surplus (Profit & Loss Account) Balance brought forward from previous year	(635,393)	(630,393)
	Add: Profit for the period	(635,393) (664,450)	(630,393) (5,000)
	Total Reserves & Surplus	(1,299,843)	(635,393)

Note : 3 Long Term Borrowings

Sr. No	Particulars	Current Year	Previous Year
A)	Secured Loans		
B)	Unsecured Loans - From Others	11,500	-
	Total	11,500	-

Note : 4 Trade Payables

Sr. No	Particulars	Current Year	Previous Year
1	Sundry Creditors	2,305,000	-
	Total	2,305,000	-

Note : 5 Short Term Provisions

Sr. No	Particulars	Current Year	Previous Year
1	Provisions Audit fee payable Salaries Payable Other Provisions	30,000 15,610 815,931	30,000 15,610 815,931
	Total	861,541	861,541



CHOICE FOUNDATION

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2019

Note : 6 Cash & Cash Equivalent

Sr. No	Particulars	Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balance	8,366	7,430
2	Bank Balance		
	Bank Balance	1,913,194	277,082
	Total	1,921,560	284,512

Note :7 Other Current Assets

Sr. No	Particulars	Current Year	Previous Year
1	Others	41,637	41,637
2	TDS Receivable	15,000	-
	Total	56,637	41,637



CHOICE FOUNDATION

Schedules Forming Part of the Income & Expenditure for the period ending 31st March, 2019

Note : 8 Revenue from Operations

Sr. No	Particulars	Current Year	Previous Year
1	Donations received	-	70,000
2	Donations -Crowd Funding	1,660,225	-
3	Dotations-Golf Event	3,158,422	-
	Total	4,818,647	70,000

Note : 9 Other Income

Sr. No	Particulars	Current Year	Previous Year
1	Interest Income	206	-
	Total	206	-

Note :10 Financial Cost

Sr. No	Particulars	Current Year	Previous Year
1	Bank Charges	9,901	-
	Total	9,901	-



NOTES : 23

SIGNIFICANT ACCOUNTING POLICIES:

The accounts have been prepared primarily on the historical cost convention and in accordance with the relevant provisions of the Companies Act, 2013 and the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The significant accounting policies followed by the company are stated below:

- a) **USE OF ESTIMATES**
The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting year. Differences between actual and estimates are recognized in the periods in which the results are known/materialized.
- b) **FIXED ASSETS**
Fixed Assets are stated at their historical cost of acquisition or construction, less accumulated depreciation/amortization and impairment loss. Costs include all costs incurred to bring the assets to their working condition and location. Assets retired from the active use and held for disposal are stated at lower of cost or net book value or net realizable value.
- c) **DEPRECIATION ON FIXED ASSETS**
The Depreciation has been provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 on all the assets.
- d) **REVENUE RECOGNITION**
Revenue has been recognized on accrual basis. The company presents revenues net of indirect taxes in its statement of profit and loss.
- e) **INVENTORIES**
Inventories are valued at lower of cost or net realizable value. Cost of inventories includes all costs of purchases and other costs incurred bringing the inventories to their present location and condition. Costs of inventories are determined under FIFO basis.
- f) **EMPLOYEE BENEFITS**
Employee benefit in the form of provident fund is a defined benefit scheme and the contributions are charged to the statement of profit and loss in the year when employee renders the related service. There are not other obligations other than the contribution payable to the respective authorities.
- g) **TAXES ON INCOME**
Deferred tax is recognized on timing difference being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry



forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

h) EARNINGS PER SHARE

The company reports basic and diluted earnings per share in accordance with AS 20 on "Earnings per share". Basic earnings per share are computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effect of all dilutive preferential equity instruments, except where results are anti-dilutive.

i) PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined as best estimates required to settle the obligation at the balance sheet date. Contingent Liability is disclosed in case of

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- (ii) A present obligation when no reliable estimate is possible; and
- (iii) A possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements.

j) BORROWING COST

Borrowing cost includes interest incurred in connection with arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

NOTES TO ACCOUNTS:

1. The balances of Trade Receivables, Short Term Loans & Advances are subject to confirmation.
2. Additional information as required under schedule III of the Companies Act, 2013.
3. Quantitative figures are not provided because of the nature of the business and the multi various items invested.

5. "Related Party Disclosures" is as follows:

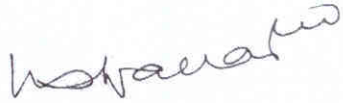
a) Key Management Personnel:

- i) Bhaskar Reddy Dasari - Director
- ii) Satishbabu Ghanta- Director
- iii) Roopa Ghanta- Director

6. Expenditure in Foreign Exchange - NIL
7. Earnings in Foreign Exchange - NIL
8. Figures are rounded off to nearest rupee.
9. Previous Year Figures have been regrouped or rearranged or recast wherever necessary.

For V A S G & ASSOCIATES
Chartered Accountants
Firm Reg.No:006070S

for and on behalf of the board



(A.Viswanatha Rao)
Partner
M.No:029597

Director

Director

Place: Hyderabad
Date: 18/09/2019