



*Wealth Visionaries*



## **Annual Report 2017-18**

### **OUR MANTRA**

TO PROVIDE UNIQUE SOLUTIONS TO MEET CLIENT SPECIFIC NEEDS, GIVEN  
TIME AND RESOURCE PARAMETERS

Institutional Equity : Investment Banking : Investment Advisory : Private Wealth

#### **Service Differentiators:**

- **Strategic Advice** - Ability to identify, structure and implement unique investment strategies.
- **Smart Trading** - Established, proven and efficient execution capabilities
- **Multiple Investment Advice** - supported through a customized Open Architecture Service
- **Multiple Execution Points** - Service supports Wide Array of Choice for Clients
- **Superior Technology** - Service to be delivered around New Generation Technology Platform

# **KHANDWALA SECURITIES LIMITED**

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## **BOARD OF DIRECTORS**

Mr. Paresh J. Khandwala  
Mrs. Bhagyashree Khandwala  
Mr. Pranav Khandwala  
Mr. Rohitasava Chand  
Mr. Homiar Vakil

- Managing Director
- Executive Director / Chief Financial Officer (CFO)
- Non Executive Director
- Independent Director
- Independent Director

## **COMPANY SECRETARY**

Mr. Abhishek Joshi

## **REGISTERED OFFICE**

Ground Floor, Vikas Building,  
Green Street, Fort,  
Mumbai - 400 023.  
Tel. No :- 91-22-40767373  
Fax. No:- 91-22-40767377/78

## **STATUTORY AUDITORS**

M/s. Aniket Kulkarni & Associates  
Chartered Accountants  
Unit 12, Highway Commercial Centre,  
I.B. Patel Marg, Off. Western Express Highway,  
Goregaon (East), Mumbai - 400063

## **BANKERS**

Union Bank of India  
Axis Bank Limited  
HDFC Bank Limited  
Canara Bank  
IndusInd Bank

## **REGISTRAR & SHARE TRANSFER AGENT**

Karvy Computershare Private Limited  
Karvy Selenium, Tower B,  
Plot No. 31 & 32, Financial District,  
Nanakramguda, Gachibowli,  
Hyderabad - 500 032, Telangana  
Tel :- 91-40-67162222 / 33211000  
e-mail:- support@karvy.com

## **LEGAL ADVISORS**

Mulla & Mulla & Cragie Blunt & Caroe  
(Advocates, Solicitors & Notaries)  
Mulla House, 51, M.G.Road,  
Mumbai – 400 001

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**Dear Shareholders**

It is always a pleasure and privilege to share with you our thoughts and views on the performance and prospects of the Company.

The world economy embarked on asynchronous recovery in 2018 but subsequently faced headwinds of trade protectionism and strong idealisation towards domestic-centric growth approach. In India too, the implementation of demonetisation and GST caused temporary set backs, particularly in the informal segment. As the effect of these aberrations faded, the Indian capital markets rebounded with smart recovery.

As the Indian economy surges ahead with significant GDP growth, what is interesting is the structural changes in the form of reforms like GST which are aimed at formalising the economy. Another interesting development has been the increasing interest of investors in India that has resulted in better liquidity. The overall financial services space has witnessed significant growth, particularly with more household savings getting invested in financial assets through Mutual Funds, Insurance, Banks, Direct Investments in Equities and Bonds, among others. This trend is only expected to increase in the days to come, and definitely augurs well for financial intermediaries and service providers.

Our well diversified and research-backed service offerings, strong brand equity, coupled with the latest technological infrastructure and strong risk management systems have resulted in consistent and steady stability in the business and in turn affecting the company on the positive side.

This year, your Company has reported an income of INR 383.68 Lacs down 22.55% from last year and Loss after tax of INR 75.10 Lacs, up 23.21% compared to the previous year loss. The Return on Equity has been (0.63) for FY 2017-18 to (0.51) for FY 2016-17. The Company's Networth is now INR 2772.32 Lacs with a balance sheet size of INR 4085.39 Lacs. Your Company's future endeavors will be to have a healthy financial performance and a strong balance sheet which will allow us to serve you even better, through good times or eventual lean ones.

As growth gathers momentum, and with favourable demographics, we expect higher savings tilted towards equity markets, especially via mutual funds and portfolio management services. Dwindling interest of households in real estate is also expected to shift a significant portion of the incremental savings in to the financial markets. As per data from CDSL & NSDL, there is already ~16 per cent increase in the number of active demat accounts. The financial sector in India is looking robust. Going forward, with improving income growth and favourable demographics, we can anticipate a surge in household savings moving towards the equity markets. This would continue to augur well for our industry and for your Company. We believe growth in FY19 shall largely be driven by government spending and progress of the fiscal multiplier effect. Overall, we see real GDP growth rising to 7 per cent in FY19.

To sum up, the strategic realignment of our businesses, the reallocation of our capital and the resulting changes in the value drivers has enhanced the earnings power of our Company. The key pillars of future growth that we have been methodically building, make us optimistic of continued strong performance in the years ahead. I would like to express my gratitude to our Board of Directors for their support and guidance. I am also grateful to all our stakeholders and employees who have reposed their trust in us and continued to give us support.

**With best wishes,**

**Sincerely**

**Bhagyashree Khandwala**  
**Executive Director / CFO**

May 26, 2018