

CS/NSE/45/20121112  
Monday, November 12, 2012

To  
**Listing Department**  
**National Stock Exchange of India Ltd.**  
'Exchange Plaza'  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051.

Dear Sir

**Sub.: Outcome of Board Meeting**

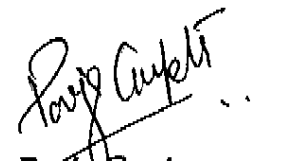
Please note that a meeting of Board of Directors of the Company was held today i.e. Monday, 12<sup>th</sup> November, 2012 at 11.30 a.m. at the Registered Office of the Company in which board members deliberated on following agenda items:

1. To discuss, consider and approve Unaudited (Provisional) Quarterly Financial results of the Company for the quarter ended 30<sup>th</sup> September, 2012.
2. To discuss, consider and take on record Reconciliation of Share Capital Audit Report for the quarter ended on 30<sup>th</sup> September, 2012.

Copies of Unaudited (Provisional) Financial results for the quarter ended 30<sup>th</sup> September 2012, Limited Review Report for the quarter ended 30<sup>th</sup> September 2012 is enclosed herewith as approved by the Board members at the Board Meeting held on Monday, 12<sup>th</sup> November, 2012.

Kindly acknowledge the receipt of the same and place it on your notice board for the  
company.

For and on behalf of;  
**Khandwala Securities Limited**



**Pooja Gupta**  
**Company Secretary**  
Encl: a/a

**KHANDWALA SECURITIES LIMITED**

Regd. Office : Vikas Bldg, Ground floor, Green Street, Fort, Mumbai 400 023

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2012**

(Rs. in lacs)

Part I							
Sr. No.	Particulars	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half Year ended 30.09.2012 (Unaudited)	Half Year ended 30.09.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
1	Income from Operations	43.88	88.88	50.89	132.88	112.78	335.62
	a) Net Sales/ Income from Operations						
	b) Other Operating Income	43.88	88.88	50.89	132.88	112.78	335.62
	Total Income	105.13	107.03	155.32	212.16	322.25	562.68
2	Total Expenditure	0.20	0.62	(9.89)	0.82	0.95	3.03
	a) Increase/decrease in Stock in Trade	-	-	-	-	-	-
	b) Consumption of raw materials	46.90	41.81	71.46	88.79	149.66	253.06
	c) Administrative & Other expenditure	47.89	49.47	72.81	97.36	149.56	283.17
	d) Staff Cost	1.21	6.40	1.18	7.81	1.19	3.89
	e) Loss on sale of investment /stock	8.64	8.74	10.55	17.58	20.89	39.53
	f) Depreciation	-	-	-	-	-	-
5	Profit before interest & Exceptional Items (1-2)	8.64	8.31	8.89	16.95	22.12	247.06
6	Finance Cost	(2.57)	(8.00)	(53.81)	(10.57)	(118.44)	(22.88)
7	Profit after interest but before Exceptional Items (5-6)	-	-	-	-	-	35.45
8	Exceptional Items	(2.67)	(8.00)	(83.81)	(10.57)	(118.44)	(68.31)
9	Profit/(Loss) from Ordinary Activities before Tax	(0.31)	(0.28)	(0.01)	(0.59)	(0.40)	(3.32)
10	Tax Expenses	-	-	-	-	-	-
	Current tax	-	-	-	-	-	(2.87)
	Tax relating to Prior years	(0.31)	(0.28)	(0.01)	(0.59)	(0.40)	(0.65)
	Deferred tax	(2.26)	(7.72)	(83.80)	(8.88)	(118.04)	(54.99)
11	Profit/(Loss) from Ordinary Activities after tax	-	-	-	-	-	-
12	Extraordinary Items	(2.26)	(7.72)	(83.80)	(8.88)	(118.04)	(54.99)
13	Net Profit / (Loss) for the period ( 11 + 12 )	-	-	-	-	-	-
14	Share of Profit / (Loss) of Associates	-	-	-	-	-	-
15	Minority Interest	(2.26)	(7.72)	(83.80)	(8.88)	(118.04)	(54.99)
16	Net Profit / (Loss) after tax, Minority interest and share of Profit / (Loss) of Associates (13 + 14 + 15)	1,193.90	1,193.90	1,193.90	1,193.90	1,193.90	1,193.90
17	Paid-Up Equity Share Capital (Face Value Rs.10/- Per Share)						
18	Reserves excluding Revaluation Reserve	(0.08)	(0.08)	(0.53)	(0.08)	(0.99)	(0.46)
19	Basic EPS before and after Extra Ordinary Items (Rs. per share) *	(0.08)	(0.08)	(0.53)	(0.08)	(0.99)	(0.46)
	Diluted EPS before and after Extra Ordinary Items (Rs. per share) *						



## Part II

Sr. No.	Particulars	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.08.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half Year ended 30.09.2012 (Unaudited)	Half Year ended 30.09.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
20	<b>Public Shareholding</b>						
	No. of Shares	5,549,100	5,598,595	5,677,846	5,549,100	5,677,846	5,664,083
	Percentage of Share holding	46.48%	46.88%	47.58%	46.48%	47.56%	47.44%
21	<b>Promoters and Promoter Group Shareholding</b>						
	a) Pledged / Encumbered						
	Number of Shares	1,733,321	1,733,321	1,733,321	1,733,321	1,733,321	1,733,321
	Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group)	27.13%	27.33%	27.88%	27.13%	27.68%	27.62%
	Percentage of shares (as a % of the total share capital of the Company)	14.52%	14.52%	14.52%	14.52%	14.52%	14.52%
	b) Non- Encumbered						
	Number of Shares	4,856,579	4,008,084	4,528,033	4,856,579	4,528,033	4,541,818
	Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group)	72.87%	72.67%	72.32%	72.87%	72.32%	72.38%
	Percentage of shares (as a % of the total share capital of the Company)	38.00%	38.80%	37.93%	38.00%	37.93%	38.04%

Particulars	6 Months Ended (30/09/12)
8 Investor Complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

\* Not Annualised



**UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2012**

		(Rs. in lacs)					
Sr. No.	Particulars	Quarter ended 30.09.2012	Quarter ended 30.09.2011	Quarter ended 30.09.2011	Half Year ended 30.09.2012	Half Year ended 30.09.2011	Year ended 31.03.2012
a)	Investment / Stock Operations	0.73	1.01	(0.90)	2.34	2.46	11.17
b)	Feebased Operations	43.15	87.37	51.85	130.52	110.80	252.35
c)	Other Unallocated Revenue	87.32	18.35	50.51	85.67	113.17	203.78
	<b>Total</b>	<b>111.20</b>	<b>107.33</b>	<b>101.40</b>	<b>218.53</b>	<b>225.93</b>	<b>569.42</b>
	Less : Intersegment Revenue	-	-	-	-	-	-
	<b>Net Income / (Loss) from operations</b>	<b>111.20</b>	<b>107.33</b>	<b>101.40</b>	<b>218.53</b>	<b>225.93</b>	<b>569.42</b>
2	<b>Segment Results Profit (Loss) before Interest and tax</b>						
a)	Investment / Stock Operations	(2.71)	(9.14)	(12.74)	(11.86)	(16.61)	47.34
b)	Feebased Operations	(8.64)	36.11	(48.50)	27.57	(88.11)	(80.48)
	<b>Total</b>	<b>(11.26)</b>	<b>26.97</b>	<b>(61.20)</b>	<b>15.72</b>	<b>(109.72)</b>	<b>(43.15)</b>
	Less : Interest	8.64	8.31	8.85	16.85	22.12	35.60
	Other unallocable Expenditure not of unallocable revenue	17.33	(28.67)	7.37	(8.34)	8.39	24.44
	<b>Total Net profit (Loss) before Tax</b>	<b>(2.57)</b>	<b>(8.00)</b>	<b>(63.61)</b>	<b>(10.57)</b>	<b>(118.44)</b>	<b>(68.31)</b>
3	<b>Capital Employed</b>						
a)	Investment / Stock Operations	356.37	358.50	383.04	356.37	383.04	380.28
b)	Feebased Operations	1,377.00	1,504.80	1,267.78	1,377.00	1,267.78	1,388.53
c)	Unallocated	1,856.84	1,655.14	1,783.48	1,656.84	1,735.48	1,697.26
	<b>Total Capital Employed</b>	<b>3,390.21</b>	<b>3,318.53</b>	<b>3,384.28</b>	<b>3,390.21</b>	<b>3,384.28</b>	<b>3,414.08</b>



*Wealth Visionaries*

**Statement of Assets & Liabilities as on 30th September 2012**
*(Rs. in lakhs)*

A	EQUITY AND LIABILITIES	As on	As on
		30th Sept 2012	31st March 2012
<b>1</b>	<b>SHAREHOLDERS FUND:</b>		
(a)	Capital	1,393.90	1,393.90
(b)	Reserves and Surplus	1,611.43	1,621.41
	<b>Sub Total - Shareholder's Funds</b>	<b>3,005.33</b>	<b>3,015.31</b>
<b>2</b>	<b>Non Current Liabilities</b>		
(a)	Long Term Borrowings	358.45	360.17
(b)	Deferred Tax (Net)	4.43	5.03
(c)	Other Long Term Liabilities	99.84	99.84
(d)	Long Term Provisions	6.69	6.69
	<b>Sub Total - Non Current Liabilities</b>	<b>469.42</b>	<b>471.73</b>
<b>3</b>	<b>Current Liabilities</b>		
(a)	Short Term Borrowings	22.51	33.61
(b)	Trade Payable	696.01	651.80
(c)	Other Current Liabilities	180.07	211.15
(d)	Short Term Provisions	8.29	11.73
	<b>Sub Total - Current Liabilities</b>	<b>906.89</b>	<b>908.29</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,381.64</b>	<b>4,395.33</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non Current Assets</b>		
(a)	<b>Fixed Assets</b>		
i	Tangible Assets	785.71	801.80
ii	Intangible Assets	7.06	8.54
iii	Capital Work In Progress	-	-
iv	Intangible Assets Under Development	-	-
(b)	Non Current Investments	346.07	346.07
(c)	Long Term Loans and Advances	1,191.31	1,191.31
(d)	Other Non - Current Assets	180.32	269.49
	<b>Sub Total - Non Current Assets</b>	<b>2,510.46</b>	<b>2,617.21</b>
<b>2</b>	<b>Current Assets</b>		
(a)	Current Investments	-	-
(d)	Cash and Cash Equivalents	499.30	54.23
(e)	Shorts Term Loans and Advances	82.35	56.15
(f)	Other Current Assets	-	-
	<b>Sub Total - Current Assets</b>	<b>1,871.18</b>	<b>1,778.12</b>
	<b>Total Assets</b>	<b>4,381.64</b>	<b>4,395.33</b>


*Wealth Visionaries*

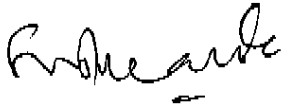
Notes:

1. The above financial results were discussed and considered by the members of Audit Committee in their meeting held on 12<sup>th</sup> November, 2012. Subsequently the results were approved and taken on record by the Board of Directors of the Company at the meeting held on the same date.
2. The above results are after considering the diminution in the value of the Shares held as Stock-in-trade.
3. Limited Review of the above results have been carried out by the Statutory Auditors of the Company and the same is placed before and recorded by the Board.


Accounting provisions of the Companies Act, 2012 have been followed or modified wherever necessary as per the

For and on behalf of the Board of Directors.

**Khandwala Securities Limited**



S.M. Parande  
Chairman



Paresh J. Khandwala  
Managing Director



Place: Mumbai  
Date: 12<sup>th</sup> November, 2012.

**UDYEN JAIN & ASSOCIATES**  
Chartered Accountants

To,  
The Board of Directors,  
Khandwala Securities Limited,  
Mumbai.


**Limited Review Report (Quarter ending 30<sup>th</sup> September, 2012)**

1. We have reviewed the accompanying statement of Unaudited financial results of the Quarter ending 30<sup>th</sup> September 2012" in which are incorporated the results of the quarter ended 30<sup>th</sup> September, 2012 ("Interim financial information") of Khandwala Securities Limited. This has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion
3. Share application money valued at Rs. 216.69 lacs advanced by the Company for the purchase of shares (Rs. 216.69 lacs as on 31<sup>st</sup> June, 2012), of which management confirms that it has initiated legal proceedings against the party for the recovery of Rs. 216.69 lacs.
4. Short term deposits of Rs. 100.00 lacs being taken from companies and Rs. 530.00 lacs being deposits placed by the Company together with interest thereon of Rs. 135.80 which were subject to confirmation, subsequent adjustments and reconciliation, if any.
5. We have reviewed the quarterly financial results of Khandwala Securities Ltd for the quarter ended 30<sup>th</sup> September, 2012, the segment wise results for the period 01<sup>st</sup> July 2012 to 30<sup>th</sup> September 2012, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public' which have been traced from disclosures made by the company which have been audited by us.



6. The Additional Information regarding shares pledged by the company has also been disclosed in the Audited Financial results for the Quarter ending 30<sup>th</sup> September, 2012.
  
7. Except for the matters mentioned in paragraph 3 & 4 above, based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of Audited financials results, prepared in accordance with accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of clause 41 of the listing agreements with stock exchanges in India, including the manner in which it is to be disclosed and that it contains any material misstatement.

**For Udyen Jain & Associates,  
Chartered Accountants,  
Firm Reg. No.116336W**

  
**Udyen Jain  
Partner  
(M. No. 101201)**



**Place: Mumbai**