

August 28, 2017

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No:- C/1, G Block
Bandra Kurla Complex,
Mumbai- 400 051

BSE Scrip Code:- 531892

NSE Symbol:- KHANDSE

Sub: Notice of the 24th Annual General Meeting, Book Closure Period and E-voting Facility

Dear Sir,

This is to inform you that 24th Annual General Meeting (AGM) of the Members of the Company is scheduled to be held on Thursday, September 21, 2017 at 12.30 p.m. at Garware Club House, Wankhede Stadium, 'D' Road, Churchgate, Mumbai - 400 020. The copy of the Notice convening the 24th AGM is enclosed herewith.

Further, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 14, 2017 to Thursday, September 21, 2017 (both days inclusive) for the purpose of AGM of the Company.

Further, we hereby inform you that the Company has fixed Wednesday, September 13, 2017 as the cut-off date for determining the members who are entitled to vote through remote e-voting or voting at the 24th AGM of the Company and the remote e-voting period will commence on Monday, September 18, 2017 (9.00 a.m. IST onwards) and end on Wednesday, September 20, 2017 (5.00 p.m. IST)

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For Khandwala Securities Limited



Abhishek Joshi

Company Secretary & Compliance Officer

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of **Khandwala Securities Limited** will be held on Thursday, September 21, 2017 at 12.30 p.m. at Garware Club House, Wankhede Stadium, 'D' Road, Churchgate, Mumbai - 400 020, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt :-
 - a. the audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the Report of the Directors and the Auditors thereon; and
 - b. the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with Report of the Auditors thereon.
2. To appoint a Director in place of Mrs. Bhagyashree Khandwala (DIN: 02335473), who retires by rotation and being eligible, offers herself for re-appointment.

3. Appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. Aniket Kulkarni & Associates, Chartered Accountants (Firm Registration No. 130521W), be and are hereby appointed as the Auditors of the Company in place of the retiring auditors, M/s. Udyen Jain & Associates, Chartered Accountants (Firm Registration No. 116336W), for a period of three years to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2020 (subject to the ratification of their appointment by the members at every Annual General Meeting), at such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors."

SPECIAL BUSINESS:**4. Appointment of Mrs. Bhagyashree Khandwala as an Executive Director**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V to the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to the appointment of Mrs. Bhagyashree Khandwala (DIN: 02335473), as an Executive Director (designated as Executive Director and Chief Financial Officer) of the Company, for a period of 3 years with effect from February 14, 2017, liable to retire by rotation, on the terms and conditions, as set out below:

a) Remuneration:

Salary: Rs. 3,50,000/- per annum.

b) Perquisites, allowances and other benefits

- Medical Reimbursement, leave travel assistance, contribution to provident fund, super annuation fund or annuity fund, gratuity etc. - as per the rules and policies of the Company;
- Other benefits, perquisites and allowances will be determined by the Nomination and Remuneration Committee and/or the Board of Directors of the Company, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and remuneration payable to Mrs. Bhagyashree Khandwala, in such manner as may be agreed to between the Board of Directors and Mrs. Bhagyashree Khandwala, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mrs. Bhagyashree Khandwala, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors and/or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**For and on behalf of the Board of Directors
Khandwala Securities Limited**

Date : August 9, 2017

Place : Mumbai

Registered Office:

Ground Floor, Vikas Building,
Green Street, Fort, Mumbai - 400023

CIN: L67120MH1993PLC070709

Tel:- 91-22-40767373 Fax:- 91-22-40767377

E-mail:- investorgrievances@kslindia.com

**Paresh Khandwala
Managing Director**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED TO THIS REPORT.**
2. A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the above Special Businesses is annexed hereto.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of their board resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members/Proxies are requested to bring the duly filled attendance slip enclosed herewith for attending the meeting, along with their copy of the Annual Report.
7. Members who holds shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who holds shares in physical form are requested to write their folio number(s) in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Secretary of the Company at least 10 days before the date of the AGM so that information required may be complied and made available at the Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from September 14, 2017 to September 21, 2017 (both days inclusive).
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of contracts or arrangements in which directors are interested maintained, under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
12. Pursuant to the provisions of Section 124 of the Companies Act, 2013, there are no dividends or interest which remains unpaid/unclaimed for a period of 7 years which should be transferred by the Company to the Investor Education Protection Fund (IEPF). Members are requested to note that no claims shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
13. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Karvy Computershare Private Limited, Registrar & Share Transfer Agent. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
14. Members holding the equity shares under multiple folios in the identical order of names are requested to write to the Karvy Computershare Private Limited, to consolidate their holdings in one folio.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Karvy Computershare Private Limited.
16. Members can avail the facility of nomination in respect of the equity shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed format duly filled in to the Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited.
17. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Director inter-se as stipulated under Regulation

36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2), are provided in the Annexure to the Notice.

18. The Notice of the 24th Annual General Meeting along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company's RTA / Depositories, unless any Member has requested for a physical copy. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted or requested modes. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 18, 2017 and Directors and Auditors of the Company.
19. To support Green Initiative, Members are requested to register their e-mail addresses with the Company and R&T Agent viz. Karvy Computershare Private Limited, in case of shares held in physical and dematerialized form respectively.
20. **Voting through electronic means:-**
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their rights to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the members using an electronic voting system from a place other than the venue of the Annual General Meeting (remote e-voting) will be provided by M/s. Karvy Computershare Pvt. Ltd. The Instructions for e-voting is enclosed with this Annual Report.
21. The Route Map showing directions to reach the venue of the 24th Annual General Meeting is annexed in this Annual Report.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

This Explanatory Statement is provided though strictly not required as per Section 102 of the Companies Act, 2013.

In terms of the provisions of Section 139(1) of the Companies Act, 2013 ('the Act'), no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, as per Section 139(2) of the Act, a transitional period of three years from the commencement of the Act has been provided to comply with this requirement. Accordingly, the term of existing

Statutory Auditors, M/s. Udyen Jain & Associates, Chartered Accountants is up to the conclusion of the ensuing Twenty Fourth Annual General Meeting of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on June 23, 2017, proposed the appointment of M/s. Aniket Kulkarni & Associates, Chartered Accountants (Firm Registration No. 130521W), as the Statutory Auditor of the Company for a period of three years, to hold office from the conclusion of this AGM till the conclusion of the Twenty Seventh AGM of the Company to be held in the year 2020, subject to the ratification of their appointment by the members at every Annual General Meeting.

M/s. Aniket Kulkarni & Associates, Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with the Section 139 read with Section 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, in item no. 3 of the Notice.

The Board recommends the ordinary resolution as set out in item no. 3 of the Notice for the approval of the Members.

Item No. 4

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on February 14, 2017, appointed Mrs. Bhagyashree Khandwala as Chief Financial Officer of the Company. Subsequently, the Board also appointed Mrs. Bhagyashree Khandwala as an Executive Director of the Company for a period of 3 years w.e.f February 14, 2017, subject to the approval of the Members at the ensuing Annual General Meeting of the Company.

In the opinion of the Board, Mrs. Bhagyashree Khandwala possesses appropriate skills, experience & knowledge and fulfills the conditions for her appointment as an Executive Director and Chief Financial Officer of the Company. Her appointment as a Non-Executive Director was approved by the members in the 21st Annual General Meeting held on September 20, 2014.

The remuneration proposed to be payable to Mrs. Bhagyashree Khandwala by way of salary, perquisites and other allowances has been approved by the Nomination and Remuneration Committee and are within the limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

The information pertaining to Section II of Part II of Schedule V of the Companies Act, 2013 are as follows:-

I. General Information:

- a) **Nature of industry :-** Broking and Investment Advisory Services
- b) **Date or expected date of commencement of commercial production :-** Not Applicable
- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :-** Not Applicable
- d) **Financial performance based on given indicators: -** The Financial Performance of the Company for the Financial Year ended March 31, 2017 are as follows :-

Particulars	Amount (Rs. in Lakhs)
Total Income	495.36
Total Expenditure	555.30
Profit / (loss) before tax	(59.94)
Profit / (loss) after tax	(60.95)

- e) **Foreign investments or collaborations, if any :-** As on March 31, 2017, the total foreign shareholding in the Company is 5,71,002 equity shares i.e. 4.78% of the total capital.

II. Information about the appointee:

- a) **Background details :-** Mrs. Bhagyashree Khandwala has done her MBA in finance from Indian Education Society, Mumbai University. She has completed her B.Com from H. R. College of Commerce, Churchgate, Mumbai. She has more than 4 years of experience in the field of Customer Service Management. She started her career as a Relationship Manager with Citibank from May 2004 to August 2006. Later, she joined M/s. Northumbrian Water Resources, UK as Admin Assistant. She also had a good knowledge and experience in accounting, cash flow, etc.
- b) **Past remuneration :-** Nil
- c) **Recognition or awards :-** Nil
- d) **Job profile and her suitability :-**
Mrs. Bhagyashree Khandwala has been appointed as an Executive Director and Chief Financial Officer (CFO) of the Company. She is looking into the day to day affairs of the Company and providing an administrative support to the management of the Company. Taking into consideration her qualification and expertise in the relevant fields, she is suited for the responsibilities assigned to her by the Board of Directors.
- e) **Remuneration proposed:-** Since the same have been already explained in detail hereinabove, the same are not repeated.

- f) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :-** The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.
- g) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :-** Mrs. Bhagyashree Khandwala is one of the persons forming part of the Promoter Group of the Company and apart of the proposed remuneration as stated above, she has no other pecuniary relationship directly or indirectly with Company. Mrs. Bhagyashree Khandwala is the wife of Mr. Pranav Khandwala, Director of the Company and Mr. Pranav Khandwala is the son of Mr. Paresh Khandwala, Managing Director of the Company.

III. Other information:

- a) **Reasons of loss or inadequate profits :-** Due to stiff competition and higher overall expenditure including financial charges, the company has incurred losses.
- b) **Steps taken or proposed to be taken for improvement :-** The Company has taken various strategic measures to increase revenue and to reduce overall cost of expenditure.
- c) **Expected increase in productivity and profits in measurable terms :-** The Company is continuing its efforts to address the issues of increasing its productivity levels and thereby optimizing its profits, despite the constraint of working capital requirement and is hopeful of posting better results in the forthcoming years.

IV. Disclosures

Except Mrs. Bhagyashree Khandwala and her relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in item no. 4 of the Notice.

**For and on behalf of the Board of Directors
Khandwala Securities Limited**

Date: August 9, 2017

Place: Mumbai

Registered Office:

Ground Floor, Vikas Building,
Green Street, Fort,
Mumbai - 400023
CIN: L67120MH1993PLC070709

**Paresh Khandwala
Managing Director**

ANNEXURE TO THE NOTICE

Information of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2):

Name of the Director	Mrs. Bhagyashree Khandwala
DIN	02335473
Age	36 years
Qualification	B.Com, MBA (Finance)
Date of Appointment	30.05.2014
Expertise in Functional area	She has diverse experience in the field of financial market and accounting.
Terms and conditions of appointment / reappointment	As per the resolution set out at Item No. 4 of this Notice read with explanatory statement thereto
Remuneration last drawn (including sitting fee), if any	As mentioned in Corporate Governance Report
Number of meetings attended during the year	5
Directorship held in other Companies in India	• Trumonee Financial Limited • Pan Global Trading Private Limited • Khandwala Commodity and Derivatives Private Limited
Memberships / Chairmanship of Committees in other Companies	Nil
No. of equity shares held in the Company	133980
Relationship with Directors / Key Managerial Personnel, if any	Mrs. Bhagyashree Khandwala is the spouse of Mr. Pranav Khandwala, Director and Mr. Pranav Khandwala is the son of Mr. Paresh Khandwala, Managing Director.