

KHANDWALA SECURITIES LIMITED

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

STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

(Rs. In lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Revenue from Operations	58.82	109.92	118.61	354.01	370.74
2	Other income	3.12	7.70	13.54	29.67	124.62
3	Total (1 + 2)	61.93	117.62	132.16	383.68	495.36
4	Expenses					
a	Cost of materials consumed	-	-	-	-	-
b	Purchases of Stock-in-Trade	-	-	-	-	-
c	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(0.00)	-	0.03	0.07	0.05
d	Employee benefits expense	53.95	43.35	49.23	196.68	194.73
e	Finance Cost	7.23	6.89	8.67	27.73	34.57
f	Depreciation and amortization expense	6.54	7.57	6.26	29.01	29.67
g	Other Expenses	66.99	48.08	60.90	206.59	296.28
	Total Expenses	134.72	105.90	125.09	460.08	555.30
5	Profit / (Loss) before Exceptional and Extraordinary Items and Tax (3-4)	(72.79)	11.73	7.07	(76.40)	(59.94)
6	Exceptional Items	-	-	-	-	-
7	Profit / (Loss) before Extraordinary Items and Tax (5-6)	(72.79)	11.73	7.07	(76.40)	(59.94)
8	Extraordinary Items	-	-	-	-	-
9	Profit / (Loss) before Tax (7 - 8)	(72.79)	11.73	7.07	(76.40)	(59.94)
10	Tax Expenses					
	Current tax	-	-	-	-	-
	Deferred tax	0.45	(0.90)	3.76	(1.30)	1.02
	Total Tax Expenses	0.45	(0.90)	3.76	(1.30)	1.02
11	Profit / (Loss) for the period from continuing operations (9-10)	(73.23)	12.63	3.31	(75.10)	(60.95)
12	Profit / (Loss) from discontinuing operations before tax	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-
14	Profit / (Loss) from Discontinuing operations after tax (12-13)	-	-	-	-	-
15	Profit / (Loss) for the period (11 + 14)	(73.23)	12.63	3.31	(75.10)	(60.95)
16	Other Comprehensive Income					
	A) - Amount of item that will not be reclassified to Profit and loss	0.90	-	-	0.90	-
	- Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-	-
	B) - Amount of item that will not be reclassified to Profit and loss	-	-	-	-	-
	- Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-	-
17	Total Comprehensive Income for the period (15+16) (Comprising Profit/(Loss) and other Comprehensive Income for the period)	(72.33)	12.63	3.31	(74.20)	(60.95)
18	Paid-Up Equity Share Capital (Face Value Rs.10/- Per Share)	1,193.90	1,193.90	1,193.90	1,193.90	1,193.90
19	Reserves excluding Revaluation Reserve	-	-	-	1,378.42	1,452.62
20	Earning Per Share before Extraordinary Items					
a)	Basic	(0.61)	0.11	0.03	(0.63)	(0.51)
b)	Diluted	(0.61)	0.11	0.03	(0.63)	(0.51)
21	Earning Per Share after Extraordinary Items					
a)	Basic	(0.61)	0.11	0.03	(0.63)	(0.51)
b)	Diluted	(0.61)	0.11	0.03	(0.63)	(0.51)



STANDALONE AUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR QUARTER AND YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	(Rs. In lakhs)				
		Quarter Ended			Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Segment Revenue					
a)	Investment / Stock Operations	(24.75)	23.08	22.73	5.71	22.79
b)	Feebased Operations	83.57	86.84	95.88	348.30	347.95
c)	Other Unallocated Revenue	3.12	7.70	13.54	29.67	124.62
	Total	61.93	117.62	132.16	383.68	495.36
	Less : Intersegment Revenue	-	-	-	-	-
	Net Income / (Loss) from operations	61.93	117.62	132.16	383.68	495.36
2	Segment Results Profit/ (loss) before interest and tax					
a)	Investment / Stock Operations	(27.76)	22.84	45.15	1.35	20.30
b)	Feebased Operations	11.50	26.07	5.21	75.57	(13.83)
	Total	(16.25)	48.90	50.36	76.91	6.47
	Less : Interest	7.23	6.89	8.67	27.73	34.57
	Other unallocable Expenditure net of unallocable revenue	(49.30)	(30.29)	(34.62)	(125.58)	(31.84)
	Total Net profit/ (Loss) before Tax	(72.79)	11.73	7.07	(76.40)	(59.94)
3	Segment Assets					
a)	Investment / Stock Operations	340.31	342.55	340.26	340.31	340.26
b)	Feebased Operations	1,930.58	2,114.94	1,843.01	1,930.58	1,843.01
c)	Unallocated	1,513.00	1,640.26	1,636.50	1,513.00	1,636.50
	Total Assets	3,783.89	4,097.75	3,819.76	3,783.89	3,819.76
4	Segment Liabilities					
a)	Investment / Stock Operations	0.04	0.05	0.06	0.04	0.06
b)	Feebased Operations	632.08	780.74	504.34	632.08	504.34
c)	Unallocated	95.14	186.83	176.75	95.14	176.75
	Total Liabilities	727.27	967.61	681.16	727.27	681.16
5	Capital Employed (Segment Assets- Segment Liabilities)					
a)	Investment / Stock Operations	340.26	342.50	340.19	340.26	340.19
b)	Feebased Operations	1,298.50	1,334.21	1,338.67	1,298.50	1,338.67
c)	Unallocated	1,417.86	1,453.43	1,459.75	1,417.86	1,459.75
	Total Capital Employed	3,056.62	3,130.14	3,138.60	3,056.62	3,138.60



STANDALONE STATEMENTS OF ASSETS AND LIABILITIES AS ON 31ST MARCH 2018
(Rs. in lakhs)

	Particulars	As at 31st March 2018 Audited	As at 31st March 2017 Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	669.90	695.23
	(b) Other Intangible assets	0.66	0.49
	(c) Financial Assets		
	(i) Investments	337.55	337.55
	(ii) Loans	994.10	815.70
	(iii) Others	216.69	216.69
	(d) Deferred tax assets (net)	9.08	7.78
	(e) Other non-current assets	170.52	325.71
2	Current Assets		
	(a) Financial Assets		
	(i) Investments	2.71	2.65
	(ii) Trade receivables	913.90	981.39
	(iii) Cash and cash equivalents	7.60	5.47
	(iv) Bank balances other than (iii) above	437.12	412.97
	(v) Loans	317.69	108.85
	(b) Other current assets	7.88	10.78
	Total Assets	4,085.39	3,921.26
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	1,393.90	1,393.90
	(b) Other Equity	1,378.42	1,452.62
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	284.30	292.08
	(b) Provisions	10.05	10.35
	(c) Other non-current liabilities	3.10	102.20
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade payables	969.32	627.11
	(b) Other current liabilities	46.30	42.99
	Total Equity and Liabilities	4,085.39	3,921.26



Notes:

- The aforesaid standalone audited financial results of Khandwala Securities Limited for the quarter and year ended on March 31, 2018 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 26, 2018.
- The above results are after considering the diminution in the value of the shares held as stock-in-trade.
- The Company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 with a transition date of April 1, 2016 and accordingly these financial results have been prepared in accordance with the Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- Reconciliation of Net Profit, as reported under erstwhile Indian GAAP and as per Ind AS are furnished below:

(Rs. in Lakhs)

Particulars	Quarter ended 31 st March 2017	Year ended 31 st March 2017
Net profit under Indian GAAP	3.31	(60.95)
Effect of Accounting for financial liabilities at amortised cost using Effective interest rate	0.00	0.00
Deferred Tax impact of above adjustments	0.00	0.00
Net profit for period under Ind AS	3.31	(60.65)
Other comprehensive Income	(1.77)	(1.77)
Item that will not be reclassified to Profit & Loss Account	0.00	0.00
Total Comprehensive Income under Ind AS	1.54	(62.42)

- Reconciliation of equity as reported under Indian GAAP is summarised as follows:

(Rs. in Lakhs)

Particulars	As on 31 st March 17
Equity as reported under Indian GAAP	1,378.42
Impact as per Ind AS	-
Others	-
Equity as report under Ind AS	1,378.42

- The Statutory Auditors of the Company have carried out the audit for the above financial results for the quarter and year ended March 31, 2018 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.





KHANDWALA
SECURITIES LIMITED

7. Previous period figures have been re-grouped / re-classified to make them comparable to the current period presentation.

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

JEN Vakil

Homiar N. Vakil
Chairman

P. J. Khandwala

Paresh J. Khandwala
Managing Director

Place: Mumbai
Date : May 26, 2018



Wealth Visionaries



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KHANDWALA SECURITIES LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Khandwala Securities Limited ("the company"), which comprise the Balance sheet at March 31, 2018, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. 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 standalone financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under section 133 of the Act. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting and 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.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Basis for Qualified Opinion

We draw your kind attention to the following qualifications to the audit opinion of the financial statements produced as under:-

8. *The Company had advanced application money towards purchase of shares of Rs 216.69 lakhs which is outstanding for a period of 192 months as at the end of the year. In the absence of information regarding the status of the allotment or the net worth of the entities in which the company made applications, we are unable to ascertain the extent to which an amount of Rs 216.69 lakhs is recoverable and accordingly, the effect thereof on the financial statements cannot be ascertained.*
9. *Long - Term deposits to various companies of Rs 530.00 lakhs are subject to subsequent adjustments. The Company has obtained confirmations from various companies but the Company has not made provision for the same in the standalone financial statements.*

Auditor's Opinion

In our opinion the recoverability of these loans and advances are doubtful. The company should have made provision for these doubtful advances but they have not made any such provisions in its standalone financial statements.

Qualified Opinion

10. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and *except for the matters described in point no 8 & 9 above in the basis for qualified opinion paragraph*, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit/loss and other comprehensive income), its cash flow and changes in equity for the year ended on that date.

Report on Other Legal & regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. 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, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The reporting on disclosures relating to specified bank notes is not applicable to the Company for the year ended March 31, 2018

**For Aniket Kulkarni & Associates
Chartered Accountants**



**Aniket Kulkarni
Proprietor
Membership No – 127246
FRN No – 130521W
Date: 26th May 2018
Place: Mumbai**

KHANDWALA SECURITIES LIMITED

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

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

(Rs. in lakhs)

Sr. No.	Particulars	Quarter Ended:			Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Revenue from Operations	58.82	109.92	118.61	354.01	370.74
2	Other Income	3.12	7.70	13.59	29.67	124.67
3	Total (1 + 2)	61.93	117.62	132.21	383.68	495.41
4	Expenses					
a	Cost of materials consumed	-	-	-	-	-
b	Purchases of Stock-in-Trade	-	-	-	-	-
c	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(0.00)	-	0.03	0.07	0.05
d	Employee benefits expense	53.95	43.35	49.23	196.68	194.73
e	Finance Cost	7.24	6.89	8.68	27.73	34.57
f	Depreciation and amortization expense	6.54	7.57	6.26	29.01	29.67
g	Other Expenses	68.09	48.08	61.15	207.68	296.54
	Total Expenses	135.81	105.90	125.34	461.17	555.55
5	Profit / (Loss) before Exceptional and Extraordinary Items and Tax (3-4)	(73.88)	11.73	6.86	(77.49)	(60.14)
6	Exceptional Items	-	-	-	-	-
7	Profit / (Loss) before Extraordinary Items and Tax (5-6)	(73.88)	11.73	6.86	(77.49)	(60.14)
8	Extraordinary Items	-	-	-	-	-
9	Profit / (Loss) before Tax (7 - 8)	(73.88)	11.73	6.86	(77.49)	(60.14)
10	Tax Expenses					
	Current tax	-	-	-	-	-
	Deferred tax	0.45	(0.90)	3.76	(1.30)	1.02
	Total Tax Expenses	0.45	(0.90)	3.76	(1.30)	1.02
11	Profit / (Loss) for the period from continuing operations (9-10)	(74.33)	12.63	3.10	(76.20)	(61.16)
12	Profit / (Loss) from discontinuing operations before tax	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-
14	Profit / (Loss) from Discontinuing operations after tax (12-13)	-	-	-	-	-
15	Profit / (Loss) for the period (11 + 14)	(74.33)	12.63	3.10	(76.20)	(61.16)
16	Other Comprehensive Income					
	A) - Amount of item that will not be reclassified to Profit and loss	0.90	-	-	0.90	-
	- Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-	-
	B) - Amount of item that will not be reclassified to Profit and loss	-	-	-	-	-
	- Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-	-
17	Total Comprehensive Income for the period (15+16) (Comprising Profit/(Loss) and other Comprehensive Income for the period)	(73.43)	12.63	3.10	(75.29)	(61.16)
18	Paid-Up Equity Share Capital (Face Value Rs.10/- Per Share)	1,193.90	1,193.90	1,193.90	1,193.90	1,193.90
19	Reserves excluding Revaluation Reserve	-	-	-	1,316.38	1,391.67
20	Earning Per Share before Extraordinary Items					
a)	Basic	(0.62)	0.11	0.03	(0.64)	(0.51)
b)	Diluted	(0.62)	0.11	0.03	(0.64)	(0.51)
21	Earning Per Share after Extrordinary Items					
a)	Basic	(0.62)	0.11	0.03	(0.64)	(0.51)
b)	Diluted	(0.62)	0.11	0.03	(0.64)	(0.51)



CONSOLIDATED AUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR QUARTER AND YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		(Rs. In lakhs)				
1	Segment Revenue					
a)	Investment / Stock Operations	(24.75)	23.08	22.73	5.71	22.79
b)	Feebased Operations	83.57	86.84	95.88	348.30	347.95
c)	Other Unallocated Revenue	3.12	7.70	13.59	29.67	124.67
	Total	61.93	117.62	132.21	383.68	495.41
	Less : Intersegment Revenue	-	-	-	-	-
	Net Income / (Loss) from operations	61.93	117.62	132.21	383.68	495.36
2	Segment Results Profit/ (loss) before interest and tax					
a)	Investment / Stock Operations	(27.76)	22.84	45.15	1.35	20.30
b)	Feebased Operations	11.50	26.07	4.98	75.57	(14.07)
	Total	(16.25)	48.90	50.13	76.91	6.24
	Less : Interest	7.24	6.89	8.68	27.73	34.57
	Other unallocable Expenditure net of unallocable revenue	(50.39)	(30.29)	(34.59)	(126.67)	(31.81)
	Total Net profit/ (Loss) before Tax	(73.88)	11.73	6.86	(77.49)	60.14
3	Segment Assets					
a)	Investment / Stock Operations	2.86	342.55	2.81	2.86	2.81
b)	Feebased Operations	1,926.30	2,114.94	1,843.01	1,926.30	1,843.01
c)	Unallocated	1,792.72	1,640.26	1,913.09	1,792.72	1,913.09
	Total Assets	3,721.87	4,097.75	3,758.91	3,721.87	3,758.91
4	Segment Liabilities					
a)	Investment / Stock Operations	0.04	0.05	0.06	0.04	0.06
b)	Feebased Operations	632.08	780.74	504.34	632.08	504.34
c)	Unallocated	95.17	186.83	176.85	95.17	176.85
	Total Liabilities	727.29	967.61	681.25	727.29	681.25
5	Capital Employed (Segment Assets- Segment Liabilities)					
a)	Investment / Stock Operations	2.82	342.50	2.75	2.82	2.75
b)	Feebased Operations	1,294.21	1,334.21	1,338.67	1,294.21	1,338.67
c)	Unallocated	1,697.55	1,453.43	1,736.25	1,697.55	1,736.25
	Total Capital Employed	2,994.58	3,130.14	3,077.66	2,994.58	3,077.66



CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES AS ON 31ST MARCH 2018
(Rs. in lakhs)

	Particulars	As at 31st March 2018 Audited	As at 31st March 2017 Audited
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	669.90	695.23
	(b) Other Intangible assets	0.66	0.49
	(c) Goodwill	259.77	259.77
	(d) Financial Assets		
	(i) Investments	0.05	0.05
	(ii) Loans	995.64	817.51
	(iii) Others	216.69	216.69
	(e) Deferred tax assets (net)	9.08	7.78
	(f) Other non-current assets	170.52	325.71
2	Current Assets		
	(a) Financial Assets		
	(i) Investments	2.76	2.71
	(ii) Trade receivables	914.33	981.81
	(iii) Cash and cash equivalents	8.47	6.41
	(iv) Bank balances other than (iii) above	437.21	412.97
	(v) Loans	334.70	108.85
	(b) Other current assets	3.59	24.42
	Total Assets	4,023.37	3,860.40
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	1,393.90	1,393.90
	(b) Other Equity	1,316.38	1,391.67
2	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	284.30	292.08
	(b) Provisions	10.05	10.35
	(c) Other non-current liabilities	3.10	102.20
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables	969.34	627.20
	(b) Other current liabilities	46.30	42.99
	Total Equity and Liabilities	4,023.37	3,860.40



Notes:

1. The aforesaid consolidated audited financial results of Khandwala Securities Limited for the quarter and year ended March 31, 2018 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 26, 2018.
2. The above results are after considering the diminution in the value of the shares held as stock-in-trade.
3. The Company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 with a transition date of April 1, 2016 and accordingly these financial results have been prepared in accordance with the Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
4. Reconciliation of Net Profit, as reported under erstwhile Indian GAAP and as per Ind AS are furnished below:

(Rs. in Lakhs)

Particulars	Quarter ended 31 st March 2017	Year ended 31 st March 2017
Net profit under Indian GAAP	3.10	(61.16)
Effect of Accounting for financial liabilities at amortised cost using Effective interest rate	0.00	0.00
Deferred Tax impact of above adjustments	0.00	0.00
Net profit for period under Ind AS	3.10	(61.16)
Other comprehensive Income	(1.77)	(1.77)
Item that will not be reclassified to Profit & Loss Account	0.00	0.00
Total Comprehensive Income under Ind AS	1.33	(62.93)

5. Reconciliation of equity as reported under Indian GAAP is summarised as follows:

(Rs. in Lakhs)

Particulars	As on 31 st March 17
Equity as reported under Indian GAAP	1,316.38
Impact as per Ind AS	-
Others	-
Equity as report under Ind AS	1316.38

6. The Statutory Auditors of the Company have carried out the audit for the above financial results for the quarter and year ended March 31, 2018 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.



7. Previous period figures have been re-grouped / re-classified to make them comparable to the current period presentation.

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

JEN Vakil
Homiar N. Vakil
Chairman

P. J. Khandwala
Paresh J. Khandwala
Managing Director

Place: Mumbai
Date: May 26, 2018





Aniket Kulkarni & Associates

Chartered Accountants

Office Add. :

Unit 12, Highway Commercial Centre, I. B. Patel Marg,
Off Western Express Highway, Goregaon (East), Mumbai - 400063
Tel. : 26863932 / 40239624 Email : aniketkik@gmail.com
Website : www.aniketkulkarni.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KHANDWALA SECURITIES LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated financial statements of Khandwala Securities Limited ("the company"), which comprise the consolidated Balance sheet at March 31, 2018, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year ended March 31, 2018 and a summary of significant accounting policies and other explanatory information prepared based on relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view with respect to the preparation of these Consolidated financial statements, consolidated financial position, consolidated financial performance (including other comprehensive income) and changes in equity of the group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under section 133 of the Act. The Company's Board of Director's is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the consolidated Ind AS financial statements. The respective Board of Director's of the company's included in the group and of its associates are responsible for 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 implementation and maintenance of 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, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report.
4. We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements is free from material misstatement.
5. An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, [but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control]. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Basis for Qualified Opinion

We draw your kind attention to the following qualifications to the audit opinion of the financial statements of Khandwala Securities Limited is hereby produced as under:-

7. *The Company had advanced application money towards purchase of shares of Rs 216.69 lakhs which is outstanding for a period of 192 months as at the end of the year. In the absence of information regarding the status of the allotment or the net worth of the entities in which the company made applications, we are unable to ascertain the extent to which an amount of Rs 216.69 lakhs is recoverable and accordingly, the effect thereof on the financial statements cannot be ascertained.*
8. *Long - Term deposits to various companies of Rs 530.00 lakhs are subject to subsequent adjustments. The Company has obtained confirmations from various*

companies but the Company has not made provision for the same in the standalone financial statements.

Auditor's View

In our opinion the recoverability of these loans and advances are doubtful. The company should have made provision for these doubtful advances but they have not made any such provisions in its standalone and consolidated financial statements.

Opinion

9. *In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and except for the matters described in point no 7 & 8 above in the basis for qualified opinion paragraph, give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit/loss and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.*

Report on Other Legal & regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law have been kept by the Company, its associates included in the Group, incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and record of the company and the reports of the auditor's.
- c) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained by the company, its associates included in the group incorporated in India including relevant records relating to preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors as on 25th May, 2018 taken on record by the Board of Directors of the company none of the directors of the group Company, its associates incorporated in India is disqualified as on 31st March, 2018 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 with reference to financial statements of the Company and its associates incorporated in India 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 Consolidated Ind AS financial statements disclose the impact if any of pending litigations as at March 31, 2018 on the consolidated financial position of the Group and its associates to the consolidated Ind AS financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The reporting on disclosures relating to specified bank notes is not applicable to the Company for the year ended March 31, 2018

For Aniket Kulkarni & Associates
Chartered Accountants

Aniket Kulkarni

Aniket Kulkarni
Proprietor
Membership No - 127246
FRN No - 130521W
Date: 26th May 2018
Place: Mumbai


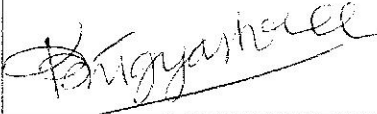
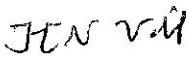

ANNEXURE I

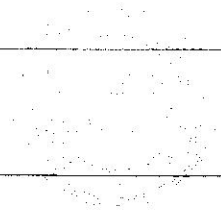
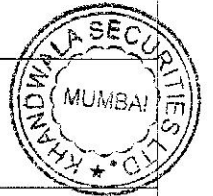
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018				
[See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lakhs)
	1	Turnover/Total Income	384.58	Not Determinable
	2	Total Expenditure	460.08	- do -
	3	Net Profit/Loss	(75.50)	- do -
	4	Earnings Per Share	(0.62)	- do -
	5	Total Assets	1313.07	- do -
	6	Total Liabilities	4085.39	- do -
	7	Net Worth	2772.32	- do -
	8	Any other financial items (as felt appropriate by the management)		
II.	Audit Qualification:			
	a. Details of Audit Qualification			
	<p>1. <i>The Company had advanced application money towards purchase of shares of Rs 216.69 lakhs which is outstanding for a period of 192 months as at the end of the year. In the absence of information regarding the status of the allotment or the net worth of the entities in which the company made applications, we are unable to ascertain the extent to which an amount of Rs 216.69 lakhs is recoverable and accordingly, the effect thereof on the financial statements cannot be ascertained.</i></p> <p>2. <i>Long - Term deposits to various companies of Rs 530.00 lakhs are subject to subsequent adjustments. The Company has obtained confirmations from various companies but the Company has not made provision for the same in the standalone financial statements.</i></p>			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of Qualification: Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable			



	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>i. Management's estimation on the impact of audit qualification</p> <p>1. The Share Application Money for an amount of Rs. 216.69 Lacs is outstanding for a period of 192 months as at date of Balance Sheet date, for which the financial statements are in the process of being obtained. The Company has initiated legal proceedings against the other party for recovery of the said application money along with interest thereon, under Section 138 of the Negotiable Instruments Act, 1881. At present, the matter is pending for hearing before the Hon'ble High Court at Mumbai.</p> <p>2. Long-term Deposits which were given to M/s. Shree Rama Polysynth Private Ltd and M/s. Vimpanan Investments Private Ltd are still outstanding as at March 31, 2018, for total aggregate amount of Rs. 530.00 lakhs. Since the Company is not in the receipt of any interests on the said deposits since long period, the Company has not accounted any interest on the said deposits. The Company is in the process to initiate legal proceedings against them for recovery of the said deposits.</p> <p>f. If management is unable to estimate the impact, reasons for the same:</p> <p>Not Applicable</p> <p>g. Auditor's comments on (i) or (ii) above</p> <p>As per Auditor's Report</p>
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III	Signatories	
	<ul style="list-style-type: none"> • CEO/Managing Director 	
	<ul style="list-style-type: none"> • CFO 	
	<ul style="list-style-type: none"> • Audit Committee Chairman 	
	<ul style="list-style-type: none"> • Statutory Auditor 	
	<p>Place: Mumbai</p>	
	<p>Date: 26th May 2018</p>	



ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018				
[See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lakhs)
	1	Turnover/Total Income	384.58	Not Determinable
	2	Total Expenditure	461.17	- do -
	3	Net Profit/Loss	(76.59)	- do -
	4	Earnings Per Share	(0.64)	- do -
	5	Total Assets	4023.37	- do -
	6	Total Liabilities	1313.09	- do -
	7	Net Worth	2710.28	- do -
	8	Any other financial items (as felt appropriate by the management)		
II.	Audit Qualification:			
	a. Details of Audit Qualification			
	<p>1. <i>The Company had advanced application money towards purchase of shares of Rs 216.69 lakhs which is outstanding for a period of 192 months as at the end of the year. In the absence of information regarding the status of the allotment or the net worth of the entities in which the company made applications, we are unable to ascertain the extent to which an amount of Rs 216.69 lakhs is recoverable and accordingly, the effect thereof on the financial statements cannot be ascertained.</i></p> <p>2. <i>Long - Term deposits to various companies of Rs 530.00 lakhs are subject to subsequent adjustments. The Company has obtained confirmations from various companies but the Company has not made provision for the same in the Consolidated financial statements.</i></p>			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of Qualification: Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable			

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification

1. The Share Application Money for an amount of Rs. 216.69 Lacs is outstanding for a period of 192 months as at date of Balance Sheet date, for which the financial statements are in the process of being obtained. The Company has initiated legal proceedings against the other party for recovery of the said application money along with interest thereon, under Section 138 of the Negotiable Instruments Act, 1881. At present, the matter is pending for hearing before the Hon'ble High Court at Mumbai.
2. Long-term Deposits which were given to M/s. Shree Rama Polysynth Private Ltd and M/s. Vimpasan Investments Private Ltd are still outstanding as at March 31, 2018, for total aggregate amount of Rs. 530.00 lakhs. Since the Company is not in the receipt of any interests on the said deposits since long period, the Company has not accounted any interest on the said deposits. The Company is in the process to initiate legal proceedings against them for recovery of the said deposits.

f. If management is unable to estimate the impact, reasons for the same:

Not Applicable

g. Auditor's comments on (i) or (ii) above

As per Auditor's Report

III Signatories

• CEO/Managing Director

[Handwritten Signature]

• CFO

[Handwritten Signature]

• Audit Committee
Chairman

[Handwritten Signature]

• Statutory Auditor

[Handwritten Signature]



Place: Mumbai

Date: 26th May 2018