



PRESS RELEASE

Khandwala Securities Limited presents its views on the Indian Economy and potential Investment Opportunities for capital market participants from GCC member countries, in one of the fastest growing markets of the region.

Bahrain – 25th May 2009 – Khandwala Securities Limited (www.kslindia.com), one of India's leading Research, Investment Banking and Market Intermediation companies, today presented its market outlook on the direction of the Indian economy. This was outlined during their meet with the representatives of media as part of the World Islamic Capital Market conference being held in the city.

With over **6000 listed companies** having a combined market capitalisation of around three **quarter of a Trillion Dollars (USD 750 Billion)**, Indian capital markets have delivered over 60% returns since March 2009. The Indian economy has already attracted foreign fund flows through FII and FDI investments to the tune of **USD 35 Billion** till date and this is expected to increase three fold in the next 3-4 years. The significant advantage of a market like India is that the capital market have demonstrated great resilience in terms of liquidity and repatriability of market investments in a transparent manner. These are done through established tax efficient vehicles / structure for global investors.

Commenting on the growth and profit making opportunity that the Indian capital market presents to global investors, **Mr. S. M. Parande – Chairman of Khandwala Securities Limited**, said "Indian capital markets are once again at the cusp of a major rally and it would be to the singular advantage of countries such as Bahrain and other GCC nations to take advantage of the vibrant growth opportunities that this market offers".

The recently conducted general election in India has delivered a pleasant outcome for one and all. The **UPA government**, led by the Indian National Congress party, has emerged stronger than ever before and has brought in the much needed stability. The government, through this result, will be able to live up to the expectations of local people, markets and global investors alike. With the continuation of the existing government under a stronger mandate, the next 5 years will witness unleashing of major reforms and policy initiatives that would catapult Indian markets at the forefront of attracting global capital flows.

Added **Mr. Paresh J. Khandwala, Founder & Managing Director of Khandwala Securities Limited**, "Middle East investors need to identify key performing markets that would deliver consistent performance to them over a longer period of time. Given the underlying strength of the Indian capital markets and its fundamentals, financial institutions and investors should take advantage of this exponential growth". With its vast resource base and a large population of Non-Resident Indians amongst its population, the GCC member nations in general and Bahrain in particular need to explore investing opportunities in this exciting market, Mr. Khandwala added.

With the Indian economy poised to record high growth rate amongst the emerging market economies, financial investors and participants, especially from the GCC nations, need to look at this potential market as an attractive return generating alternative. Indian markets and companies form a significant proportion of the emerging market portfolio of global institutions that are seeking higher quality of returns from key path breaking markets.

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The press meet was organized to generate awareness amongst the capital market functionaries attending the conference on the immense potential that the Indian economy holds for investors from this region. Senior Management team from the Khandwala Group who were present at the conference highlighted the macro economic trends, including global factors that would drive the growth of the Indian economy in the coming years.

Being the first visit by any Indian Capital Market specialist company as part of the World Islamic Capital Markets conference, Khandwala Securities Limited has taken the first step towards aggressively promoting the opportunities in the Indian capital markets, to the globally active investing community in Bahrain. It is expected that this visit by Khandwala Securities Limited would promote greater awareness within the GCC member nations about India as a cherished investment destination.

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