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A Magazine for Business Leaders & Decision Makers

# 25

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## STOCK BROKING

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IN INDIA 2019

**ABHISHEK BANSAL**  
FOUNDER & CHAIRMAN

*TRAILBLAZER IN THE FINANCIAL MARKET*

**ABHISHEK BANSAL**  
CHRONICLING THE JOURNEY  
OF A FIRST-GENERATION,  
NEW-AGE ENTREPRENEUR

Rs. 50/-





TRAILBLAZER IN THE FINANCIAL MARKET

# ABHISHEK BANSAL

## CHRONICLING THE JOURNEY OF A FIRST-GENERATION, NEW-AGE ENTREPRENEUR

Pooja Bhardwaj • The CEO Magazine

*Abans Group was founded in 2005 by Abhishek Bansal. Abans provides comprehensive business solutions through its subsidiaries spread across the globe and its association with various International Broking Houses.*

**A**bans has evolved multi-fold from a trading house to a quintessential diversified business group, providing Broking Services, Non-Banking Financial Dealings, Financial Services, Agri-Commodity Services, Warehousing, Realty & Infrastructure, Gold Dore Refinery & Manufacturing and Trading in Metal Products, and has recently forayed into the Wealth Management, Software Development & Pharmaceuticals space. The Group has achieved exponential growth within a short span of time and has now branched out into a team of over 300 people, comprising domain experts, professionals, dealers & traders. Abans is also at the forefront of advocating and embracing advanced technologies. With businesses ranging from agricultural commodities trading, gold refining, financial broking, wealth management, software development, and non-banking financial services, Abans has cemented its presence in several countries across the globe — India, Dubai, China, Hong Kong, Singapore, UK, and Mauritius.

**Abhishek Bansal**  
Founder & Chairman

“

Adversities and losses are the **GURU DAKSHINA** that we pay to our greatest teacher — **LIFE**”.





### Brains Behind the Brand

*The leader is considered an integral cog in the machinery of any organization*

Abans is flourishing under the dynamic leadership of Abhishek Bansal — the Founder and Chairman of the group of companies. Abhishek is a leading commentator in the Indian commodities and financial markets. He is a self-made entrepreneur, and lays particular emphasis on nurturing leaders. He founded Abans single-handedly at the age of 18 years. Having started out as a Gold Arbitrageur, Abhishek has leveraged his business acumen to position the group as a rapidly expanding, diversified business group.

Abhishek started trading at the tender age of 15 years, and his unending drive and passion, along with the rare knack of understanding various sectors of the financial markets, led to Abans dealing in Equity Derivatives, Currencies, and Commodities across the domestic and the international markets. Mr Bansal's belief that human beings are invaluable, technology is inevitable, and finance is the future has also paved the

path for Abans developing advanced and innovative Fintech products.

Because of Abhishek's unflinching support and dedication, Abans has registered impressive growth over the years. Abhishek has been a great visionary, spearheading the entire initiative of transforming Abans from being a proprietary trading firm to a quintessential diversified global business group.

### Prestigious Awards Won by Abhishek Bansal

- Most Enterprising Leader of The Year — WBR, 2018
- Young Achiever of the Year in Financial Services — Icon of the Year's Awards, 2017
- Young Entrepreneur of the Year — Commodity Equity Outlook (CEO) Awards, 2017
- Udhog Ratan Award and Outstanding Contribution in the Financial Services Industry — Institute of Economic Studies for Excellence, 2016

Mr Abhishek Bansal shares unique perspectives from his entrepreneurial life in a free-wheeling chat with the CEO magazine.

### Here are edited excerpts

#### When did you find a passion for investing and trading? And, what triggered you to inaugurate your venture?

At a very early age, when I was in the 10th standard, I watched my father trading in the derivatives markets. I was intrigued by the conversations that he used to have with his friends, colleagues, and employees. The derivatives markets anyways excited me — the nuances, like the mathematical angle, the mathematics behind it, the volatility surrounding, and mainly the concept of leverage. You are able to buy or sell or are able to take an exposure of say, just Rs. 100/- by paying Rs. 5/- and then able to trade a lot by just deploying some percentage of it — this very concept of "leverage" excited me a lot. To put it in a nutshell, when I was around 14 — 15 years of age, I found my true passion for investing and trading.

I wanted to do things in my own unique way. In 2005, as I turned 18, MCX had already commenced operations (it was launched in 2003) and a number of opportunities emerged on the commodities front, because the market then was completely nascent — this basically prompted me to take that step to go ahead and incorporate my first company, a proprietorship company named Abans Commodities.

#### What were some early obstacles of getting the company off the ground?

The challenge that I faced when I started off with my company was acquiring a skilled and proficient workforce. Another issue was my relative naïvety in managing people. I did not graduate from an eminent management school, and I was a normal college student studying Science & Engineering. Therefore, I did not have any initial management lessons. Subsequently, hiring the right skilled talent, and then to expand the business as one grew and to raise adequate funds for various businesses, were the several challenges I faced in the early phases. But, eventually things began to fall in place, my entrepreneurial ambitions firmly took off.

#### What are the differentiating factors of Abans?

Abans is different vis-a-vis other players, in the sense that the group does not directly compete with any particular organization or group of companies, but is more of a thought-leader and knowledge-disseminator in the true sense of the word.

It occupies a unique space since it provides services in both the financial and non-financial domains. Abans has a strong presence in Commodity Trading, Realty & Infrastructure, Jewellery Manufacturing, Broking Services, Warehousing, Non-Banking Financial Dealings & Merchant Banking, and has recently forayed into the Wealth Management, Software Development and Pharmaceuticals space, thus truly emerging as a quintessential diversified business group.





**Where your company is today, brief us over the journey to date?**

Since its inception in 2005, Abans has evolved multi-fold, providing expertise in diverse areas within the financial and non-financial ecosystem. The Group has achieved exponential growth in a short span of time and has now grown into a team of over 300 people, including domain experts, professionals, dealers & traders. It is also at the forefront of advocating and embracing the latest technologies, particularly in software development.

**Define stock research in your words.**

Stock research includes both technical and fundamental research. Analysing the financial statements such as income, expenditure, assets, and liabilities of a company along with forecasting growth in the industry, the economy and the country to evaluate the price of a security is called Fundamental Research. Analysing price movements, past trends, and patterns with the help of various charting tools to predict future prices are called Technical Analysis.

**Do you think the recent wave of an elongated period of volatility invites a shift back to active management?**

Post the 2008 slump, and the subsequent elongated period of volatility, investment patterns have changed of late. In the past decade, there's been a seismic shift from active to passive management, i.e. money has shifted from MF's to Index Funds and ETFs that track markets.

In the United States, the year 2016 marked the greatest calendar-year asset change of the last decade, during which over \$1 trillion shifted from active to passive U.S. equity funds. For years, investors have been passing over actively managed mutual funds in favour of cheaper index-tracking options. Now, active funds are themselves getting cheaper, and some market gurus think it's time for investors to give them a second look. Fifty years ago, approximately 20% of assets were professionally managed, while today the figure has risen to 68%.

Passive and active funds can co-exist, as they rely on each other to survive and thrive. In our opinion, active funds will do well when the expense ratio becomes lower, and the expenses can be reduced only by

deploying maximum executable work on machines. Active managers can beat the market by predicting trends and investing in hand-picked stocks.

**Where do you see the most opportunity in today's market?**

The global financial economic system has been growing rapidly since the past two decades. It has had a catalytic effect since the Government's introduction and encouragement towards digitization of monetary assets and services. Financial Institutions such as investment firms, venture capital organizations, and banks have drastically evolved in terms of how they undertake financial proceedings, conduct financial services and carry out related procedures. For example, Blockchain technology has promised to take the financial industry by storm, where it has assured the creation of digital-ledger systems that cannot be altered easily. Further, the availability of data in digital formats enables banks to provide enhanced customer services. Robo – Advisory is the next big thing which will revolutionize the entire wealth management fraternity

**Brief us on the milestones and awards earned by the organization.**

As a testimony to its impressive growth over the years, Abans has earned several prestigious awards, accolades, and laurels as follows:-

- **Abans Finance Private Limited** – "Outstanding Achievement in Business and Social Service" presented by Indian Achievers Forum, 2018
- **Abans Securities Private Limited** – SKOCH Order of Merit Award under "SKOCH BSE Award for Corporate Excellence", 2017
- **Abans Broking Services Private Limited and Abans Commodities (India) Private Limited** – "Top-100 SMEs in India" by SKOCH, 2017
- **Abans Securities Private Limited** – "Top Performing Member", National Stock Exchange (NSE), 2015–16

**What does the company have in store for 2019?**

This year, Abans will venture into software, wealth management, and customized B2B jewellery manufacturing. This is a part of an overall business strategy to adopt a vertical integration approach.

**In your opinion, what stands as the future of the domestic stockbroking industry?**

In the past decade, technological advances have drastically changed the way clients-brokers interact on a daily basis, and this has reduced cumbersome processes previously associated with stock market investing. Introduction of electronic trading in the mid-1990s completely automated the processes; reduced manual errors made by brokers and reduced volatility in the markets.

Artificial Intelligence (AI) has helped traders and brokers to better identify opportunities to transform conventional ways of trade execution. Now, high-end mobile apps that understand the investor's goals will provide tailored investment advice. The next wave of financial market growth would be driven by the introduction of low-cost and high-volume products. These products would be creating sustainable wealth for all the stakeholders, be it the customers or the service providers.

**What are your hobbies?**

I love reading the prominent religious book — Ramcharit Manas; reading and reciting Hindi poetry to people, and travelling, amongst other interests.

**Who inspires you?**

Steve Jobs.

**What is your Trademark?**

Speed...

**A piece of advice for young entrepreneurs, who are starting out...**

I would like to advise all the budding, next-generation entrepreneurs out there that it is good to be intelligent, but even more so to be wise. Focus on wisdom, try to digest what you have achieved, and try to digest success.

