

TFL/SEC/2019-20/18

29/08/2019

The Manager,  
Corporate Relations Dept.,  
BSE Ltd.,  
P.J. Towers,  
Dalal Street, Fort  
Mumbai 400001

The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
Bandra Kurla Complex  
Bandra (East)  
Mumbai 400051

**BSE Scrip Code : 532812**

**NSE Scrip Code : TFL**

Dear Sir,

**Sub: Outcome of Board Meeting held today i.e. on 29.08.2019**

This is to inform that the Board of Directors at its meeting held today, i.e. Thursday, 29<sup>th</sup> August, 2019, (which commenced at 11.30 a.m. and concluded at 4.30 p.m.) has inter-alia, considered and approved the following:

1. Unaudited standalone and consolidated financial results of the Company prepared as per Indian Accounting Standards (Ind AS) for the quarter ended 30<sup>th</sup> June, 2019 including recast unaudited Ind AS compliant financial results for the corresponding quarter ended June, 2018.

The copy of the said results along with the Limited Review Report is attached herewith.

2. Re-appointment of Mr. Pravin Khatau as an independent director for a second term of five consecutive years w.e.f. 25<sup>th</sup> February, 2020, subject to the approval of shareholders of the Company.

Mr. Pravin Khatau is an MBA from Wharton and has worked in a senior capacity in Goldman Sachs & Co. and Barings in London. He has experience in Finance, Marketing and Administration.

Mr. Pravin Khatau is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

3. Re-appointment of Mrs. Nirmala Sachin Parab as an independent director for a second term of five consecutive years w.e.f. 30<sup>th</sup> March, 2020, , subject to the approval of shareholders of the Company.

Mrs. Nirmala Sachin Parab is B.Com., MBA. Her career started in IFCI (Industrial Finance Corporation of India). In IFCI she handled project finance for Textile Industry, Steel Industry, Energy Sector etc. She had the distinction of representing IFCI at



**CIN : L65920MH1994PLC080220**

various Ministerial level meetings and handling various difficult and challenging cases.

Mrs. Nirmala Sachin Parab is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

4. Recommended the appointment of S. S. Khan & Co, Chartered Accountants (FRN 133324W) as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the forthcoming AGM subject to his Peer Review Certification, in place of M/S Rahul Gautam Divan & Associates, Chartered Accountants(FRN 120294W), the existing Statutory Auditors of the Company whose term expires at the ensuing AGM, subject to the approval of the shareholders of the Company.
5. Raising of funds by offering the fourth tranche/Series D/2019-20 of secured and/or unsecured redeemable non-convertible debentures including subordinated debt on private placement basis for an amount not exceeding the aggregate amount of Rs. 1 Crore (Rupees One Crore).
6. Increase in the existing borrowing powers of the Board from Rs. 100 Crores to Rs. 250 Crores pursuant to Section 180(1)(c) of the Companies Act, 2013, subject to the approval of the shareholders of the Company
7. Raising of funds by way of External Commercial Borrowing (ECB) for an amount not exceeding Rupee equivalent to USD 25 MN, subject to directions issued by Reserve Bank of India, from time to time, within the overall borrowing limit as may be approved by the shareholders.
8. Raising of funds through issue of secured/unsecured redeemable Non-convertible Debentures ("NCDs") including subordinated debt, in one or more series/ tranches upto an aggregate amount of Rs. 50 Crores (Rupees Fifty Cores Only) for a period of one year, commencing from the ensuing Annual General Meeting of the Company, on a private placement basis and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company, within the overall borrowing limits of the Company, subject to the approval of shareholders of the Company.
9. Introduction of Employee Stock Option Plan - 2019 (ESOP 2019) for the employees of the Company and/or subsidiaries of the Company, subject to approval of the shareholders of the Company

This is for your information and records.

Thanking you,

For Transwarranty Finance Limited



Kumar Nair  
Managing Director





# RAHUL GAUTAM DIVAN & ASSOCIATES

Chartered Accountants

C/o MIDSNELL, 134 Mittal Tower 'C', Nariman Point, Mumbai 400 021, India.  
Phone: (+ 91-22) 6632 4991, 6632 4992. E-mail: rdivan@vsnl.com / rahul@rgd.firm.in

## Limited Review Report

### The Board of Directors of Transwarranty Finance Limited

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Transwarranty Finance Limited ("the Company") for the quarter ended 30 June 2019 ("the Statement"). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We have not audited or reviewed the accompanying financial results and other financial information for the three months ended 30 June 2018 which have been prepared solely based on the information compiled by Management.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable accounting standards and other recognized accounting practices and polices has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For RAHUL GAUTAM DIVAN & ASSOCIATES  
Chartered Accountants  
(Firm's Registration Number: 120294W)

  
RAHUL DIVAN  
Partner  
Membership Number: 100733  
UDIN: 191 00 733 AAAABR4179  
Place: Mumbai  
Date: 29 August 2019



# RAHUL GAUTAM DIVAN & ASSOCIATES

## Chartered Accountants

C/o MIDSNELL, 134 Mittal Tower 'C', Nariman Point, Mumbai 400 021, India.  
Phone: (+ 91-22) 6632 4991, 6632 4992. E-mail: rdivan@vsnl.com / rahul@rgd.firm.in

### Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

#### Review Report to The Board of Directors Transwarranty Finance Limited

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Transwarranty Finance Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
  
We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.
4. The Statement includes the results of the following subsidiaries:
  - (a) Vertex Securities Limited.
  - (b) Vertex Commodities and Finpro Private Limited.
  - (c) Tranwarranty Capital Market Services Private Limited.





5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
  
6. We did not review the interim financial results of two subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 22.41 lacs, total net profit after tax of Rs. 3.57 lacs and total comprehensive income of Rs. 3.57 lacs, for the quarter ended June 2019, as considered in the consolidated unaudited financial results, whose interim financial results have not been reviewed by us. These interim financial results have not been reviewed by other auditors and the unaudited financial statements have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the unaudited financial statements furnished to us by Management and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

For RAHUL GAUTAM DIVAN & ASSOCIATES  
Chartered Accountants  
(Firm's Registration Number: 120294W)



RAHUL DIVAN  
Partner  
Membership Number: 100733  
UDIN: 19100733AAAA BS 4363  
Place: Mumbai  
Date: 29 August 2019



**TRANSWARRANTY FINANCE LIMITED**

CIN: L65920MH1994PLC080220

Regd. Office: 403, Regent Chambers, Nariman Point, Mumbai- 400021

Tel. No:40010900, Fax No: 40010999, Email: companysecretary@transwarranty.com, Web Site: www.transwarranty.com

**STATEMENT OF STANDALONE / CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019**

(Rs. In Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	3 Months Ended		3 Months Ended	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
	Unaudited	Unaudited	Unaudited	Unaudited
<b>REVENUE</b>				
Revenue From Operations:-				
Interest Income	28.40	4.39	28.40	4.39
Fees and Commission Income	12.64	7.05	119.09	158.99
Sale of Stock	-	5.20	-	5.20
Corporate Finance	-	5.00	-	5.00
<b>Total Revenue from Operations</b>	<b>41.04</b>	<b>21.64</b>	<b>147.49</b>	<b>173.58</b>
Other Income	7.04	5.42	66.32	64.41
<b>Total Revenue</b>	<b>48.08</b>	<b>27.06</b>	<b>213.81</b>	<b>237.99</b>
<b>EXPENSES</b>				
Purchase of Shares held in Stock in Trade	-	5.13	-	5.13
Employee Benefits Expenses	36.86	38.11	101.96	100.01
Finance Costs	46.39	33.99	57.42	46.75
Depreciation and Amortisation Expenses	6.30	6.10	16.48	10.76
Other Expenses	26.01	25.30	118.87	143.80
<b>Total Expenses</b>	<b>115.56</b>	<b>108.63</b>	<b>294.73</b>	<b>306.45</b>
<b>Profit / (Loss) Before Exceptional and Extra ordinary items and Tax</b>	<b>(67.48)</b>	<b>(81.57)</b>	<b>(80.92)</b>	<b>(68.46)</b>
Exceptional Items	-	-	-	-
<b>Profit / (Loss) Before Extra ordinary items and Tax</b>	<b>(67.48)</b>	<b>(81.57)</b>	<b>(80.92)</b>	<b>(68.46)</b>
Extraordinary Items	-	-	-	-
<b>Profit / (Loss) Before Tax</b>	<b>(67.48)</b>	<b>(81.57)</b>	<b>(80.92)</b>	<b>(68.46)</b>
Current Tax	-	-	-	-
Less: MAT Credit Entitlement	-	-	-	-
Deferred Tax	0.23	(0.02)	0.05	(0.06)
<b>Profit / (Loss) from Continuing Operations After Tax</b>	<b>(67.71)</b>	<b>(81.55)</b>	<b>(80.97)</b>	<b>(68.40)</b>
<b>Profit from Discontinuing Operations</b>				
Tax Expense of Discontinuing Operations	-	-	-	-
<b>Profit from Discontinuing Operations After Tax</b>				
<b>Profit / (Loss) For the Period</b>	<b>(67.71)</b>	<b>(81.55)</b>	<b>(80.97)</b>	<b>(68.40)</b>
Other Comprehensive Income:-				
Items that will be reclassified to profit or Loss	0.15	-	0.15	-
<b>Total Comprehensive Income for the period</b>	<b>(67.56)</b>	<b>(81.55)</b>	<b>(80.82)</b>	<b>(68.40)</b>
Basic Earning Per Share of Rs.10/- each (In Rupees)	(0.28)	(0.33)	(0.33)	(0.28)
Diluted Earning Per Share of Rs.10/- each (In Rupees)	(0.28)	(0.33)	(0.33)	(0.28)

- The above unaudited financial results were discussed by the members of the audit committee and were approved and taken on record by the Board of Directors at their meeting held on August 29, 2019. The Statutory Auditors have carried out "Limited Review" of the above Results.
- The Company adopted Indian Accounting Standards ("Ind-As") effective from April 1, 2019 (Transition date being April 1, 2018) and accordingly, the financial results for the quarter ended June 30, 2019 have been prepared in accordance with the recognition and measurement principles laid down in the Ind-AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The financial results for the quarter ended June 30, 2018 have also been recast as per the recognition and measurement principles of Ind-AS 34.
- The company has opted to avail the relaxations provided by the Securities and Exchange Board of India (SEBI) vide Circular No: CIR./CFD/ FAC/62/2016 dated July, 05, 2016 as available to listed entities for submission of Ind-AS compliant Financial results for the quarter ended March 31, 2019 and previous year ended March 31, 2019 and hence has provided Ind-AS compliant financial results only for the previous quarter ended June 30, 2018 along with financial results for the quarter ended June 30, 2019. Further, the Ind-AS compliant financial results for the quarter ended June 30, 2018 have not been subjected to Limited Review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.





4. The Ind-AS financial results and financial information for the quarter ended June 30, 2018 have been compiled the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind-AS. This information has not been subject to any limited review or audit.

5. Reconciliation between financial results as previously reported (Refer to as "Previous IGAAP) and Ind-As for quarter ended June 30, 2018.

Particulars	(Rs. In Lakhs)	
	Stand Alone Quarter Ended June 30,2018	Consolidated Quarter Ended June 30,2018
<b>Net profit as per IGAAP</b>		
<b>Add/(less)</b>	(81.49)	(68.38)
Finance income on unwinding of lease rental deposit given	0.01	0.13
Rent expense of Security deposit given	(0.01)	(0.13)
Rent income on unwinding of Security deposit taken	0.22	0.22
Finance cost on security deposit taken	(0.31)	(0.31)
Deffered tax (net) on above adjustment	0.02	0.06
<b>Net profit Under Ind-AS</b>	<b>(81.55)</b>	<b>(68.40)</b>

6. The Company is primarily engaged in a single segment viz. financial services and related activities and therefore the segment reporting is not applicable.

7. In line with the requirements of regulation 47(2) of the listing Regulations, 2015, the results for the quarter ended June 30, 2019 are available on the website of BSE Limited (URL: [www.bseindia.com/corporates](http://www.bseindia.com/corporates)), the National StockExchange of India Limited (URL: [www.nseindia.com/corporates](http://www.nseindia.com/corporates)) and on the company's website [www.transwarranty.com](http://www.transwarranty.com).

8. Figures have been regrouped and rearranged wherever necessary.



For and on behalf of the Board

*Kumar Nair*  
Kumar Nair  
Managing Director  
DIN No. 00320541

Place : Mumbai  
Date : 29-08-2019