



VSL/2019-20/SEC/08

8<sup>th</sup> May, 2019

**The Manager,  
Corporate Relations Department  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001**

**SCRIP CODE: 531950**

Dear Sir,

**Sub: Outcome of Board Meeting held on 8<sup>th</sup> May, 2019**

This is to inform the exchange that the Board of Directors of the Company, at their meeting held today, i.e. Wednesday, 8<sup>th</sup> May, 2019 (which commenced at 11.00 a.m. and concluded at 3.45 p.m.), have approved the audited standalone and consolidated financial results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2019.

The copy of the said results along with the Auditor's Report is attached herewith.

Also, attached is the Statement on Impact of Audit Qualification (for both standalone and consolidated accounts) for the year ended 31<sup>st</sup> March, 2019.

This is for your information and records.

Thanking you,

**For Vertex Securities Limited**

**Pranali Kadam  
Company Secretary**



# **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 REPORT**

### **TO THE BOARD OF DIRECTORS OF VERTEX SECURITIES LIMITED**

1. We have audited the accompanying statement of standalone financial results of **VERTEX SECURITIES LIMITED** (the "Company") for the year ended 31st March 2019 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
2. This statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared on the basis of the related standalone financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone Statement.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend upon the auditor's judgment, including the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate for 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 Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **4. Basis for Qualified Opinion**

*The sundry debtors outstanding for more than six months amount to Rs. 1,97,76,143/-. Further out of the total sundry debtors, for a sum of Rs. 45,55,551/-, the Company has initiated legal and recovery actions, the proceedings of which are in different stages.*

*In view of the above, the quantum of realisability of old outstanding sundry debtors/ legally initiated debts is not ascertainable at this stage.*

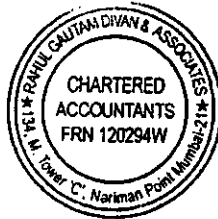


5. In our opinion and to the best of our information and according to the explanations given to us, the Statement.
- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016; and
  - ii. except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 4 above, the statement gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the standalone net profit and other financial information of the Company for the year ended on 31<sup>st</sup> March 2019.
6. The Statement includes the results for the quarter ended 31<sup>st</sup> March 2019 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the end of the third quarter of the current financial year which were subject to limited review by us.

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

  
RAHUL DIVAN  
Partner  
Membership Number: 100733

Place: Mumbai  
Date: 08 May 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 AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS OF  
VERTEX SECURITIES LIMITED**

### **Report on the Consolidated Financial Statements**

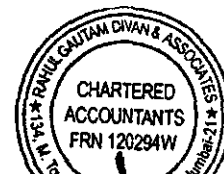
1. We have audited the accompanying statement of Consolidated Financial Results of VERTEX SECURITIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the year ended March 31, 2019 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which are in accordance with the Accounting Standards prescribed under Section 133 of Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Statement.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Holding Company's internal financial control with reference to the Statement.. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **4. Basis for Qualified Opinion**

*The sundry debtors outstanding for more than six months amount to Rs. 2,94,84,287 /-. Further out of the total sundry debtors, for a sum of Rs. 95,50,724/-, the Group has initiated legal and recovery actions, the proceedings of which are in different stages.*

*In view of the above, the quantum of realisability of old outstanding sundry debtors/ legally initiated debts is not ascertainable at this stage.*





VERTEX SECURITIES LIMITED										
(CIN : L67120KL1993PLC007349)										
Regd. Office: 2nd floor, Thottathil Towers, Market Road, Ernakulam, Kochi - 682018.										
Tel No. 0484-2384848, Fax No. 0484-2394209, Email, secretariat@vertexbroking.com, Web Site www.vertexbroking.com										
STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019										
Particulars	STANDALONE					CONSOLIDATED				
	3 Months Ended		Year Ended			3 Months Ended		Year Ended		
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
	Audited (Refer Note No. 6)	Unaudited	Audited (Refer Note No. 6)	Audited	Audited	Audited (Refer Note No. 6)	Unaudited	Audited (Refer Note No. 6)	Audited	Audited
Rs.										
<b>REVENUE</b>										
Revenue From Operations	10,864,757	12,007,559	14,693,398	49,174,298	58,014,152	12,409,557	13,640,912	16,725,152	55,413,572	67,695,027
Other Income	4,635,092	4,973,173	5,033,104	19,458,812	18,488,215	5,695,561	6,185,657	5,469,811	24,128,749	19,880,295
Total Revenue	15,499,849	16,980,732	19,726,502	68,633,109	76,502,367	18,105,118	19,826,569	22,194,963	79,542,321	87,575,322
<b>EXPENSES</b>										
Employee Benefits Expense	5,086,514	6,018,226	4,866,022	22,724,768	19,414,725	5,534,573	6,514,698	5,223,522	24,649,745	20,999,251
Finance Costs	1,561,935	1,511,528	1,633,386	5,931,504	6,549,363	1,624,211	1,573,359	1,688,208	6,180,236	6,714,963
Depreciation and Amortisation Expense	497,050	395,422	544,098	1,666,671	2,010,328	591,979	487,978	671,877	2,037,320	2,525,616
Other Expenses	8,519,198	9,004,617	10,056,849	36,502,558	40,795,897	10,386,496	10,709,859	11,937,919	43,303,100	49,877,306
Total Expenses	15,664,696	16,929,793	17,100,355	66,825,501	68,770,313	18,137,260	19,285,895	19,521,525	76,170,401	80,117,136
Profit/(Loss) Before Exceptional and Extraordinary Items and Tax	(164,848)	50,938	2,626,147	1,807,608	7,732,055	(32,142)	540,675	2,673,437	3,371,920	7,458,185
Exceptional Items :-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) Before Extra ordinary items and Tax	(164,848)	50,938	2,626,147	1,807,608	7,732,055	(32,142)	540,675	2,673,437	3,371,920	7,458,185
Extraordinary Items:-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) Before Tax	(164,848)	50,938	2,626,147	1,807,608	7,732,055	(32,142)	540,675	2,673,437	3,371,920	7,458,185
Tax Expense	-	-	-	-	-	-	-	-	-	-
Current Tax	-	-	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	(86,433)	-	-	(86,433)	-
Profit/(Loss) for the year from Continuing Operations	(164,848)	50,938	2,626,147	1,807,608	7,732,055	(118,575)	540,675	2,673,437	3,285,487	7,458,185
Profit/(Loss) from Discontinuing Operations	-	-	-	-	-	-	-	-	-	-
Tax Expenses of Discontinuing Operations	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) from Discontinuing Operations After Tax	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the period / year	(164,848)	50,938	2,626,147	1,807,608	7,732,055	(118,575)	540,675	2,673,437	3,285,487	7,458,185
Basic Earning Per Share of Rs.2/- each ( In Rupees)	(0.002)	0.001	0.04	0.02	0.10	(0.002)	0.007	0.04	0.04	0.10
Diluted Earning Per Share of Rs.2/- each ( In Rupees)	(0.002)	0.001	0.04	0.02	0.10	(0.002)	0.007	0.04	0.04	0.10

08th May, 2019  
Kochi

For Vertex Securities Limited  
  
U. Ramachandran  
Managing Director  
DIN -00493707



**VERTEX SECURITIES LIMITED**  
(CIN - L67120KL1993PLC007349)

Regd. Office: 2nd floor, Thottathil Towers, Market Road, Ernakulam, Kochi - 682018.

Tel No. 0484-2384848, Fax No. 0484-2394209, Email. secretarial@vertexbroking.com, Web Site. www.vertexbroking.com

**AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2019**

Particulars	STANDALONE		CONSOLIDATED	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Rs	Rs	Rs	Rs
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders Funds</b>				
(a) Share Capital	150,800,178	150,800,178	150,800,178	150,800,178
(b) Reserves and Surplus	(11,531,380)	(13,338,987)	(15,852,487)	(19,137,975)
	<b>139,268,798</b>	<b>137,461,191</b>	<b>134,947,691</b>	<b>131,662,203</b>
<b>(2) Minority Interest</b>			<b>205</b>	<b>205</b>
<b>(3) Non - Current Liabilities</b>				
(a) Long Term Borrowings	5,362,930	5,455,024	6,668,999	6,786,092
(b) Deferred Tax Liabilities (Net)	-	-	86,433	-
(c) Other Long Term Liabilities	8,042,967	7,481,993	12,497,228	11,934,958
	<b>13,405,897</b>	<b>12,937,017</b>	<b>19,252,659</b>	<b>18,721,050</b>
<b>(4) Current Liabilities</b>				
(a) Short Term Borrowings	30,691,825	30,680,964	30,691,825	30,680,964
(b) Trade Payables:				
(i) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises; and	103,479,963	89,859,175	110,765,295	103,494,327
(c) Other Current Liabilities	3,201,987	4,283,915	9,765,811	7,912,183
(d) Short Term Provisions	1,006,290	1,423,906	1,376,255	1,759,728
	<b>138,380,065</b>	<b>126,247,960</b>	<b>152,599,187</b>	<b>143,847,202</b>
<b>Total Equity And Liabilities</b>	<b>291,054,760</b>	<b>276,646,168</b>	<b>306,799,742</b>	<b>294,230,660</b>
<b>II ASSETS</b>				
<b>(5) Non Current Assets</b>				
(a) Property, Plant & Equipment				
(i) Tangible Assets	5,006,822	5,698,080	5,951,632	6,448,303
(ii) Intangible Assets	76,395	184,018	536,402	873,655
(b) Goodwill on Consolidation	-	-	8,154,986	8,154,986
(c) Non Current Investments	61,123,030	61,123,030	2,507,700	2,507,700
	<b>66,206,248</b>	<b>67,005,128</b>	<b>17,150,720</b>	<b>17,984,644</b>
<b>(6) Current Assets</b>				
(a) Trade Receivables	63,018,287	60,506,157	74,379,259	72,426,179
(b) Cash and Cash Equivalents	41,310,076	39,564,160	47,920,810	45,807,936
(c) Short Term Loans and Advances	99,240,401	93,034,788	141,172,283	140,211,754
(d) Other Current Assets	21,279,748	16,535,935	26,176,670	17,800,147
	<b>224,848,512</b>	<b>209,641,040</b>	<b>289,649,022</b>	<b>276,246,016</b>
<b>Total Assets</b>	<b>291,054,760</b>	<b>276,646,168</b>	<b>306,799,742</b>	<b>294,230,660</b>

**Notes:-**

- The above Audited financial results were reviewed by the Audit Committee of the Board and was taken on record by the Board of Directors at their meeting held on 08 May 2019.
- The Company is primarily engaged in a single segment viz. share broking and related activities and therefore the segment reporting is not applicable.
- During the quarter the company has acquired the remaining minority shareholding of its subsidiary, viz. Vertex Commodities & Finpro Private Limited Accordingly, Vertex Commodities & Finpro Private Limited has become the wholly owned subsidiary of the company
- The EPS has been computed in accordance with the Accounting Standards referred to in Section 133 of the Companies Act 2013
- The Consolidated results have been compiled based on Accounting Standards referred to in Section 133 of the Companies Act 2013.
- \*Figures of the last quarter are balancing figures between Audited figures in respect of the full year ended 31st March 2019 and the published Year to date figures upto the third quarter ended 31st December 2018
- Figures have been regrouped and rearranged wherever necessary

08th May, 2019  
Kochi

For Vertex Securities Limited  
  
U. Ramachandran  
Managing Director  
DIN - 00493707






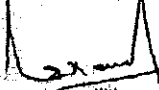
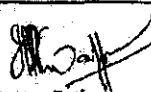

**VERTEX SECURITIES LIMITED**  
 (A Subsidiary of Transwarranty Finance Limited)  
 Thottathil Towers, II Floor Market Road, Ernakulam, Kochi 682018  
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 Fax : 0484 - 2394209  
 Web: www.vertexbroking.com  
 Email: vs@vertexbroking.com  
 CIN L67120KL1993PLC007349

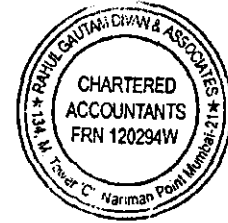
**Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2019**  
 (Standalone Accounts)  
 [As per Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited for figures after adjusting for qualifications)
	1	Turnover / Total income	68,633,109	Not applicable. Refer Item No. II.d. below.
	2	Total Expenditure	66,825,501	
	3	Net Profit/(Loss)	1,807,608	
	4	Earnings Per Share	0.02	
	5	Total Assets	291,054,760	
	6	Total Liabilities	291,054,760	
	7	Net Worth	139,268,798	
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	a.	<b>Details of Audit Qualification:</b>	Sundry debtors under the head current assets include old outstanding dues. The sundry debtors outstanding for more than six months amount to Rs. 197,76,143. Further, out of total sundry debtors, for a sum of Rs. 45,55,551, the Company has initiated legal and recovery actions, the proceedings of which are in different stages.  In view, of the above, the quantum of realisability of old outstanding sundry debtors/legally initiated debts is not ascertainable at this stage	
	b.	<b>Type of Audit Qualification :</b>	Qualified Opinion	
	c.	<b>Frequency of qualification:</b>	Repetitive since 31/03/2002	
	d.	<b>For Audit Qualification(s) where the Impact is quantified by the auditor, Management's Views:</b>	Not applicable	
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>		
	(i)	<b>Management's estimation on the impact of audit qualification:</b>	Not ascertainable	
	(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b>	As the Company has initiated legal actions for recovery of dues, it will not be prudent to make any provisions as the cases are in various stages in different Courts.	
	(iii)	<b>Auditors' Comments on (i) or (ii) above:</b>	No comments further to details in Audit Qualification in II(a) above	





III. Signatories:		
	CEO/Managing Director	 U. Ramachandran Managing Director & CEO
	CFO	 George Mampillil Director & CFO
	Audit Committee Chairman	 James Pothan Audit Committee Chairman
	Statutory Auditor	 Rahul Divan Partner Membership No.100733 Rahul Gautam Divan & Associates Firm Registration Number 120294W



Place: Kochi  
Date: 08 May, 2019

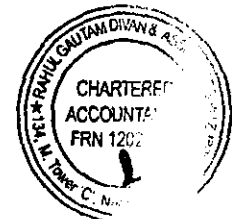



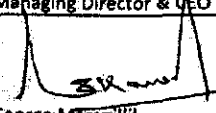




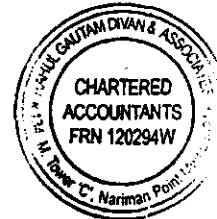
**VERTEX SECURITIES LIMITED**  
 (A Subsidiary of Transwarranty Finance Limited)  
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 CIN L67120KL1993PLC007349

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2019**  
**(Consolidated Accounts)**  
**[As per Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited for figures after adjusting for qualifications)
	1	Turnover / Total income	79,542,321	Not applicable. Refer Item No. II.d. below.
	2	Total Expenditure	76,170,399	
	3	Net Profit/(Loss)	3,285,489	
	4	Earnings Per Share	0.04	
	5	Total Assets	306,799,742	
	6	Total Liabilities	306,799,742	
	7	Net Worth	134,947,691	
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	a.	<b>Details of Audit Qualification:</b>	Sundry debtors under the head current assets include old outstanding dues. The sundry debtors outstanding for more than six months amount to Rs. 29,484,287. Further, out of total sundry debtors, for a sum of Rs.95,50,724, the Company has initiated legal and recovery actions, the proceedings of which are in different stages.  In view, of the above, the quantum of realisability of old outstanding sundry debtors/legally initiated debts is not ascertainable at this stage	
	b.	<b>Type of Audit Qualification :</b>	Qualified Opinion	
	c.	<b>Frequency of qualification:</b>	Repetitive since 31/03/2002	
	d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>	Not applicable	
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>		
	(i)	<b>Management's estimation on the impact of audit qualification:</b>	Not ascertainable	
	(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b>	As the Company has initiated legal actions for recovery of dues, it will not be prudent to make any provisions as the cases are in various stages in different Courts.	
	(iii)	<b>Auditors' Comments on (i) or (ii) above:</b>	No comments further to details in Audit Qualification in I(a) above	



iii. Signatories:	
CEO/Managing Director	 U. Ramachandran Managing Director & CEO
CFO	 George Mampillil CFO
Audit Committee Chairman	 James Pothan Audit Committee Chairman
Statutory Auditor	 Rahul Divan Partner Membership No.100733 Rahul Gautam Divan & Associates Firm Registration Number 120294W



Place: Kochi  
Date: 08 May, 2019

