

PRIME SECURITIES LIMITED

Regd. Office : 1109/1110, Maker Chambers V, Nariman Point, Mumbai 400021 (CIN: L67120MH1982PLC026724)

Tel: +91-22-61842525 Fax: +91-22-24970777 Website: www.primesec.com Email: prime@primesec.com



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

Amt Rs. Lacs

	Quarter ended 31-Mar-16 (Audited)	Quarter ended 31-Mar-15 (Audited)	Period ended 31-Mar-16 (Audited)	Period ended 31-Mar-15 (Audited)
1. Income from Operations				
Income from Operations	575	32	1,041	232
Other Operating Income	-	-	-	-
Total Income from Operations	575	32	1,041	232
2. Expenses				
Employee Benefit Expense	70	74	118	128
Depreciation & Amortisation Expense	6	6	63	35
Fixed Assets Written-off	(2)	-	70	-
Other Expenses	72	51	212	201
Total Expenses	146	131	463	364
3. Profit / (Loss) from Operations before Other Income, Finance Cost & Exceptional Items	429	(99)	578	(132)
4. Other Income	(7)	269	1,056	591
5. Profit / (Loss) from Ordinary Activities before Finance Cost and Exceptional Items	422	170	1,634	459
6. Finance Cost	-	22	1	23
7. Diminution in Value of Investments	-	-	-	-
8. Loss on Sale of Investments	-	55	165	928
9. Profit / (Loss) from Ordinary Activities before Tax	422	93	1,468	(492)
10. Tax Expenses				
- Current Tax	(146)	-	63	-
- Income Tax of Earlier Years	-	-	-	-
11. Net Profit / (Loss) for the Period	568	93	1,405	(492)
12. Paid-up Equity Share Capital (Face Value Rs. 5/- each)	1,328	1,328	1,328	1,328
13. Reserves (excluding Revaluation Reserves)	-	-	-	3,898
14. Earnings per Share (in Rs. not annualised) (Equity Shares of FV of Rs. 5/- each)				
- Basic EPS before and after Extraordinary Items	2.14	0.35	5.31	(1.86)
- Diluted EPS before and after Extraordinary Items	2.14	0.35	5.31	(1.86)

Notes :

- The above results were reviewed by Audit Committee and taken on record by the Board of Directors at its Meeting held on May 17, 2016.
- The figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between the audited figures in respect of the full financial year and published unaudited year-to-date figures upto third quarter ended December 31 of the respective financial year.
- The figures for the previous year ended March 31, 2015 are for a period of eighteen months.
- Income from Operations includes fees received during the period and Other Income includes amount written-back (net of write-offs).
- The Auditors of the Company in their audit report for the year ended March 31, 2016 has recorded their views about the following::
 - No adjustments have been made in the carrying value of the assets and liabilities in the financial statements prepared on a going concern basis. *Management clarification: The management is in discussions with a lender for a restructuring of debt obligations. Also, the Company has completely shifted focus to non-fund based advisory work.*
 - No provision has been made in the carrying value of financial exposure in the subsidiary having regard to the erosion in the net worth. *Management clarification: The management is confident of generating sufficient income to restore its network.*
 - Assignment of loan to subsidiary company pending consent of lender. *Management clarification: The Company is in the process of negotiating terms with the lender.*
 - Unable to ascertain impact of outstanding inter-corporate deposits received by the Company, in respect of which confirmation of balances, terms of repayment & charges of interest are not available. *Management clarification: These are unsecured advances, terms of which the Company is in the process of negotiation.*
 - Non-provision of interest on certain secured loans, which would have increased the amount of secured loans had the provision been made. *Management clarification: The Company is in process of negotiating terms with secured lenders.*
 - Write-back of an unsecured loan. *Management clarification: The said unsecured loan is no longer payable in the of the opinion of the management.*
 - Non-provision for diminution in the value of non-current investments. *Management clarification: No provision for diminution is required as the same is of temporary in nature in the opinion of the management.*
- The Company does not have any identifiable segment as required by Accounting Standard 17 issued by ICAI.
- Previous period figures have been re-grouped / re-classified wherever necessary.

For Prime Securities Limited


Mumbai
May 17, 2016

N. Jayakumar
Managing Director

INDEPENDENT AUDITORS' REPORT

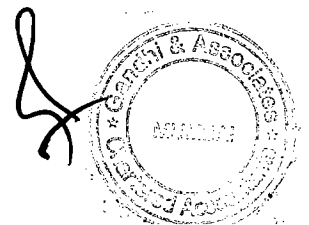
**The Board of Directors
Prime Securities Limited**

1. We have audited the accompanying Statement of Standalone Financial Results of **PRIME SECURITIES LIMITED** ('the Company') for the year ended 31st March 2016 ('the Statement') being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. 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 financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act 2013 as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. 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.
3. 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 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 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 Management, as well as evaluating the overall presentation of the Statement.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



The image shows a handwritten signature in black ink on the right side of the page. To the right of the signature is a circular stamp. The stamp contains the text 'Gandhi & Associates' around the perimeter and '1' in the center. The stamp appears to be a professional seal or registration mark.

5. *Basis for qualified opinion:*
- (a) *The Company has not provided for interest of Rs. 1016.10 Lacs for the year on certain secured loans as in the opinion of the management the same would not be payable in view of ongoing negotiations with the lenders. Had the Company made such provision, the profit for the year would have been lower by that amount.*
 - (b) *The Company has written-back Rs. 875.00 Lacs being part of an unsecured loan based on the management's assessment of the situation. Had the Company not made such write-back, the profit for the year would have been lower by that amount.*
 - (c) *An unsecured loan of Rs. 525.00 Lacs is categorized as interest-free Short-term Borrowings which cannot be validated in absence of confirmation of balance and terms of repayment/interest. Accordingly, the impact on the financial statements of the categorization of the loan and non-provision of interest thereon remains unascertained.*
6. 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) Regulations, 2015; and,
 - (ii) *subject to clauses 5 (a) to (c), gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the year ended 31st March 2016.*
7. The Statement includes the results for the Quarter ended 31st March 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
8. *Emphasis of Matter: Our opinion is not modified in respect of the following:*
- (a) *The Company's financial statements are prepared on going concern basis notwithstanding doubts as regards the Company's ability to meet its financial obligations as and when they fall due. The appropriateness of the said basis is interalia dependent on the Company's ability to generate cash from revenue streams and disposing-off investments to meet its liabilities in normal course of business. Relying on the management's representation on the above, no adjustments have been made to the carrying value of the assets and liabilities in the accompanying financial statements.*
 - (b) *The Company has substantial financial exposure in its subsidiary Primesec Investments Limited whose net worth has been eroded; but having regard to the preparation of the subsidiary's accounts on a going concern basis, no provision/adjustment is made to the carrying amount of financial exposure in the subsidiary.*



- (c) A loan of Rs. 2318.39 Lacs is assigned to a subsidiary company subject to consent of the lender.
- (d) Diminution of Rs. 1194.64 Lacs in value of non-current investments (other than in subsidiary companies) is not provided as in opinion of the management the same is temporary in nature.

For GANDHI & ASSOCIATES

Chartered Accountants

[FRN: 102965W]

Gandhi



Milind Gandhi

Partner

Membership No. 043194

Place: Mumbai

Dated: 17th May 2016

Form A
(Pursuant to Clause 33(3)(d) of the SEBI (Listing Obligations and Disclosures) Regulations, 2015)


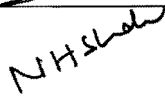
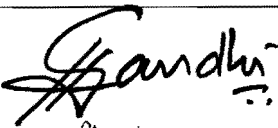
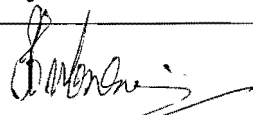
1.	Name of the Company	Prime Securities Limited
2.	Annual financial statement for the year ended	March 31, 2016
3.	Type of Audit observation	<p>Emphasis of Matter in the Statutory Auditor's Report on Stand Alone Financial Statement</p> <p>1) The Company's financial statements are prepared on going concern basis notwithstanding doubts as regards the Company's ability to meet its financial obligations as and when they fall due. The appropriateness of the said basis is inter-alia dependent on the Company's ability to generate cash from revenue streams and disposing-off investments to meet its liabilities in normal course of business. Relying on the management's representation on the above, no adjustments have been made to the carrying value of the assets and liabilities in the accompanying financial statements.</p> <p>2) The Company has substantial financial exposure in its subsidiary Primesec Investments Limited whose net worth has been eroded; but having regard to the preparation of the subsidiary's accounts on a going concern basis, no provision/adjustment is made to the carrying amount of financial exposure in the subsidiary.</p> <p>3) A loan of Rs. 2318.39 lacs is assigned to a subsidiary company subject to consent of the lender.</p> <p>4) Diminution of Rs. 1194.64 lacs in value of non-current investments (other than in subsidiary companies) is not provided as in opinion of the management the same is temporary in nature.</p>

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4.	Frequency of observation	Point No. 1 - Appearing since FY ended September 30, 2013 Point No. 2 - Appearing since FY ended September 30, 2013 Point No. 3 - Appearing for the first time Point No. 4 - Appearing since FY ended September 30, 2013
5.	Signed by	
	Mr. N. Jayakumar (Managing Director)	
	Mr. Nikhil Shah (Chief Financial Officer)	
	Mr. Milind Gandhi, M/s. Gandhi & Associates, Chartered Accountants (Auditor of the Company)	
	Mr. Pradip Dubhashi (Audit Committee Chairman)	


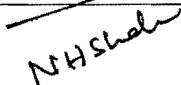
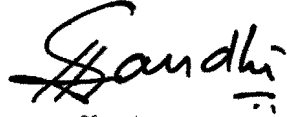
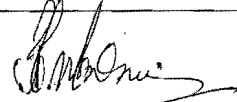
Form B
(Pursuant to Clause 33(3)(d) of the SEBI (Listing Obligations and Disclosures) Regulations, 2015)

1.	Name of the Company	Prime Securities Limited	
2.	Annual financial statement for the year ended	March 31, 2016	
3.	Type of Audit observation	Qualified Opinion	
4.	Frequency of qualification	Point No. 1 - Appearing since FY ended September 30, 2013 Point No. 2 - Appearing for the first time Point No. 3 - Appearing since FY ended September 30, 2013	
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	Basis for Qualified Opinion in the Statutory Auditor's Report on Stand Alone Financial Statement	Management Response
		1. The Company has not provided for interest of Rs. 1,016.10 lacs for the year on certain secured loans as in the opinion of the management the same would not be payable in view of ongoing negotiations with the lenders. Had the Company made such provision, the profit for the year would have been lower by that amount.	The management is in the process of re-negotiating the terms with the lender and the management is of the opinion that the same may not be payable pursuant to a proposed restructuring / settlement of the loan and accordingly, the same is not expected to have any material impact on the financial statements.
		2. The Company has written-back Rs. 875.00 Lacs being part of an unsecured loan based on the management's assessment of the situation. Had the Company not made	The management has written-back the said loan as it was no longer payable in the opinion of the management.

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		such write-back, the profit for the year would have been lower by that amount.	
		3. An unsecured loan of Rs. 525.00 Lacs is categorized as interest-free Short-term Borrowings which cannot be validated in absence of confirmation of balance and terms of repayment/interest. Accordingly, the impact on the financial statements of the categorization of the loan and non-provision of interest thereon remains unascertained.	The management is in the process of renegotiating terms of these unsecured advances and the same is not expected to have any material impact on the financial statements.
	Additional comments from the board / audit committee chair	Nil	
5.	Signed by		
	Mr. N. Jayakumar (Managing Director)		
	Mr. Nikhil Shah (Chief Financial Officer)		
	Mr. Milind Gandhi, M/s. Gandhi & Associates, Chartered Accountants (Auditor of the Company)		
	Mr. Pradip Dubhashi (Audit Committee Chairman)		

PRIME SECURITIES LIMITED

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AUDITED STATEMENT OF ASSETS AND LIABILITIES

Amt Rs. Lacs

PARTICULARS	Stand Alone		Consolidated	
	Period ended 31-Mar-16	Period ended 31-Mar-15	Period ended 31-Mar-16	Period ended 31-Mar-15
A. EQUITY & LIABILITIES				
1. Shareholder's Fund				
a. Share Capital	1,327.85	1,327.85	1,327.85	1,327.85
b. Reserves and Surplus	5,301.99	3,897.79	(1,368.14)	(2,787.87)
Sub-Total (Shareholder's Funds)	6,629.84	5,225.64	(40.29)	(1,460.02)
2. Minority Interest	-	-	-	-
3. Non-current Liabilities				
a. Long-term Borrowings	400.00	1,713.34	400.00	1,713.34
b. Deferred Tax Liability (Net)	-	-	3.84	3.84
c. Long-term Provisions	155.54	138.73	162.09	144.23
Sub-Total (Non-current Liabilities)	555.54	1,852.07	565.93	1,861.40
4. Current Liabilities				
a. Short-term Borrowings	4,024.95	6,956.48	8,492.06	9,260.87
b. Trade Payables	114.89	101.84	9,142.46	10,532.10
c. Other Current Liabilities	78.64	93.56	2,084.42	3,913.69
d. Short-term Provisions	19.53	13.54	20.16	14.17
Sub-Total (Current Liabilities)	4,238.01	7,165.42	19,739.10	23,720.83
TOTAL EQUITY & LIABILITIES	11,423.40	14,243.13	20,264.74	24,122.21
B. ASSETS				
1. Non-current Assets				
a. Fixed Asset	285.87	417.07	305.94	459.14
b. Non-current Investments	4,713.23	5,024.61	4,922.94	5,666.50
c. Deferred Tax Assets (Net)	-	-	-	-
d. Long-term Loans & Advances	189.66	567.37	554.27	982.92
e. Other Non-current Assets	-	7,500.00	-	-
Sub-Total (Non-current Assets)	5,188.76	13,509.05	5,783.15	7,108.56
2. Current Assets				
a. Current Investments	17.80	17.80	17.80	17.80
b. Trade Receivables	-	-	12,306.03	12,354.08
c. Cash & Cash Equivalents	61.04	23.36	467.22	325.42
d. Short-term Loans & Advances	6,152.22	689.34	1,292.51	3,918.32
e. Other Current Assets	3.58	3.58	398.03	398.03
Sub-Total (Current Assets)	6,234.64	734.08	14,481.59	17,013.65
TOTAL ASSETS	11,423.40	14,243.13	20,264.74	24,122.21

For Prime Securities Limited

Mumbai
May 17, 2016

N. Jayakumar
Managing Director

PRIME SECURITIES LIMITED

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SEGMENTWISE REVENUES, RESULTS AND CAPITAL EMPLOYED (CONSOLIDATED)

Amt Rs. Lacs

PARTICULARS	Period	Period
	ended 31-Mar-16	ended 31-Mar-15
1. Segement Revenue		
a. Merchant Banking	1,040.56	269.14
b. Broking	-	-
c. Unallocated	2,660.33	(517.43)
Total	3,700.89	(248.29)
Less: Inter Segment Revenue	-	-
Net Income from Operations	3700.89	(248.29)
2. Segement Results		
[Profit/(Loss) before Tax & Finance Cost]		
a. Merchant Banking	576.06	(156.95)
b. Broking	(15.03)	(1,155.43)
c. Unallocated	923.20	(520.57)
Total	1,484.23	(1,832.95)
Less:		
i. Finance Cost	0.78	266.47
ii. Other Unallocable Expenditure net off	-	-
iii. Unallocable Income	-	-
iv. Extraordinary Item	-	(591.91)
Total Profit / (Loss) before Tax	1,483.45	(1,507.51)
3. Capital Employed		
[Segment Assets - Segment Liabilities]		
a. Merchant Banking	278.07	814.83
b. Broking	2,034.76	1,893.33
c. Unallocated	(2,353.12)	(4,168.18)
Total Capital Employed in Segments	(40.29)	(1,460.02)

For Prime Securities Limited

Mumbai
May 17, 2016

N. Jayakumar
Managing Director