

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, 2017

STATEMENT OF PROFIT AND LOSS (CONSOLIDATED)

PARTICULARS	Quarter ended		Year ended	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
I. Revenue from Operations	730	575	1,696	1,041
II. Other Income	33	395	262	150
III. Total Revenue (I+II)	763	970	1,958	1,191
IV. Expenses				
Employee Benefits Expense	120	79	180	149
Finance Costs	1	-	2	1
Depreciation and Amortisation Expense	3	12	13	85
Other Expenses	71	79	209	295
Total Expenses	195	170	404	530
V. Profit / (Loss) before Exceptional, Extraordinary Items & Tax (III-IV)	568	800	1,554	661
VI. Exceptional Items	-	-	-	-
VII. Profit / (Loss) before Extraordinary Items & Tax (V-VI)	568	800	1,554	661
VIII. Extraordinary Items	(183)	(270)	1,050	823
IX. Profit / (Loss) before Tax (VII-VIII)	385	530	2,604	1,484
X. Tax Expense				
(i) Current Tax	133	(146)	592	64
(ii) Deferred Tax	-	-	-	-
XI. Profit / (Loss) for the Period from Continuing Operations (VII-VII)	252	676	2,012	1,420
XII. Profit / (Loss) from Discontinuing Operations	-	-	-	-
XIII. Tax Expense of Discontinuing Operations	-	-	-	-
XIV. Profit / (Loss) of Discontinuing Operations (after Tax) (XII-XIII)	-	-	-	-
XV. Profit / (Loss) for the Period (XI+XIV)	252	676	2,012	1,420
XVI. Earnings per Equity Share (in Rs. not annualised) (FV of Rs. 5/- each)				
- Basic	0.94	2.55	7.60	5.37
- Diluted	0.94	2.55	7.60	5.37

Notes :

- The above Results were reviewed by Audit Committee and taken on record by the Board of Directors at its Meeting held on April 6, 2017.
- The figures for the Quarter ended March 31 are the balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter ended December 31 of the respective financial year.
- The Consolidated Financial Results have been prepared excluding Accounts of Prime Broking Company (India) Limited (PBCIL), 100% Subsidiary, as per the provisions of para 11(b) of AS-21 (Accounting Standard on Consolidation of Financial Statements).
- Extraordinary Items represents amount written-off net of write-backs.
- The Statutory Auditors of the Company in their Audit Report for the Year ended March 31, 2017 has recorded their opinion about the following::
 - Write-back of a loan and liabilities. *Management clarification: The said loan and liabilities are no longer payable in the of the opinion of the management.*
 - Non-provision of interest on certain secured loans, which would have lowered the reserves and surplus had the provision been made. *Management clarification: The interest is no longer payable in the of the opinion of the management.*
 - Write-back of an advance written-off in earlier year. *Management clarification: The said advance has been written-back as receivable on receipt of the confirmation from the concerned party.*
 - 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.*
 - Payment of remuneration to Managing Director subject to approval of the members. *Management clarification: The Company proposes to obtain approval of the members at the ensuing Annual General Meeting.*
- Previous period figures have been re-grouped / re-classified wherever necessary.

For Prime Securities Limited

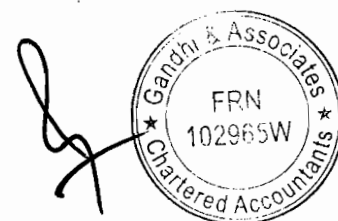
Mumbai
April 6, 2017

N. Jayakumar
Managing Director



INDEPENDENT AUDITORS' REPORT

**The Board of Directors
Prime Securities Limited**

1. We have audited the accompanying Statement of Consolidated Financial Results of **PRIME SECURITIES LIMITED** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31st March 2017 ('the Statement') being submitted by the Holding 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 Holding Company's Management and approved by the Board of Directors has been prepared on the basis of the related consolidated 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 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 effectiveness of the Holding 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.



5. We did not audit the financial statement of three subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 1,625.39 Lacs as at 31st March 2017, total revenues of Rs. 1,289.24 Lacs for the year ended 31st March 2017 and total profit after tax of Rs. 644.16 Lacs for the year ended 31st March 2017 as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion 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 reports of the other auditors.
6. *Basis for qualified opinion:*
- (a) *The Group has written-back certain loans and liabilities (net of pledged assets) of Rs. 3,148.96 Lacs as in the opinion of the management the same was no longer payable. Accordingly, the profit for the year is higher by the said amount.*
- (b) *The Group has not provided for interest on certain secured loans of Rs. 3,213.24 Lacs in respect of period up to March 31, 2016 as in the opinion of the management the same is under renegotiations with the lenders. Had the Group made such provision in the earlier years, the reserves and surplus would have been lower by the said amount.*
- (c) *The Group has written-back Rs. 327.50 Lacs which was written-off as not recoverable in the earlier financial year. Accordingly, the profit for the year and the long-term loans and advances are higher, by the said amount.*
7. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 5 above, the Statement:
- (i) includes the results of the following entities:
- | Name of the Entity | Relationship |
|---|-------------------------|
| Prime Research & Advisory Limited | Wholly owned subsidiary |
| Prime Commodities Broking (India) Limited | |
| Primesec Investments Limited | |
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and,
- (iii) *subject to clauses 6 (a) to (c), gives the true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the Group for the year ended 31st March 2017.*

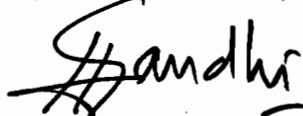



8. The Statement includes the results for the Quarter ended 31st March 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
9. *Emphasis of Matter: Our opinion is not modified in respect of the following:*
- (a) *There is a diminution of Rs. 204.85 Lacs in value of non-current investments. The Group has not provided for such diminution on the basis that the same is temporary in nature.*
- (b) *Remuneration of Rs. 33.00 Lacs paid to the Managing Director is subject to approval of members.*
10. *Based on our audit conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 5 above and subject to clauses 6 (a) to (c), nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, 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 GANDHI & ASSOCIATES LLP

Chartered Accountants

(FRN: 102965W/W100192)



Milind Gandhi

Partner

Membership No. 043194



Place: Mumbai

Dated: 6th April 2017

PRIME SECURITIES LIMITED



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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2017

AUDITED STATEMENT OF ASSETS AND LIABILITIES

Amt Rs. Lacs

PARTICULARS	Standalone		Consolidated	
	Year ended 31-Mar-17	Year ended 31-Mar-16	Year ended 31-Mar-17	Year ended 31-Mar-16
A. EQUITY & LIABILITIES				
1. Shareholder's Fund				
a. Share Capital	1,329.94	1,327.85	1,329.94	1,327.85
b. Reserves and Surplus	5,150.67	5,301.99	(1,086.84)	(1,368.29)
Sub-Total (Shareholder's Funds)	6,480.61	6,629.84	243.10	(40.44)
2. Minority Interest	-	-	-	-
3. Non-current Liabilities				
a. Long-term Borrowings	209.29	400.00	209.29	400.00
b. Deferred Tax Liability (Net)	-	-	-	3.84
c. Long-term Provisions	173.79	155.54	685.30	161.99
Sub-Total (Non-current Liabilities)	383.08	555.54	894.59	565.83
4. Current Liabilities				
a. Short-term Borrowings	620.00	4,024.95	1,285.00	8,492.06
b. Trade Payables	53.60	114.89	54.75	9,142.46
c. Other Current Liabilities	213.40	78.65	580.75	2,097.98
d. Short-term Provisions	28.22	19.53	28.22	20.26
Sub-Total (Current Liabilities)	915.22	4,238.02	1,948.72	19,752.76
TOTAL EQUITY & LIABILITIES	7,778.91	11,423.40	3,086.41	20,278.15
B. ASSETS				
1. Non-current Assets				
a. Fixed Asset	291.25	285.87	291.25	305.94
b. Non-current Investments	1,462.09	4,713.23	848.92	4,922.94
c. Deferred Tax Assets (Net)	-	-	-	-
d. Long-term Loans & Advances	516.02	189.66	516.02	554.26
e. Other Non-current Assets	-	-	-	-
Sub-Total (Non-current Assets)	2,269.36	5,188.76	1,656.19	5,783.14
2. Current Assets				
a. Current Investments	14.68	17.80	14.68	17.80
b. Trade Receivables	28.78	-	428.88	12,306.03
c. Cash & Cash Equivalents	9.24	61.04	721.07	467.22
d. Short-term Loans & Advances	5,453.27	6,152.22	129.15	1,305.93
e. Other Current Assets	3.58	3.58	136.44	398.03
Sub-Total (Current Assets)	5,509.55	6,234.64	1,430.22	14,495.01
TOTAL ASSETS	7,778.91	11,423.40	3,086.41	20,278.15

For Prime Securities Limited

Mumbai
April 6, 2017

N. Jayakumar
Managing Director

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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2017

SEGMENTWISE REVENUES, RESULTS AND CAPITAL EMPLOYED (CONSOLIDATED)

PARTICULARS	Amt Rs. Lacs	
	Year ended 31-Mar-17	Year ended 31-Mar-16
1. Segement Revenue		
a. Merchant Banking	1,695.50	1,040.56
b. Broking	-	-
c. Unallocated	262.15	2,660.33
Total	1,957.65	3,700.89
Less: Inter Segment Revenue	-	-
Net Income from Operations	1,957.65	3,700.89
2. Segement Results		
[Profit/(Loss) before Tax & Finance Cost]		
a. Merchant Banking	1,294.59	576.06
b. Broking	-	(15.03)
c. Unallocated	261.71	1,237.16
Total	1,556.30	1,798.19
Less:		
i. Finance Cost	(2.21)	(0.78)
ii. Other Unallocable Expenditure net off	-	-
iii. Unallocable Income	-	-
iv. Extraordinary Item	1,049.66	(314.11)
Total Profit / (Loss) before Tax	2,603.75	1,483.30
3. Capital Employed		
[Segment Assets - Segment Liabilities]		
a. Merchant Banking	329.32	278.07
b. Broking	-	2,034.76
c. Unallocated	(86.22)	(2,353.12)
Total Capital Employed in Segments	243.10	(40.29)


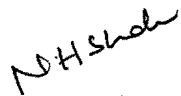
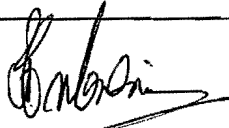

For Prime Securities Limited

Mumbai
April 6, 2017

N. Jayakumar
Managing Director

**Statement of Impact of Audit Qualifications (for Audit Report with Modified Opinion) submitted along-
with Annual Audited Financial Results for the Financial Year ended March 31, 2017 (Consolidated)**

I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	7,626.67	4,150.21
	2.	Total Expenditure	5,614.80	5,614.80
	3.	Net Profit / (Loss)	2,011.87	(1,464.59)
	4.	Earnings Per Share	7.60	(5.53)
	5.	Total Assets	3,086.42	2,758.92
	6.	Total Liabilities	2,843.32	9,205.52
	7.	Net Worth	243.10	(6,446.60)
	8.	Any other financial item(s) (as felt appropriate by the management)	---	---
II. Audit Qualification:				
	1)	<p>a) Details of Audit Qualification: The Group has written-back certain loans and liabilities (net of pledged assets) of Rs. 3,148.96 Lacs as in the opinion of the management the same was no longer payable. Accordingly, the profit for the year is higher by the said amount.</p> <p>b) Type of Audit Qualification: Qualified Opinion</p> <p>c) Frequency of Qualification: Appearing for the first time</p> <p>d) For Audit Qualification where the impact is quantified by auditor, Management's views: The management has written-back the said loan and liabilities as it was no longer payable in the opinion of the management.</p> <p>e) For Audit Qualification where the impact is not quantified by the auditor:</p> <p>i) Management's estimation on the impact of audit qualification: Not Applicable</p> <p>ii) If management is unable to estimate the impact, reasons for the same: Not Applicable</p> <p>iii) Auditor's comments on (i) or (ii) above: Not Applicable</p>		
	2)	<p>a) Details of Audit Qualification: The Group has not provided for interest on certain secured loans of Rs. 3,213.24 Lacs in respect of period up to March 31, 2016 as in the opinion of the management the same is under renegotiations with the lenders. Had the Group made such provision in the earlier years, the reserves and surplus would have been lower by the said amount.</p> <p>b) Type of Audit Qualification: Qualified Opinion</p> <p>c) Frequency of Qualification: Appearing since FY ended September 30, 2013</p> <p>d) For Audit Qualification where the impact is quantified by auditor, Management's views: The management is in the process of re-negotiating the terms with the lender and 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.</p> <p>e) For Audit Qualification where the impact is not quantified by the auditor:</p> <p>i) Management's estimation on the impact of audit qualification: Not Applicable</p> <p>ii) If management is unable to estimate the impact, reasons for the same: Not Applicable</p> <p>iii) Auditor's comments on (i) or (ii) above: Not Applicable</p>		

	<p>3) a) Details of Audit Qualification: The Company has written-back Rs. 327.50 lacs which was written-off as not recoverable in the earlier financial year. Accordingly, the loss for the year is lower, and the long-term loans and advances are higher, by the said amount.</p> <p>b) Type of Audit Qualification: Qualified Opinion</p> <p>c) Frequency of Qualification: Appearing for the first time</p> <p>d) For Audit Qualification where the impact is quantified by auditor, Management's views: The management is in receipt of confirmation from the party and is confident of recovery of the said amount in due course and accordingly, the same is not expected to have any material impact on the financial statements.</p> <p>e) For Audit Qualification where the impact is not quantified by the auditor:</p> <p>i) Management's estimation on the impact of audit qualification: Not quantifiable</p> <p>ii) If management is unable to estimate the impact, reasons for the same: The management is in the process of renegotiating terms of these unsecured advances and hence, the same is not ascertainable</p> <p>iii) Auditor's comments on (i) or (ii) above: The impact of audit qualification remains unascertained in absence of confirmation of balance and terms of repayment/interest.</p>
III. Signatories:	
Mr. N. Jayakumar (Managing Director):	
Mr. Nikhil Shah (Chief Financial Officer):	
Mr. Pradip Dubhashi (Audit Committee Chairman)	
Mr. Milind Gandhi, Gandhi & Associates LLP, Chartered Accountants (Auditor of the Company)	



PRESS RELEASE

PRIME SECURITIES LIMITED AUDITED ANNUAL RESULTS – YEAR ENDED MARCH 31, 2017

Consolidated Revenues at Rs. 1,958 Lakhs	↑ 64.40%
Consolidated Income (including Extraordinary Items) at Rs. 3,008 Lakhs	↑ 49.40%
Tax Outgo at Rs. 592 Lakhs	↑ 825%
Consolidated PAT at Rs. 1,216 Lakhs	↑ 135.20%
Consolidated PAT (including Extraordinary Items) at Rs. 2,012 Lakhs	↑ 41.70%
Consolidated EPS at Rs. 4.59	↑ 135.20%
Consolidated Reported EPS (including Extraordinary Items) at Rs. 7.60	↑ 41.53%

- The Company's activities are principally fee-based Investment Banking and Corporate Finance, involving fund raising, restructuring and Private Equity intermediation
- Consequently, the Company's operations do not require significant capital
- The nature of Investment Banking income is lumpy and uncertain; Investors should therefore be cognizant that quarter-on-quarter financial comparisons are not necessarily relevant.

