

PRIME SECURITIES LIMITED

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019 STATEMENT OF PROFIT AND LOSS (STANDALONE)

(Amt Rs. Lacs)

| PARTICULARS | Quarter ended 30-Jun-19 | Quarter ended 31-Mar-19 | Quarter ended 30-Jun-18 | Year ended 31-Mar-19 (Audited) |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| I. Revenue from Operations | 505 | - | 312 | 1,038 |
| II. Other Income | 9 | 69 | 2 | 73 |
| III. Total Revenue (I+II) | 514 | 69 | 314 | 1,111 |
| IV. Expenses | | | | |
| Employee Benefits Expense | 88 | 189 | 67 | 485 |
| Finance Costs | 1 | 1 | 1 | 4 |
| Depreciation and Amortisation Expense | 7 | 11 | 5 | 26 |
| Professional Fees | 21 | 17 | 9 | 56 |
| Other Expenses | 47 | 44 | 34 | 188 |
| Total Expenses | 164 | 262 | 116 | 759 |
| V. Profit / (Loss) before Exceptional, Extraordinary Items & Tax (III-IV) | 350 | (193) | 198 | 352 |
| VI. Exceptional Items | - | - | - | - |
| VII. Profit / (Loss) before Extraordinary Items & Tax (V-VI) | 350 | (193) | 198 | 352 |
| VIII. Extraordinary Items | - | (77) | - | (77) |
| IX. Profit / (Loss) before Tax (VII+VIII) | 350 | (270) | 198 | 275 |
| X. Tax Expense | | | | |
| (i) Current Tax | 69 | (57) | 42 | 56 |
| (ii) Deferred Tax | - | (10) | - | (10) |
| XI. Profit / (Loss) for the Period (IX-X) | 281 | (203) | 156 | 229 |
| XII. Other Comprehensive Income (Net) | (7) | (7) | (44) | (49) |
| XIII. Total Comprehensive Profit / (Loss) for the Period (XI+XII) | 274 | (210) | 112 | 180 |
| XIV. Paid-up Equity Share Capital (FV Rs. 5/- each) | 1,330 | 1,330 | 1,330 | 1,330 |
| XV. Other Equity | | | | 6,038 |
| XVI. Earnings per Equity Share (Rs. not annualised) (FV Rs. 5/- each) | | | | |
| - Basic | 1.06 | (0.77) | 0.59 | 0.86 |
| - Diluted | 1.06 | (0.77) | 0.59 | 0.86 |

Notes:

- The above results are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. The results were reviewed by Audit Committee and taken on record by the Board of Directors at its Meeting held on August 14, 2019.
- The figures for the Quarter ended March 31, 2019 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, 2018 of the respective Financial Year.
- Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the same to all the lease contracts existing on April 1, 2019 using the modified retrospective approach with right of use asset recognised at an amount equal to the adjusted lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been adjusted. The effect of this adoption is insignificant on the profit for the period.
- Extraordinary Items in prior quarters represent amount written-off net of write-backs.
- Other Comprehensive Income represents net actuarial gain / (loss) on employee defined benefit obligation.
- The Statutory Auditors of the Company in their Limited Review Report for the Quarter ended June 30, 2019 and Audit Report for the Year ended March 31, 2019 has recorded their opinion about the following:
 - Accounting of revenue pending satisfaction of performance obligation as per Ind AS 115. *Management clarification: Management is of the opinion that company has fulfilled its performance obligation and received the consideration also.*
 - No provision has been made in the carrying value of financial exposure in the subsidiaries having regard to the erosion in the net worth. *Management clarification: The management is confident of generating sufficient income to restore its networth.*
- The Statutory Auditors of the Company in their Audit Report for the Year ended March 31, 2019 have recorded their opinion about the following:
 - Write-back of an advance written-off in earlier year. *Management clarification: The said advance has been written-back as receivable on receipt of a confirmation from the concerned party.*
- The Company has only one segment i.e. Financial Advisory & Intermediation services. There are no separate reportable segments as required by Accounting Standard 17 issued by ICAI.
- Previous period figures have been re-grouped / re-classified wherever necessary.

Mumbai
August 14, 2019

For Prime Securities Limited

N. Jayakumar
Managing Director & Group CEO

**INDEPENDENT AUDITORS' REVIEW REPORT ON THE QUARTERLY
UNAUDITED STANDALONE FINANCIAL RESULTS OF
PRIME SECURITIES LIMITED**

LIMITED REVIEW REPORT

To
The Board of Directors of
Prime Securities Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **PRIME SECURITIES LIMITED** ('the Company') for the quarter ended June 30, 2019, attached herewith ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'), as amended.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 '*Interim Financial Reporting*' ('Ind AS 34') prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 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 Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. *Attention is invited to the following:*
 - (a) *The Company has accounted for revenue of Rs. 500.00 Lacs pending satisfaction of performance obligations mandated by the Accounting Standard on Revenue from*



Contract with Customers (Ind AS 115). Accordingly, in the Statement, profit before tax for the quarter ended June 30, 2019 is higher by the said amount.

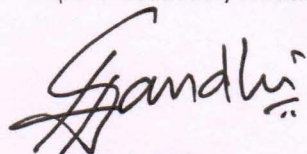
- (b) *The Company has financial exposure in its subsidiary viz. Primesec Investments Limited whose net worth continues to remain negative; but having regard to steady flow of revenue and significant reduction in negative net worth on account of sustained efforts undertaken by the Board of the subsidiary, no provision/adjustment is made to the carrying amount of financial exposure in the subsidiary.*

5. Based on our review conducted as above and **subject to paras 4 (a) & (b)** nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards (i.e. Ind AS) prescribed under section 133 of the Companies Act 2013 read with relevant rules issued there under and other recognized accounting practices and policies 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



UDIN: 19043194AAAAABR2008

Mumbai

Dated: 14th August 2019