
Walker Chandio & Co LLP

11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India

T +91 22 6626 2699

F +91 22 6626 2601

Independent Auditor's Review Report on Standalone Unaudited Quarterly and Year to Date Financial Results of Prime Securities Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Prime Securities Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Prime Securities Limited** ('the Company') for the quarter ended **30 September 2021** and the year to date results for the period 01 April 2021 to 30 September 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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 the Standards on Auditing specified under section 143(10) of the Act, 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Prime Securities Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly and Year to Date Financial Results of Prime Securities Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. We draw attention to Note 3 to the accompanying standalone financial results, which states that pursuant to the Scheme of Merger (the 'Scheme') entered into between Prime Securities Limited ('the Transferee Company') and its erstwhile subsidiary companies, Primesec Investments Limited ('PIL') and Prime Commodities Broking India limited ('PCBIL') (jointly referred as 'the Transferor Companies') as approved by the Hon'ble National Company Law Tribunal, Mumbai Bench, by order dated 13 May 2021, the transferor companies have been merged with the Company and such merger transaction has been accounted for as per the accounting prescribed under the scheme which is in line with the accounting principles given under Appendix C to Ind AS 103 applicable to common control business combinations. Accordingly, the comparative financial information for year ended 31 March 2021 and quarter and half year ended 30 September 2020 have been adjusted to reflect the aforesaid merger, as described in aforesaid note. Our conclusion is not modified in respect of this matter.
6. The comparative financial information of PIL for the quarter and half year ended 30 September 2020, included in the accompanying Statement, are based on the financial results of such transferor company reviewed by another firm of Chartered Accountants, M/s Gandhi & Associates LLP, whose report dated 04 November 2020, expressed an unmodified conclusion, on those financial results.
7. The comparative financial information of PCBIL for the quarter and half year ended 30 September 2020, included in the accompanying Statement, are based on the financial results of such transferor company reviewed by another firm of Chartered Accountants, Arun Bedekar & Co, whose report dated 04 November 2020, expressed an unmodified conclusion, on those financial results.

The adjustments made to the accompanying financial results for the year ended 31 March 2021 and quarter and half year ended September 2021 to give effect to the scheme of merger as described in paragraph 5 above have been audited and reviewed by us, respectively. Our conclusion is not modified in respect of these matters.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No:001076N/N500013

MURAD D
DARUWALLA

Digitally signed by
MURAD D DARUWALLA
Date: 2021.11.09
12:45:31 +05'30'

Murad D. Daruwalla

Partner

Membership No:043334

UDIN:21043334AAAVB8804

Place: Mumbai

Date: 09 November 2021

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

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. in Lakhs, unless otherwise stated)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 30-Jun-21 (Unaudited) | 30-Sep-20 (Unaudited) | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) | 31-Mar-21 (Audited) |
| I Revenue from Operations | | | | | | |
| i) Interest income | 43 | 43 | 29 | 86 | 56 | 135 |
| ii) Dividend income | 9 | 1 | - | 10 | - | - |
| iii) Fee and commission income | 1,030 | 543 | 775 | 1,573 | 1,285 | 2,794 |
| iv) Net gain on fair value changes | 81 | - | 29 | 64 | 45 | 43 |
| v) Gain on sale / redemption of investments (net) | 4 | 4 | 12 | 8 | 25 | 23 |
| Revenue from operations | 1,167 | 591 | 845 | 1,741 | 1,411 | 2,995 |
| II Other Income | 8 | 4 | - | 12 | - | 2 |
| III Total income (I+II) | 1,175 | 595 | 845 | 1,753 | 1,411 | 2,997 |
| Expenses | | | | | | |
| i) Finance cost | 5 | 5 | 9 | 10 | 15 | 26 |
| ii) Fee and commission expense | 1 | 20 | 65 | 21 | 84 | 286 |
| iii) Net loss on fair value changes | - | 17 | - | - | - | - |
| iv) Impairment on financial instruments | - | - | 44 | - | 101 | 178 |
| v) Employee benefit expenses | 227 | 231 | 235 | 458 | 476 | 1,259 |
| vi) Depreciation and amortisation expense | 20 | 19 | 19 | 39 | 37 | 77 |
| vii) Other expenses | 151 | 72 | 72 | 223 | 185 | 344 |
| IV Total expenses | 404 | 364 | 444 | 751 | 898 | 2,170 |
| V Profit / (loss) before exceptional items and tax (III-IV) | 771 | 231 | 401 | 1,002 | 513 | 827 |
| VI Exceptional items (net) (Refer note 4) | 2 | 274 | - | 276 | - | - |
| VII Profit / (loss) before tax (V) + (VI) | 773 | 505 | 401 | 1,278 | 513 | 827 |
| VIII Tax expenses / (credits) | | | | | | |
| - Current tax | 124 | 39 | 67 | 163 | 84 | 138 |
| - Deferred tax charge / (credit) | 7 | 30 | - | 37 | 33 | 27 |
| IX Profit / (loss) after tax (VII-VIII) | 642 | 436 | 334 | 1,078 | 396 | 662 |
| X Other comprehensive income / (loss) | | | | | | |
| a) I) Items that will not be reclassified to profit or loss | | | | | | |
| (a) Remeasurement of defined employee benefit plans | (9) | (16) | (5) | (25) | (1) | 4 |
| (b) Remeasurement gain/ (loss) on fair valuation of investments in equity instruments | 64 | - | - | 64 | - | - |
| II) Income tax relating to items that will not be reclassified to profit or loss | (4) | 4 | 1 | 0 | 0 | (1) |
| b) I) Items that will be reclassified to profit or loss | - | - | - | - | - | - |
| II) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| Other comprehensive income / (loss) (a+b) | 51 | (12) | (4) | 39 | (1) | 3 |
| XI Total comprehensive income / (loss) for the quarter / year (IX + X) | 693 | 424 | 330 | 1,117 | 395 | 665 |
| XII i) Paid-up equity share capital (face value Rs. 5 each) | 1,326 | 1,326 | 1,326 | 1,326 | 1,326 | 1,326 |
| ii) Other equity | | | | | | 3,878 |
| XIII Earning / (loss) per equity share (Rs. not annualised for the quarters and period ended) | | | | | | |
| - Basic (amount in Rs.) | 2.42 | 1.65 | 1.26 | 4.07 | 1.49 | 2.50 |
| - Diluted (amount in Rs.) | 2.25 | 1.57 | 1.23 | 3.78 | 1.46 | 2.43 |

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

STANDALONE STATEMENT OF ASSETS & LIABILITIES

(Rs. in Lakhs, unless otherwise stated)

| Particulars | As at 30-Sep-21 (Unaudited) | As at 31-Mar-21 (Audited) |
|--|-----------------------------------|---------------------------------|
| ASSETS | | |
| I. Financial assets | | |
| a) Cash and cash equivalents | 212 | 2,084 |
| b) Bank balance other than (a) above | 1,163 | 1,453 |
| c) Receivables | | |
| (i) Trade receivables | 431 | 78 |
| (ii) Other receivables | 393 | 393 |
| d) Loans | - | 62 |
| e) Investments | 3,203 | 2,133 |
| f) Other financial assets | 93 | 76 |
| | 5,495 | 6,279 |
| II. Non-financial assets | | |
| a) Current tax assets (net) | 760 | 787 |
| b) Deferred tax assets (net) | 16 | 52 |
| c) Property, plant and equipment | 193 | 192 |
| d) Other intangible assets | 0 | 1 |
| e) Other non-financial assets | 40 | 63 |
| | 1,009 | 1,095 |
| TOTAL ASSETS | 6,504 | 7,374 |
| LIABILITIES AND EQUITY | | |
| I. Financial liabilities | | |
| a) Payables | | |
| (i) Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 19 | 227 |
| b) Borrowings | 293 | 17 |
| c) Other financial liabilities | 248 | 196 |
| | 560 | 440 |
| II. Non-financial liabilities | | |
| a) Provisions | 143 | 418 |
| b) Other non-financial liabilities | 563 | 1,312 |
| | 706 | 1,730 |
| III. Equity | | |
| a) Equity share capital | 1,326 | 1,326 |
| b) Other equity | 3,912 | 3,878 |
| | 5,238 | 5,204 |
| TOTAL LIABILITIES AND EQUITY | 6,504 | 7,374 |

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

STANDALONE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED SEPTEMBER 30, 2021

(Rs. in Lakhs, unless otherwise stated)

| Particulars | Period ended 30-Sep-21 | Period ended 30-Sep-20 |
|---|---------------------------|---------------------------|
| Cash flow from operating activities: | | |
| Profit before tax | 1,278 | 513 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 39 | 37 |
| Changes in fair valuation of investment (net) | (401) | (45) |
| Gain on sale of investments (net) | (8) | (25) |
| Interest expense | 10 | 15 |
| Interest income on deposits | (86) | (56) |
| Dividend income | (10) | - |
| Share based payment to employees | 53 | 108 |
| Impairment of financial assets | - | 101 |
| Payment of Lease rent | 41 | 21 |
| Operating profit before working capital changes | 916 | 669 |
| Adjustments for changes in working capital: | | |
| (Decrease) / Increase in provisions | (300) | (435) |
| Increase / (Decrease) in trade payables | (208) | 46 |
| Increase/ (Decrease) in other financial liabilities | 52 | (19) |
| Increase/ (Decrease) in other non-financial liabilities | (749) | (220) |
| (Increase)/ Decrease in other financial assets | (17) | 1,266 |
| Decrease/ (Increase) in trade receivables | (353) | 17 |
| Decrease/ (Increase) in other non-financial assets | 23 | 72 |
| (Increase)/ Decrease in Loans | 62 | (25) |
| Decrease/ (Increase) in fixed deposits with maturity more than 3 months | 290 | (102) |
| Total changes in working capital | (1,200) | 600 |
| Cash generated from operations | (284) | 1,269 |
| Taxes paid, net of refunds | (137) | (246) |
| Net cash generated/(used) from operating activities (A) | (421) | 1,023 |
| Cash flow from investing activities: | | |
| Purchase of property, plant and equipments including capital work-in-progress | (39) | (6) |
| Purchase of Investments | (556) | (1,902) |
| Proceeds from sale / redemption of investments | 15 | - |
| Interest income | 86 | 56 |
| Dividend received | 10 | - |
| Net cash generated/(used) from in investing activities (B) | (484) | (1,852) |
| Cash flow from financing activities: | | |
| Application Money against warrants | | |
| Borrowings availed during the year | 277 | - |
| Borrowings repaid during the year | - | (3) |
| Interest paid | (10) | (15) |
| Payment of Lease rent | (41) | (21) |
| Payment of Dividend to shareholders | (1,193) | - |
| Net cash generated/(used) in financing activities (C) | (967) | (39) |

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

STANDALONE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED SEPTEMBER 30, 2021

(Rs. in Lakhs, unless otherwise stated)

| Particulars | Period ended 30-Sep-21 | Period ended 30-Sep-20 |
|---|-----------------------------------|-----------------------------------|
| | | |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (1,872) | (868) |
| Cash and cash equivalents at the beginning of the year | 2,084 | 933 |
| Cash and cash equivalents at the end of the year | 212 | 65 |
| Total | (1,872) | (868) |
| Notes: | | |
| 1) Cash and cash equivalents comprise of | | |
| Cash on hand | 0 | 1 |
| Balances with banks | | |
| In current account | 212 | 64 |
| Demand deposits (less than 3 months maturity) | - | - |
| Cash and cash equivalents at the end of the year | 212 | 65 |

Notes:

The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

Standalone Notes:

- 1 The above standalone financial results have 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 the relevant rules issued thereunder and other accounting principles generally accepted in India. The standalone financial results were reviewed by Audit Committee and approved by the Board of Directors at its Meeting held on November 9, 2021. The results for the quarter and half year ended September 30, 2021 were subjected to limited review by the statutory auditors of the company.
- 2 Amid continued COVID-19 pandemic and gradual phase out of restrictions, economic activities have started returning to normal. Employees of the Company continue to work from home. The Company believes that it has taken into account all possible impact of known events arising out of COVID 19 pandemic in preparation of financial results. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company is continuously monitoring any material changes that may influence future economic conditions.
- 3 Pursuant to receipt of order dated May 13, 2021, from the Honourable National Company Law Tribunal, Mumbai Bench (NCLT) approving the Scheme of amalgamation of its erstwhile subsidiaries, Primesec Investment Limited (PIL) and Prime Commodities Broking (India) Limited (PCBIL), (jointly referred as the Transferor Companies), with Prime Securities Limited (PSL), (the Transferee Company) as a result of which the Transferor Companies and Transferee Company have filed Form INC-28 with ROC, which has made the Scheme effective from April 1, 2020. Amalgamation of the Transferor Companies with the Transferee Company has been accounted in the books of the Transferee Company as per Pooling of Interests Method as set out in Appendix C of Ind-AS 103 (Business Combinations of entities under common control) read with the Companies (Indian Accounting Standards) Rules, 2015. The comparative financial information in the financial results in respect of year ended March 31, 2021 and quarter and half year ended September 30, 2020, have been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e April 1, 2019.
- 4 During the quarter and half year ended September 30, 2021, the Company has tracked and recovered certain listed shares which had formed a part of its investments. These had been misplaced and so written-off in earlier years. These shares have since been reinstated at the average cost they were carried at. The difference between the market value of such shares on the date of reinstatement and the average cost at which they have been reinstated and related expense, has been accounted for through exceptional item as the gain that has been accounted for does not pertain to this quarter and half year ended September 30, 2021 alone. Subsequent changes in fair valuations have been shown under "Net Gain on fair value changes".
- 5 The Board of Directors have, at their meeting held on October 13, 2021, approved the issue of upto 45,50,000 equity shares of the Company to the specified investors, on a preferential basis at a price of Rs. 88.75 per equity share, subject to approval of the shareholders at their extraordinary general meeting scheduled to be held on November 10, 2021.
- 6 The Company has only one segment i.e. Financial Advisory & Intermediation services. There are no separate reportable segments in terms of Ind AS 108.
- 7 The amounts reflected as "0" in the Financial Information are values with less than rupees one lakh.
- 8 Previous quarter, half year and year ended figures have been regrouped / reclassified, wherever necessary, to confirm to the current quarter presentation.

Mumbai
November 9, 2021

For Prime Securities Limited

JAYAKUMAR
NARAYANSWAMI

Digitally signed by JAYAKUMAR NARAYANSWAMI
DN: cn=JAYAKUMAR NARAYANSWAMI, o=PRIME SECURITIES LIMITED, ou=PRIME SECURITIES LIMITED, email=jayakumar.narayan@primesecurities.com, c=IN

N. Jayakumar
Managing Director & Group CEO