

## Walker Chandlok &amp; Co LLP

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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the 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 were engaged to review the accompanying statement of standalone unaudited financial results ('the Statement') of Prime Securities Limited ('the Company') for the quarter ended 30 September 2019 and the year to date results for the period 01 April 2019 to 30 September 2019, 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. Attention is drawn to the fact that the cash flow figures for the corresponding six month period ended 30 September 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.
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'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We have taken into account the requirements of 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. Because of the matters described in the Basis for Disclaimer of Conclusion paragraph, we were not able to obtain sufficient appropriate evidence to provide a basis for our conclusion on the Statement.



**Prime Securities Limited**

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**4. Basis for Disclaimer of Conclusion**

- a) As stated in Note 5(a) to the accompanying Statement, the Company's current financial assets as at 30 September 2019 includes trade receivable aggregating to Rs. 500.00 lakhs (30 June 2019: Rs. 500.00 lakhs, 31 March 2019: Rs. 500.00 lakhs) which have been outstanding for a substantial period of time and in respect of which confirmations/ statements from the respective debtor have not been received. The management has assessed that the aforesaid trade receivable are fully recoverable and no adjustments are required to the carrying value of the aforesaid balance. However, in the absence of sufficient appropriate evidence to support the management's assessment as above and lack of any other relevant alternate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these trade receivable in accordance with the requirements of Ind AS 109, 'Financial Instruments', and the consequential impact on the accompanying standalone financial results.
- b) As stated in Note 5(a) to the accompanying Statement, the Company's non-current financial asset as at 30 September 2019 includes advance against purchase of property aggregating Rs. 327.50 lakhs (30 June 2019: Rs. 327.50 lakhs, 31 March 2019: Rs. 327.50 lakhs) which have been outstanding for a substantial period of time and in respect of which confirmations/ statements from the respective party has not been received. The management has assessed that the aforesaid advances are fully recoverable and no adjustments are required to the carrying value of the aforesaid balance. However, in the absence of sufficient appropriate evidence to support the management's assessment as above and lack of any other alternate evidence, we are unable to comment upon adjustments, if any, that are required to the carrying value of the aforesaid balance in accordance with the requirements of Ind AS 109, 'Financial Instruments' and the consequential impact on the accompanying standalone financial results.

**5. Disclaimer of Conclusion**

Because of the significance of the matters described in the Basis for Disclaimer of Conclusion paragraph above, we have not been able to obtain sufficient appropriate evidence to provide a basis for our conclusion as to whether anything has come to our attention that cause 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, the SEBI Circular(s), 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. Accordingly, we do not express our conclusion on the Statement.

6. In addition to the matters described in Disclaimer of Conclusion paragraph above, we draw attention to note 5(b) to the accompanying Statement, regarding the Company's non-current investments and Inter-Company deposit in Primesec Investments Limited, wholly owned subsidiary aggregating to Rs. 4,793.99 lakhs (30 June 2019: Rs. 3890.99 lakhs, 31 March 2019: Rs. 4273.97 lakhs, 30 September 2018: 4617.67 lakhs) as at 30 September 2019, which is considered as fully recoverable by the management based on a valuation performed by an independent valuation expert as on 30 September 2019. However, these are dependent on certain assumptions and estimates considered by the management, the appropriateness of which is dependent upon the realisation of the related business plans.



# Walker Chandlok & Co LLP

## Prime Securities Limited

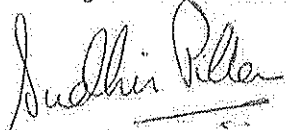
Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

7. The review of standalone unaudited quarterly financial results for the period ended ended 30 June 2019, included in the Statement, was carried out and reported by, Gandhi & Associates LLP, Chartered Accountant who have expressed modified conclusion vide their review report dated 14 August 2019, whose reports have been furnished to us and which has been relied upon by us for the purpose of our review of the Statement.
8. The review of standalone unaudited quarterly financial results for the period ended 30 September 2018 and audit of standalone financial results for the quarter and year ended 31 March 2019 included in the Statement was carried out and reported by Gandhi & Associates LLP, Chartered Accountant who have expressed modified conclusion vide their review report dated 13 November 2018 and modified opinion vide their audit report dated 18 May 2019 respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

For Walker Chandlok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sudhir N. Pillai

Partner

Membership No. 105782

UDIN No: 19105782AAAAGO6412

Place: Mumbai

Date: 09 November 2019

# PRIME SECURITIES LIMITED

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

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2019 STATEMENT OF PROFIT AND LOSS (STANDALONE)

(Rs. in Lakhs, unless otherwise stated)

PARTICULARS	Quarter ended			Period ended		
	30-Sep-19 (Unaudited)	30-Jun-19 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-18 (Unaudited)	31-Mar-19 (Audited)
I. Revenue from operations	808	505	209	1,313	521	1,038
II. Other income	1	9	5	10	7	73
III. Total Income (I+II)	809	514	214	1,323	528	1,111
IV. Expenses						
Employee benefits expense	594	88	130	682	197	485
Finance costs	2	1	1	3	2	4
Depreciation and amortisation expense	8	7	5	15	10	26
Professional fees	108	21	17	129	26	56
Other expenses	149	47	70	196	104	265
Total Expenses	861	164	223	1,025	339	836
V. Profit / (Loss) before tax (III-IV)	(52)	350	(9)	298	189	275
VI. Tax expenses / (credits)						
(i) Current tax	(11)	69	(3)	88	39	56
(ii) Deferred tax liabilities / (assets)	(1)	-	-	(1)	-	(10)
VII. Profit / (Loss) after tax (V-VI)	(40)	281	(6)	241	150	229
VIII. Other comprehensive income (Net)	(5)	(7)	(14)	(12)	(58)	(49)
IX. Total Comprehensive Income (VII+VIII)	(45)	274	(20)	229	92	180
X. (i) Paid-up Equity Share Capital (Face Value Rs. 5/- each)	1,330	1,330	1,330	1,330	1,330	1,330
(ii) Other Equity						6,038
XI. Earnings per Equity Share (Rs. not annualised for the quarters and half year ended)						
- Basic	(0.15)	1.06	(0.08)	0.91	0.35	0.86
- Diluted	(0.15)	0.99	(0.08)	0.91	0.35	0.85

### Notes:

- The above results are in compliance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013. The results were reviewed by Audit Committee and taken on record by the Board of Directors at its Meeting held on November 9, 2019.
- Employee benefit expense include employee stock option expenses and ex-gratia.
- Other expenses include sundry balances written-off and unrealised loss on investments.
- Other comprehensive income represents net actuarial gain / (loss) on employee defined benefit obligation.
- Independent Auditors in their Limited Review Report for the Quarter ended September 30, 2019 has recorded their opinion about the following:
  - Non receipt of confirmation of account from a debtor and advance. *Management clarification: Management is confident of receiving the amount in the ordinary course of business.*
  - 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 Company has only one segment i.e. Financial Advisory & Intermediation services. There are no separate reportable segments as required by Accounting Ind AS 108 issued by ICAI.
- Previous period figures have been re-grouped / re-classified wherever necessary.

Mumbai  
November 9, 2019



For Prime Securities Limited  
*Sayak Nigam*  
N. Jayakumar  
Managing Director & Group CEO



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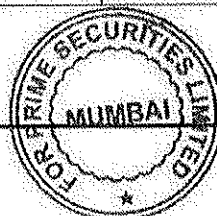
## UNAUDITED FINANCIAL RESULTS FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2019

### STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	As At 30-Sep-19 (Unaudited)	As At 31-Mar-19 (Audited)	As At 30-Sep-19 (Unaudited)	As At 31-Mar-19 (Audited)
<b>A. ASSETS</b>				
1. Non-Current Assets:				
a) Property, Plants & Equipment	296	293	429	439
b) Other Intangible Assets	1	1	5	5
c) Financial Assets:				
(i) Investments	1,748	1,766	45	168
d) Deferred Tax Assets	100	99	100	100
e) Non -Current Advance tax Assets (Net)	209	171	308	-
f) Other Non-Current Assets	347	348	378	379
Total Non-Current Assets	2,701	2,678	1,265	1,091
2. Current Assets:				
a) Financial Assets:				
(i) Investments	9	39	9	107
(ii) Trade receivables	500	561	1,944	2,712
(iii) Cash & Cash equivalents	65	20	430	87
(iv) Bank Balance other than (iii) above	-	-	1,057	347
(v) Loans	4,825	4,604	100	100
(vi) Others Financial Assets	-	-	115	129
b) Other Current Assets	16	27	80	62
Total Non-Current Assets	5,415	5,251	3,735	3,544
<b>TOTAL ASSETS</b>	<b>8,116</b>	<b>7,929</b>	<b>5,000</b>	<b>4,635</b>
<b>B. EQUITY &amp; LIABILITIES</b>				
1. Equity:				
a) Equity Share Capital	1,330	1,330	1,330	1,330
b) Other Equity	6,429	6,038	3,075	2,238
Total Equity	7,759	7,368	4,405	3,568
2. Non-Current Liabilities:				
a) Financial Liabilities:				
(i) Borrowings	20	23	40	88
b) Deferred Tax Liability (Net)	-	-	1	1
c) Provisions	233	220	236	222
Total Non-Current Liabilities	253	243	277	311
3. Current Liabilities:				
a) Financial Liabilities:				
(i) Borrowings	-	173	-	273
(ii) Trade Payables	13	24	20	43
(iii) Other Financial liabilities	6	6	11	22
b) Other Current Liabilities	44	78	245	376
c) Provisions	41	37	42	37
d) Current tax Liabilities (Net)	-	-	-	5
Total Current Liabilities	104	318	318	756
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,116</b>	<b>7,929</b>	<b>5,000</b>	<b>4,635</b>

Mumbai  
November 9, 2019



For Prime Securities Limited  
N. Jayakumar  
Managing Director & Group CEO



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## UNAUDITED FINANCIAL RESULTS FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2019 STATEMENT OF CASH FLOWS (STANDALONE)

PARTICULARS	(Rs. in Lakhs)	
	Period ended 30-Sep-19	Period ended 30-Sep-18
<b>A. Cash flow from Operating Activities</b>		
Net Profit / (Loss) before tax	286	131
Adjustments for:		
Interest received	(8)	-
Depreciation	15	10
Lease Liability Written-back	(5)	-
Interest & finance charges	3	2
(Appreciation) / diminution in value of investments	49	(5)
Provision for outstanding ESOS	163	-
	278	7
Operating profit / (loss) before working capital changes	558	138
Adjustments for changes in the working capital		
Debtor	-	(213)
Current assets	10	4
Loans & advances	(221)	91
Current liabilities & provisions	(39)	139
	(250)	21
Cash generated from operations	309	158
Direct taxes (paid) / refund (net)	(97)	(34)
<b>Net Cash from Operating Activities (A)</b>	<b>217</b>	<b>124</b>
<b>B. Cashflow from Investment Activities</b>		
Purchase of investments	-	(850)
Purchase of fixed assets	(1)	(51)
Interest received	8	-
<b>Net Cash from Investment Activities (B)</b>	<b>7</b>	<b>(901)</b>
<b>C. Cashflow from Financing Activities</b>		
Interest & finance charges	(3)	(2)
Application money against warrants	-	866
Funds borrowed / (repaid) (net)	(176)	(66)
<b>Net Cash from Finance Activities (C)</b>	<b>(179)</b>	<b>798</b>
<b>Net Cashflow (A + B + C)</b>	<b>45</b>	<b>21</b>
<b>Changes in the Cash &amp; Bank Balances</b>	<b>45</b>	<b>21</b>
Cash and Cash Equivalents at the beginning of the year	20	6
Cash and Cash Equivalents at the end of the year	65	26

Mumbai  
November 9, 2019



For Prime Securities Limited  
  
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Managing Director & Group CEO

