



June 5, 2024

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001

Capital Markets - Listing
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex, Bandra (E),
Mumbai 400051

Dear Sir,

Sub: Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re: Stock Code: 500337 (BSE) / PRIMESECU (NSE)

Pursuant to the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report for the Financial Year 2023-24.

This is for your record and information.

Thanking you,

Yours faithfully,
For **Prime Securities Limited**



Ajay Shah
Company Secretary
(ACS-14359)



Prime Securities Limited
Annual Report 2023-24



RoIP & RoNW

Return on Intellectual Property
& Return on Network

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

RoIP & RoNW

At Prime Securities Limited, the power of intangibles drives tangible outcomes.



The two effective value drivers comprise knowledge and network.



This is reflected in a simple understanding: We are what we know; we are who we know.



This combination translated into business-strengthening initiatives and superior value during the last few years.



Strengthening outcomes for all the company's stakeholders.



Prime Securities Limited.

In an increasingly unpredictable world, there is a premium on professional insight and advice.

Prime is a unique listed enterprise that specialises in customised solutions for corporate clients to overcome business challenges.

These solutions are curated through a complement of multi-decade intellectual capital on the one hand and an extensive network on the other.

The result is an aggregation of subject matter experts and professionals who dare to curate creative solutions that maximise value for the customer and the company.



OUR VALUES

Our vision

Our group is known for being founded on knowledge, guided by integrity, nurtured by experience, and driven by a passion to offer customised solutions in investment banking and corporate advisory services.



Our mission

Our aim is to reach our goals in a fair and equitable environment for all stakeholders including clients, employees, shareholders and society

Our presence

Prime Securities is based in Mumbai, India's financial capital. The company's location provided customers with enhanced access. Even as the company was headquartered in one city, its services were delivered pan-India.

Our listing

Prime Securities has been listed on the NSE and BSE since 1994. As on March 31, 2024, the company had a market capitalisation of ₹604.03 cr.

Our offerings

Prime Securities delivers specialised consulting services that key issues faced by customers, generating revenue through fees and repeat engagement revenues. The company offers strategic advice covering financial planning, fundraising, mergers & acquisitions, private equity, debt placements, public offerings, corporate advisory, and capital restructuring. The Prime team conducts detailed due diligence, negotiating and finalising financial terms that address client requirements.


Our human resource

The Company comprised 15 skilled professionals and specialists on its team as on March 31, 2024. The average team member age was 44 years on that date. The diversity of subject matter experts empowered the company to provide a one-stop solution.

Our relationships

Prime Securities has built long-term customer and vendor relationships with corporations, foreign institutional investors, financial institutions, banks, mutual funds, insurance companies, and high-net-worth individuals, both within and outside India.

Our principles

- To be a knowledge-driven company that promotes innovation
 - To maintain the greatest levels of integrity and morality in corporate governance
 - To establish a meritocratic workplace that values people as individuals and promotes cooperation and teamwork.
 - To foster an excellent corporate culture and cultivate a feeling of dedication and ownership in every team member.
 - To ensure that the interests of the client are priority.
- 

Our competencies

Prime Securities is an employee-driven, Board-managed company with a dedicated team of 15 corporate finance professionals as of March 31, 2024. Key executives are actively involved in every transaction, ensuring a hands-on approach. The relatively small team empowers Prime to keep fixed overhead costs low and counter inefficiencies often found in larger organisations.



Our senior management team at Prime Securities

N. Jayakumar

Managing Director and Group CEO

Akshay Gupta

Whole-time Director, Prime Securities Limited /
Managing Director and CEO, Prime Research and
Advisory Limited

Ganesh Agarwal

Managing Director, Mergers and Acquisitions /
Private Equity

Ranen Gandhi

Managing Director, Debt Capital Markets

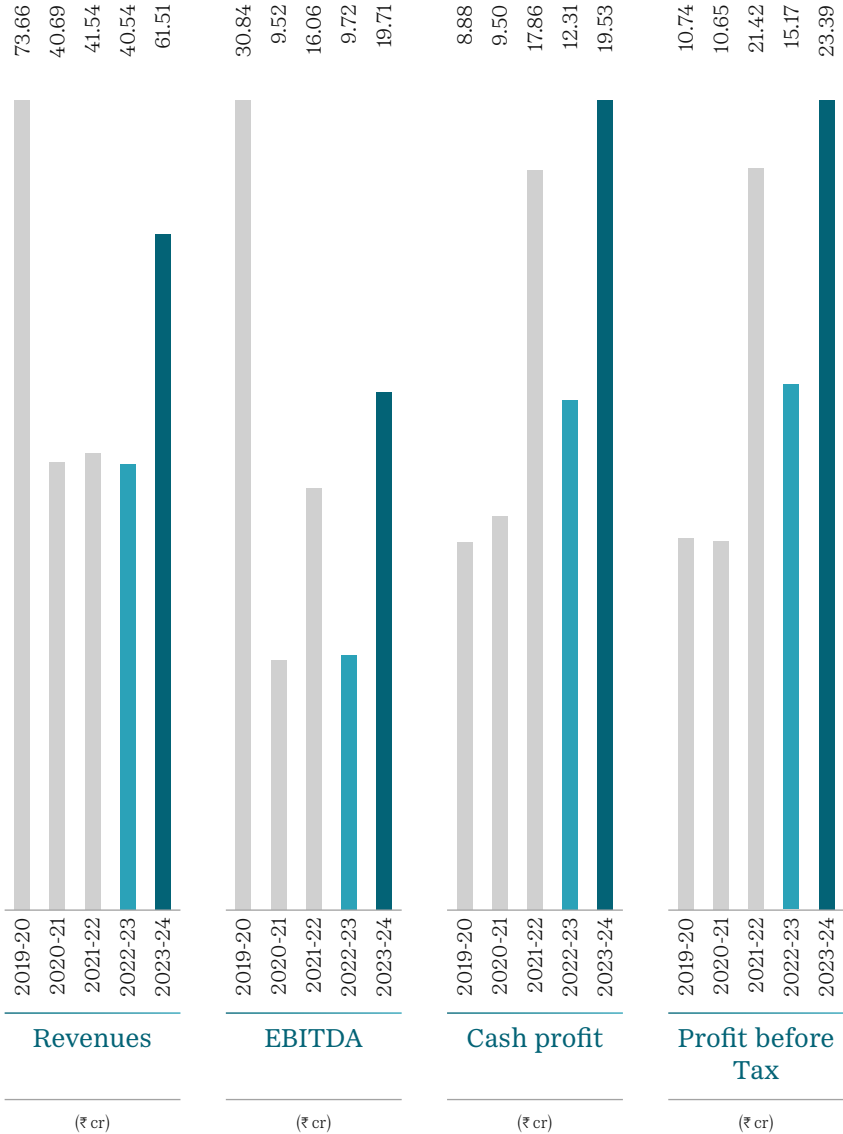
Arun Shah

Chief Financial Officer

Ajay Shah

Executive Director, Legal and Company Secretary

How we strengthened our financials over the years



Balance Sheet ratios

Ratios	2019-20	2020-21	2021-22	2022-23	2023-24
Earnings per share (₹)	2.97	3.09	5.45	3.52	5.66
Book Value per share (₹)	17.08	21.57	35.75	39.23	47.33

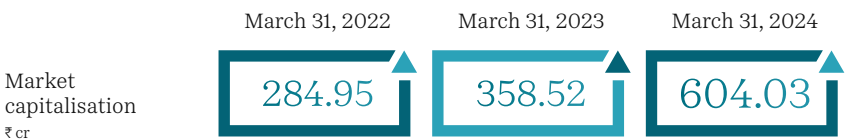
Profitability ratios

Ratios	2019-20	2020-21	2021-22	2022-23	2023-24
EBITDA margin (%)	41.87	23.40	38.66	23.98	32.04
Net profit margin (%)	10.71	20.16	40.89	27.57	30.18
Return on assets (%)	14.30	11.47	16.01	8.23	11.69
Return on capital employed (%)	71.74	15.94	17.45	7.05	13.17
Return on equity (%)	19.98	16.01	20.14	9.38	13.05

Liquidity and solvency ratios

Margins	2019-20	2020-21	2021-22	2022-23	2023-24
Debt-equity ratio (including working capital)	0.01	0.01	0.05	0.00	0.00
Debt-equity ratio (only long-term debt)	0.01	0.01	0.00	0.00	0.00
Interest cover	137.71	21.38	145.39	19.43	1058.50

How Prime Securities has improved shareholder value





How we are building a stronger Prime: *Increasing annuity revenues*

At Prime Securities, we will continue to remain opportunity focused.

We will be driven by the prospect of generating fee income on the one hand and annuity revenues on the other.

The one business where we expect to combine both to intermediate between banks on the one hand and small non-banking finance companies on the other.

Banks need to disburse a certain percentage of their overall lending to micro-medium-small enterprises as a part of government policy. A number of banks are unable to meet their obligations because of distribution and market penetration challenges.

On the other hand, there are non-banking financing companies with an extensive presence to MSME customers in semi-urban and rural India with relatively low capital access.

At Prime, we are growing our revenue profile through responsible loan co-origination. This makes it possible for our company (through Prime Research & Advisory) to generate a one-time fee income coupled with an ongoing annuity drip income. In turn, Prime is attractively positioned to intermediate yet again in case the bank is keen to sell down its debt portfolio.

During the last financial year, 55% of the revenue generated by Prime Research was annuity in nature, enhancing revenue visibility and predictability.

Given That the size of the addressable market for such transactions is in excess of ₹300,000 cr, Prime is optimistic of transforming this into a regular activity stream, generating a growing revenue share.

Putting Return on Intellectual property to work.



How we are building a nimbler Prime: *Extending into adjacent spaces*

At Prime Securities, we are developing business adjacencies that promise to empower us to develop a well-rounded financial intermediation personality.

In 2022, the company entered into an agreement with Bridgeweave Limited (Bridgeweave UK), a UK-based technology firm specialising in Artificial Intelligence and Machine Learning, for use in creating stock market baskets.

This investment represented a decisive step into future-focused initiatives. Bridgeweave UK developed a range of financial products customised around the needs of retail investors through cutting-edge technologies.

Prime is appraising possibilities of extending into fund management through use of Bridgeweave products and also to acquire a wealth management company.

This business is appearing more relevant now than ever.

As India is poised on possibly the most aggressive wealth creation phase in its existence, there will be a premium on the competence to advise and manage individual funds.

We see a growing relevance in both businesses. Through this proposed complement of fund and wealth management businesses, Prime is expected to extend enter a dynamic space where it generates attractive annuity fee incomes.

Leveraging the power of its network and intellectual capital.

STRATEGIC DIRECTION



N Jayakumar,
Managing Director
and Group CEO

At Prime, we will continue to seek larger deals that generate outsized returns; we will continue to appraise the operating landscapes for partnerships, alliances and acquisitions that can enhance the value of our enterprise.

The pillars of our strategic thrust can be best summarised by these directional imperatives

Blending traditional investment banking with cutting-edge technologies

Blending deal-based corporate finance fees with well-crafted annuity-based revenues

Blending youthful exuberance and eager tech adoption with sage experience and empirical knowledge

Overview

At Prime Securities, we reported a record financial year in FY 2023-24. Revenues climbed 42% to ₹6,664 lakhs, EBIDTA strengthened 103% to ₹1,971 lakhs and profit after tax was 66% higher at ₹1,856 lakhs. Earnings per share strengthened from ₹3.52 to ₹5.66.

This improvement in earnings was the outcome of closing more and larger deals in the spaces of corporate advisory, restructuring and fund-raising.

The improvement was the outcome of what we have always believed: That companies focusing on their businesses generally overlook the need to financially retrofit and retool, as a result of which they often underperform.

The result is that the faster they grew, the bigger their imbalances became visible and the more they needed professional intervention. The result is that their challenges were more a result of their single-minded success and the absence of a holistic perspective.

At Prime, we focused on creating a business that would focus on advisory and implementation services. We started with a differentiated approach: we selected the non-mandated route to customer access where we would study companies, identify their pain points from the outside, curate a proposed solution and then present this to the company.

This solution was generally curated not on the basis of what the company was but what it could be. Besides, because the solution would be non-mandated, we would be crafting a single shoe to fit just one foot.

This contrarian approach did not generate the conventional 'We did not ask you for this solution' but a more welcome 'Surprisingly, we had never seen things presented this way'.

Inevitably, the proposed solution would be enhanced business sustainability, increased viability and a superior market valuation.

I am pleased to communicate that during the last few years, we have been able to deepen the credibility of this pitch. Virtually every single of our non-mandated approaches resulted in the target company arriving at the conclusion that what we were proposing was realistic, doable and logical. I must also mention in the same breath that despite the lucidity of this reality, many of them would not have contemplated such an approach.

So what were the approaches in most cases?

The approaches represented a coming together of intellectual property and the networking capability, to be able to present our proposed solution to decision makers within the target companies.

If we have grown over the years, it has been because of a widening circle of goodwill. More managements to whom we delivered superior outcomes spoke well about us; more and different doors opened. We were able to go into more targeted companies with structured proposals of how we could make them more competitive.

The last number of years have also been kind to us, even as the external world and business models of established companies came under threat from a host of quarters, not the least being technology. Companies that were cantering began to falter; a number of business models that appeared robust began to look vulnerable. Our services became increasingly relevant to such companies as more managements grappled to get out of their issues.

There is another set of tailwind that has taken our business ahead. India has begun to accelerate; there is a premium on speed. The large and strong do not necessarily need to turn to us only in their moments of weakness; they seek to acquire; they seek target companies of the right fit; they need advisors who can get pieces to their table that fit their gaps. During the last few years, a large number of deals that we did were in this direction – the strong seeking to get stronger, quickly, through consolidation.

The result is that Prime reported its highest revenues in the last financial

year. Revenues across the quarters may have been lumpy but the year generated deals of progressively larger sizes. I am pleased to state that the company is presently engaged in complex deals that should translate into even more profitable outcomes during the current financial year.

Where is Prime headed?

There is a certain uniqueness about Prime and its business model. There is no company focusing purely on corporate advisory deals as a means of generating revenues. Our thirty three-year history has created a rich legacy of problem solving and value-added advisory, through use of our network and capability repository.

We have invested deep within and hence should become increasingly valuable for investment banking companies seeking to enter India and open to buying a stake as a way of shrinking their time-to-market. We also seek to position ourselves as value-enhancing adjuncts to banks and financial institutions who by the nature of their business may be wired to think conventionally; we seek to enhance value through integration with consolidators or consolidating others into ourself, where the value of the outcome becomes larger than the sum of the constituents.

Our objective will be to build corporate value through the prudent use of our

cash and cash equivalents: through stakes in start-ups whose deals we help advise, intermediate and conclude; we believe that these stakes could generate a value disproportionately higher than if we returned the cash to shareholders through dividends or share buybacks. We will invest selectively in technology so that we can sweat our intellectual capital resources more effectively. Even as we remain a relatively small company in terms of the number of professionals, we expect to generate progressively higher per person revenues.

Simultaneously, we endeavor to build annuity revenues in addition to one-time fee incomes, enhancing the predictability of our business.

Our objective will be to hire young talent, where their ease with technology transforms into an organisational advantage.

I am optimistic that a bright future awaits us.

This is an exciting time to be in India!

N Jayakumar,

Managing Director and Group CEO

Our Board of Directors



Smeeta Bhatkal

Non-Executive and Independent Director

Ms. Smeeta Bhatkal is Dean - Banking, Financial Services & Insurance (BFSI) at Welingkar Institute of Management Development & Research, Mumbai. She participated in the GCPCL Program at Harvard Business School and attended the International Financial Markets program conducted by the Bombay Stock Exchange. Ms. Bhatkal completed the Morgan Finance Program at JP Morgan's New York office with exceptional ratings. She has authored the Handbook of Banking Terms and served as an Independent Director on the boards of SBI General Insurance Company Limited and SBI DFHI Limited. Her previous roles include Director of Corporate Finance at Prime Securities and Group Manager of Corporate Finance at ICICI Securities and Finance Company Limited. She graduated from the Indian Institute of Management, Ahmedabad and Sydenham College, Mumbai, with various academic accolades.



Ashok Kacker

Non-Executive and Independent Director

Mr. Ashok Kacker, former Chief Commissioner of Income Tax, retired in 2007 after over three decades of service with the Government of India. He held executive positions and contributed to policy formulation, notably as Executive Director at SEBI for six years. Currently, as Founder & Managing Partner of A. K. Advisors and Consultants, he offers financial consultancy services and holds directorial positions in esteemed companies like Max India Limited. With a Master's degree in Physics from the University of Allahabad, Mr. Kacker's expertise spans finance, governance, and corporate leadership.

**Mayank Malik***Non-Executive and Independent Director*

Mr. Mayank Malik brings 35 years of versatile experience, including 20 years as CEO in five countries. He led Citibank in the Middle East and Africa, building new businesses in the region and running corporate, consumer and investment banking franchises. As CEO, he oversaw operations in five countries. Additionally, he served as President and CEO of IndusInd International Holdings Limited, the parent company of IndusInd Bank. Mr. Malik chaired the Tanzania Bankers Association and the Bahrain Association of Banks, the first non-Bahraini to hold this position since 1971. He has been involved with various boards, including the American Chamber of Commerce and educational associations. He holds a postgraduate degree from the Indian Institute of Management, Ahmedabad, and achieved the first rank in Bachelor of Commerce Honours from the University of Delhi.

**Sujit Kumar Varma***Non-Executive and Non-Independent Director*

Mr. Sujit Kumar Varma, a seasoned banker, with a stellar career spanning over three decades at the State Bank of India (SBI). His leadership roles include CEO at SBI New York, USA, GM at the Mid-Corporate Regional Office in Mumbai, and CGM in International Banking. He concluded his tenure as DMD of the Corporate Accounts Group in January 2021. With a Bachelor of Arts (Hons.) in English and certifications from institutes like IIBF, Harvard Business School, and IIM Ahmedabad, Mr. Varma has in-depth experience in areas such as credit, trade finance, risk management, and regulatory compliance etc.



Akshay Gupta

Managing Director and CEO, Prime Research and Advisory and Whole-time Director, Prime Securities

Mr. Akshay Gupta holds a B.E Electronics and Communication degree from University of Delhi and Marketing and Finance degree from FMS Delhi. He has more than 23 years of experience in banking, asset management and capital markets with the last 15 years of experience in the Asset Management Industry in India. Before joining Prime, he was working with India bulls as the Group Executive Head & CEO Asset Management and other fee income businesses. For more than six years, he was associated with Peerless Asset Management as MD & CEO, wherein he led the initiative to setup a new AMC and made it one of the fastest growing new AMCs in India. He worked with ICICI Prudential Asset Management Company from 2002-2007 as a Business Head and was part of the Senior Management team that made it the largest and most successful AMC at that time. Prior to joining the AMC industry, Mr. Akshay Gupta was a banker, having worked in ABN AMRO Bank and HSBC working in capital markets and assets. He has also written and published thought leadership papers and articles on capital markets and asset management. Prior to joining the AMC industry, Mr. Akshay Gupta was a banker, having worked in ABN AMRO Bank and HSBC working in capital markets and assets. He has also written and published thought leadership papers and articles on capital markets and asset management.



N. Jayakumar

Managing Director and Group CEO, Prime Securities, Director, Prime Research and Advisory

Mr. N. Jayakumar, a prominent figure in finance, began his tenure at Prime Securities in 1993, after leading Citibank's Investment Banking Group. He holds a B. Tech in Mechanical Engineering from IIT Delhi and an MBA from IIM Ahmedabad. With expertise in wealth management, private equity, and equity research, he's a respected authority in the Indian economy. Jayakumar is frequently featured on business TV channels for his insights into wealth restructuring and stock markets.

Our management team

Arun Shah

Chief Financial Officer

Mr. Arun Shah, a Chartered Accountant with a background in Chemistry, brings over four decades of diverse experience in finance and corporate sectors. His expertise includes foreign exchange risk management, financial restructuring, and corporate laws. In leadership roles as Executive and Non-Executive Chairman, he has driven the success of large listed business groups across FMCG, EPC, software, and lifestyle industries. Mr. Shah's extensive experience and strategic acumen make him a valuable asset for companies tackling critical assignments and navigating complex challenges.

Ganesh Agarwal

*Managing Director,
Mergers and
Acquisitions / Private
Equity*

Mr. Ganesh Agarwal, a seasoned Chartered Accountant, brings nearly 20 years of expertise in Investment Banking. Specialising in private equity, mergers and acquisitions, capital markets and corporate advisory services, he has facilitated successful transactions across sectors like Infrastructure, Industrials, Consumer, Lifesciences and Financial Services. With experience at Axis Capital and Anand Rathi Advisors, Mr. Agarwal is renowned for his strategic insights and tailored advisory services. His track record and deep understanding of financial products make him a respected figure in the industry.

Ranen Gandhi

*Managing Director,
Debt Capital Markets*

Mr. Ranen Gandhi has extensive experience across Capital Markets, Asset Management and Insurance business. Prior to Prime he has worked with ICICI Prudential AMC Ltd. and Star Union Dai-Ichi Life Insurance amongst others. He has led large teams in Sales function, both Retail and Institutional, and was also Product Head at ICICI Prudential AMC Ltd. He has also been part of AMFI Sub-Committee for Investor Connect. In insurance he was leading a strategic business unit and was various responsible for both business and operation function. Mr. Ranen has done his MBA-Finance from University of Calcutta.

Kanan Kapur

Executive Director

Ms. Kanan Kapur comes with over 15 years of global experience in Sales/Business Development. Her forte lies in Relationship Management, Debt Fund Raising, Trade Finance, Financial Structuring, Formulating Company Strategy, Growth Imperatives, Capital Deployment, and Project Execution. Her extensive experience includes spearheading operations in structured finance and adding value by developing solutions for projects she has independently undertaken. She has been an exemplary team player from the very nascent stage of her career. In the past ~15 years, she has been part of institutions such as IIFL, Money Matters, Blend Financial Services, and Coeus Advisors Pvt. Ltd.

Rahul Tadimalla

*Executive Director,
Distribution - Private
Equity and Venture
Capital Funds*

Mr. Rahul Tadimalla is a seasoned professional in corporate finance advisory for startups and SMEs, with over 19 years of experience. He was the Founding Partner of RSVP Capital Advisors, where he specialised in raising Angel, VC/PE funding, debt syndication, and advising on M&A transactions. His career includes positions at Kotak, Birla Wealth Management, ICICI Bank (Bangalore and Singapore) and KPMG. He was recognised with the '40 under 40 Alternative Investment Professionals in India' Award in 2019. Mr. Rahul Tadimalla holds an MBA from NUS Business School, Singapore with an exchange program from Melbourne Business School, Australia. Outside of his professional endeavours, Mr. Tadimalla enjoys playing the keyboard and singing in his well-known band, and engaging in sports like tennis and table tennis.

Apurva Doshi

*Senior Vice President,
Equity Capital Markets*

Mr. Apurva Doshi, with over 17 years of experience in investment banking, joined Prime Securities in 2007. His expertise includes financial analysis, valuation, and business planning. Prior to this, he worked as a research analyst at CRISIL Research & Information Services Limited and Stratcap Securities, focusing on sectors like automobiles and cement. Mr. Doshi holds a PGDBA in Finance from Chetana's Institute of Management & Research and an M.Com. from Mumbai University. With a strong educational background and hands-on experience, he continues to contribute significantly to Prime Securities and its clients in various financial advisory capacities.

Rachit Goel

*Vice President, Equity
Capital Markets &
Early Stage Financing*

With over 15 years of experience, Mr. Rachit Goel specialises in mergers & acquisitions, corporate restructuring, private equity, and capital markets. He previously served as Associate Director at HSBC for over 8 years, gaining expertise in investment banking and equity capital markets. Mr. Goel holds an MBA in Finance and a Bachelor's degree in Commerce from the University of Delhi, providing him with a strong foundation for success in the financial industry.

Ajay Shah

*Executive Director,
Legal and Company
Secretary*

Mr. Ajay Shah has been with Prime Securities Limited since July 2001, initially as Company Secretary and Compliance Officer, now serving as Executive Director – Legal & Company Secretary. With over 22 years of experience, he specialises in corporate laws, particularly in secretarial compliance and governance. Mr. Shah ensures regulatory compliance for stockbrokers, portfolio managers, and depository activities. He also manages legal agreements and reporting to management and statutory bodies. A qualified Company Secretary, Mr. Shah previously served at Asian Star Company Limited, refining his skills in corporate governance and legal compliance.

Corporate information

Registered office

1109/1110, Maker Chambers V, Nariman Point,
Mumbai 400021
Tel: +91-22-61842525
E-mail: prime@primesec.com

Corporate identity number

L67120MH1982PLC026724

ISIN / listing of equity shares

ISIN: INEO32B01021
Scrip Code: NSE (PRIMESECU), BSE (500337)

Bankers

IndusInd Bank Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
Bank of India

Statutory auditors

Walker Chandiok and Co. LLP, Chartered Accountants

Statutory auditors for subsidiaries

Gandhi and Associates LLP, Chartered Accountants

Internal auditors

Mahajan and Aibara LLP, Chartered Accountants

Registrar and share transfer agent

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai, 400083
Tel: +91-22-49186000, Fax: +91-22-49186060
E-mail: rnt.helodesk@linkintime.co.in,
Website: www.linkintime.co.in

41 Annual general meeting

Thursday, June 27, 2024 at 3:00 p.m. through Video
Conferencing (VC) / Other Audio-Visual Means
(OAVM)

Notice of Annual General Meeting

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Prime Securities Limited (“the Company”) will be held on **Thursday, June 27, 2024, at 3:00 p.m. IST** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

Ordinary Business:

1) Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon:

To receive, consider and adopt the financial statements, namely:

- a) Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Independent Auditors thereon; and
- b) Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Independent Auditors thereon.

2) Declaration of Dividend:

To declare a Dividend of ₹1/- per Equity Shares of ₹5/- each for the Financial Year ended March 31, 2024.

3) Re-appointment of Director:

To appoint a Director in place of Mr. Sujit Kumar Varma (DIN: 09075212), a Non-Executive and Non-Independent Director, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

4) Appointment of Statutory Auditors and fix their Remuneration:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of

the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or reenactment(s) thereof for the time being in force) and pursuant to the recommendations of the Board of Directors, the approval of the Members of the Company be and is hereby accorded to appoint M/s. Sharp & Tannan Associates, Chartered Accountants (ICAI Firm Registration No. 109983W), as an Independent Auditors of the Company, in place of retiring Auditors M/s. Walker Chandio & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), for a term of 5 (Five) consecutive years to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the 46th Annual General Meeting of the Company to be held in the year 2029, on such remuneration as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including a committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

Special Business:

5) Remuneration to Non-Executive Directors:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of all the earlier resolutions passed for payment of remuneration to Non-Executive Directors and pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Schedule V of the Act and the rules made thereunder (including any statutory modification or enactment thereof, for the time being in force), the relevant provisions of the

Memorandum and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to pay remuneration by way of Commission or otherwise to the Non-Executive Directors of the Company for the period of Three Years viz., from Financial Year 2024-25 to 2026-27, such sum not exceeding 1% or such other percentage of the Net Profits of the Company for each Financial Year, as computed in the manner laid down under Section 198 of the Act and the said remuneration shall be in addition to the payment of sitting fees and / or reimbursement of expenses for attending the Meetings of the Board and / or Committees, if any, thereof.

RESOLVED FURTHER THAT the Board of Directors (which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to decide, from time to time, the maximum remuneration payable to Non-Executive Directors subject to the above ceiling of 1% or such other percentage of the Net Profits of the Company and shall also decide from time to time, the quantum and manner of distribution of the remuneration to one or more Non-Executive Directors within the limit prescribed.

RESOLVED FURTHER THAT the terms as set out in the Explanatory Statement of this resolution shall be deemed to form part hereof and keeping in view the financial performance of the Company or in the Financial Year where the Company has no profits or inadequate profits, the Board of Directors be and is hereby authorised to fix, approve and pay remuneration to the Non-Executive Directors within the overall limits prescribed in Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT any one of Mr. N. Jayakumar, Managing Director and Group CEO or Mr. Akshay Gupta, Whole-time Director of the Company, be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

6) Payment of Remuneration to Mr. N. Jayakumar as Managing Director and Group CEO:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 & any other applicable provision(s), if any, read with Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals as may be necessary, the approval of the members be and is hereby accorded to the payment of remuneration to Mr. N. Jayakumar (DIN: 00046048), as Managing Director and Group CEO of the Company, during the remainder of his term, on the terms and conditions set out in the explanatory statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty and power to the Board of Directors (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to alter and vary the terms and conditions of the said appointment and payment of remuneration in such manner as may be agreed to between the Board and Mr. N. Jayakumar.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and / or expedient in connection therewith or incidental thereto and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7) **Change in the Objects Clause for the utilization of funds raised in the Preferential Issue of Equity Shares in November 2018:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 and other applicable provisions, if any, and on the recommendation of Board of Directors, the consent of the Members be and is hereby granted to amend the “Objects of the Preferential Issue” as mentioned, under the Information as required under the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, in the Explanatory Statement to the Notice of Extraordinary General Meeting held on Tuesday, March 20, 2018, to include the utilization of funds raised for general corporate purposes, up to 25% of the total

funds raised, as an additional object of the issue.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters, things and execute all such deeds, documents, instruments, writings and accept any alterations or modification(s) as it may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director(s) or Officer(s) of the Company in such manner as it may deem fit in its absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper that may arise in connection with the aforesaid resolution.”

Registered Office:

1109/1110, Maker Chambers V,
Nariman Point, Mumbai 400021
CIN: L67120MH1982PLC026724
Email: prime@primesec.com
Website: www.primesec.com
Mumbai, April 25, 2024

By Order of the Board of Directors
For **Prime Securities Limited**

Ajay Shah
*Executive Director, Legal
and Company Secretary*
(ACS-14359)

Notes:

- 1) The Ministry of Corporate Affairs, Government of India (“MCA”) has, vide its circular No. 9/2023 dated September 25, 2023, read with General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 02/2022, and 11/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, and dated December 28, 2022, respectively (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing facility / Other Audio Visual Means (“VC / OAVM”), on or before September 30, 2024, without physical presence of the Members at a common venue. In compliance with the provisions of the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, 41st AGM of the Company is being held through VC / OAVM.
- 2) Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations read with circular No. SEBI/HO/CFD/CFD/-PoD-2/P/CIR/2023/167 dated October 7, 2023, issued by the Securities and Exchange Board of India (“SEBI”) and MCA Circulars, the companies holding AGMs till September 30, 2024, have been exempted from dispatching of physical copies of notice of AGM and financial statements (including Board’s Report, Auditor’s Report or other documents required to be attached therewith) to the members. Accordingly, the financial statements for the financial year ended March 31, 2024, and the Notice calling 41st AGM are being sent only through electronic mode to those members, whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (“RTA”) or the Depository Participant(s) (“DP”). This Notice and Annual Report has been uploaded on the website of the Company at www.primesec.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com) and on the website of NSDL at www.evoting.nsdl.com. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same. The Members who are desirous to have a physical copy of the Annual Report should send a request to the Company’s e-mail prime@primesec.com clearly mentioning their Folio number / DP and Client ID. Members, whose email address is not registered, are requested to register / update their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company / RTA by following due procedure. Please note that registration of e-mail address and mobile number is now mandatory while voting electronically and joining virtual meetings.
- 3) In accordance with the Secretarial Standard 2 on General Meetings issued by the ICSI read with clarification / guidance on applicability of Secretarial Standards 1 and 2 issued by the ICSI, the proceedings of the AGM through VC / OAVM shall be deemed to be conducted at the Registered Office of the Company at 1109/1110, Maker Chambers V, Nariman Point, Mumbai 400021.
- 4) Normally pursuant to the provisions of the Act, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Since this AGM is being held through VC / OAVM pursuant to MCA and SEBI Circulars, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by members will not be available for this AGM and hence the proxy form, attendance slip and route map for this AGM venue are not annexed to this notice. The attendance of the Members attending AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

- 5) An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts relating to special business to be transacted at the AGM is annexed hereto. Details of the Directors along with their brief profile, as required under Regulation 36(3) of SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), in respect of the persons seeking appointment / re-appointment as Directors at this AGM, is annexed hereto and forms part of this Notice.
- 6) The Register of Members and Transfer Books of the Company will remain closed from Friday, June 21, 2024, to Thursday, June 27, 2024 (both days inclusive).
- 7) The dividend, as recommended by the Board, if declared at the 41st AGM, shall be paid, subject to deduction of tax at source, on and from Thursday, July 4, 2024, as under:
- a) To all beneficial owners in respect of equity shares held in dematerialized form as per the data as may be made available by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as at the end of the day on Thursday, June 20, 2024; and
 - b) To all Members in respect of equity shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company as of the close of business hours on Thursday, June 20, 2024.
- 8) Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates as per Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their DPs for shares held in electronic form and in case shares are held in physical form, with the Company by sending relevant document.:
- 9) Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company's RTA.
 - 10) In terms of the SEBI Listing Regulations, securities of listed companies can now only be transferred in dematerialized form, so the shareholders are advised to dematerialize shares held by them in physical form.
 - 11) SEBI has mandated furnishing of PAN, KYC details (i.e., postal address with pin code, e-mail address, mobile number, bank account details) and nomination details by holders of securities. Members are requested to update the said details against folio / demat account. The forms prescribed by SEBI in this regard are available on the website of the Company at www.primesec.com.
 - 12) SEBI, vide its circular dated November 3, 2021, as amended by circulars dated December 14, 2021, March 16, 2023, and November 17, 2023, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or choice of nomination or contact details or mobile number or bank account details or specimen signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 1, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.
 - 13) SEBI, vide Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, has specified that a member shall first take up his / her /

their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the member may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the member is not satisfied with the outcome, he / she / they can initiate dispute resolution through the Online Dispute Resolution (“ODR”) Portal. Members are requested to take note of the same. The aforesaid SEBI Circular is available on the website of the Company at www.primesec.com.

14) RTA of the Company, M/s. Link Intime India Private Limited, has launched “SWAYAM”, Investor Self-Service Portal, designed exclusively for the investors. SWAYAM is a secure, user-friendly web-based application, developed by RTA that empowers members to effortlessly access the following various services. We request you to get registered and have first-hand experience of the portal. This application can be accessed at <https://swayam.linkintime.co.in>.

- Effective resolution of service request
 - generate and track service requests / complaints through SWAYAM.
- Features - A user-friendly GUI.
- Track corporate actions like dividend / interest / bonus / split.
- PAN-based investments - provides access to linked PAN accounts, company-wise holdings and security valuations.
- Effortlessly raise request for unpaid amounts.
- Self-service portal - for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - view entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at login - enhances security for investors.

15) In terms of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), the dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Members are requested to ensure that they claim their unclaimed dividend for the financial year 2020-21 and all subsequent years as early as possible, failing which it would be transferred to IEPF as per the dates mentioned hereinbelow:

Dividend	Tentative Date for transfer to IEPF
Final Dividend 2020-21	On or after September 23, 2028
Final Dividend 2021-22	On or after November 3, 2029
Final Dividend 2022-23	On or after August 19, 2030

Members are requested to contact RTA of the Company for claiming the dividend for the aforesaid years. The details of the unclaimed dividends are available on the Company’s website at www.primesec.com and IEPF authority’s website at www.iepf.gov.in.

The Members whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to the IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The procedure to claim refund under IEPF Rules and other IEPF related information is also available on the website of the Company at www.primesec.com. Post making the online application the Member shall send the duly signed Form IEPF-5 along with the requisite documents to the Company at its Registered Office for verification of the claim and payment / transfer of shares by IEPF Authority. All corporate benefits on such shares, including dividend, shall be credited to the

account of the IEPF Authority. The voting rights on such shares shall remain frozen until the rightful owner claims the shares.

- 16) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any shareholder as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
- 17) Members seeking any information with regard to the accounts, any matter to be placed at the AGM, the registers or the relevant documents, referred to in this notice and in the explanatory statement setting out the material facts, if any, are requested to write from their registered email address to the Company at www.primesec.com by mentioning their DP ID and client ID / folio number and mobile number. The same will be replied by the Company suitably.
- 18) The Company has designated an exclusive e-mail id (prime@primesec.com) for redressal of investor complaints / grievances. In case you have any queries / complaints or grievances, then please write from the registered e-mail address to us at this email id.
- 19) **E-voting and AGM through VC / OAVM:**

Instructions for remote e-Voting:

- a) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide to members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM, by electronic means and the business may be transacted through e-Voting Services. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of

casting the votes by Members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").

- b) The remote e-voting period commences on Monday, June 24, 2024, at 9.00 a.m. (IST) and ends on Wednesday, June 26, 2024, at 5.00 p.m. (IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of Thursday, June 20, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, June 20, 2024.
- c) Voting electronically using NSDL e-Voting system:





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system:

- i) **Login method for e-Voting and joining virtual meetings for individual Members holding securities in demat mode:**

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository participants. Members are advised to update their mobile number and email address in their demat accounts in order to access e-Voting facility.

Login method for individual Members holding securities in demat mode is given below:

Type of members	Login method
Individual members holding securities in demat mode with NSDL	<p>Users registered for NSDL IDEAS facility:</p> <ol style="list-style-type: none"> Visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under “IDEAS” section You will be prompted to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. <p>Users not registered for IDEAS e-Services:</p> <p>Option to register is available at https://eservices.nsd.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>E-voting website of NSDL:</p> <ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your 16-digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. <p>Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="381 1305 643 1465" style="border: 1px solid black; padding: 5px; text-align: center;"> <p>NSDL Mobile App is available on</p> <p>   </p> <div style="display: flex; justify-content: space-around;">   </div> </div>

Type of members	Login method
Individual members holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest:</p> <p>a) Login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is www.cdslindia.com and click on New System Myeasi.</p> <p>b) After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>User not registered for Easi / Easiest: Option to register is available at www.cdslindia.com.</p> <p>Visit the e-Voting website of CDSL:</p> <p>a) Alternatively, the user can directly access e-Voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the demat Account.</p> <p>b) After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual members (holding securities in demat mode) login through their DPs	<p>a) Member can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility.</p> <p>b) Once logged in, you will be able to see e-Voting option.</p> <p>c) Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>d) Click on the company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL:

Login type	Helpdesk details
Individual members holding securities in demat mode with NSDL	Members can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual members holding securities in demat mode with CDSL	Members can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-22-55-33

ii) **Login method for e-voting and joining virtual meetings for Members other than individual Members holding securities in demat mode and Members holding securities in physical mode:**

How to Log-in to NSDL e-Voting website:

- a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
- c) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- d) Your User ID details are given below:

Manner of holding i.e. Demat (NSDL / CDSL) or Physical	Your User ID is:
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For members who hold shares in demat account with CDSL	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- e) Password details are given below:

- i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the “initial password” which was communicated to you. Once you retrieve your “initial password”, you need to enter the “initial password” and the system will force you to change your password.
- iii) How to retrieve your “initial password”?
 - i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your “User ID” and your “initial Password”.

-
- ii) If your email ID is not registered, please follow steps mentioned below in process for those Members whose email ids are not registered.
 - f) If you are unable to retrieve or have not received the “initial password” or have forgotten your password:
 - i) Click on “**Forgot User Details / Password?**” (If you are holding shares in your demat account with NSDL/CDSL) option available on www.evoting.nsdl.com.
 - ii) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address.
 - g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 - h) Now, you will have to click on “Login” button.
 - i) After you click on the “Login” button, home page of e-Voting will open.

Step 2: Cast your vote electronically and join meeting on NSDL e-Voting system:

- a) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- b) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on “VC / OAVM” link placed under “Join Meeting”.
- c) Now you are ready for e-Voting as the Voting page opens.
- d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the AGM are as under:

- a) The procedure for e-Voting during the AGM is the same as per the instructions mentioned above for remote e-Voting since the Meeting is being held through VC / OAVM.
- b) The e-Voting window shall be activated upon instructions of the Chairman during the AGM proceedings.
- c) Only those Members, who will be present in the AGM through VC / OAVM and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote on such resolutions through e-Voting system during the AGM.

- d) Members who have casted their vote by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
- e) Details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of AGM shall be the same person mentioned for remote e-Voting.

General guidelines for members:

- a) Institutional / Corporate members (i.e. other than individuals / HUF, NRI, etc.) are requested to send a scanned copy (PDF / JPG Format) of its board or governing body resolution / authorisation etc. authorizing its representatives to attend this AGM through VC / OAVM on its behalf and to vote through remote e-Voting. The said resolution / authorisation shall be sent by email, from their registered email address to the Scrutinizer by e-mail at team3@psaprofessionals.com with a copy marked to evoting@nsdl.co.in or can also be uploaded by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login on <https://www.evoting.nsdl.com>.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- c) In case of any queries, you may refer the frequently asked Questions ("FAQs") for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990 and 1800-22-44-30 or contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com.

Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

- 1) In case shares are held in physical mode please provide folio no., name of Member, scanned copy of the share certificate (front and back), PAN (self-attested), Aadhar (self-attested) by email to rnt.helpdesk@linkintime.co.in.
- 2) In case shares are held in demat mode, please provide DPID-Client ID (16-digit DPID + Client ID or 16-digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested), Aadhar (self-attested) to rnt.helpdesk@linkintime.co.in. If you are an individual Member holding shares in demat mode, you are requested to refer to the login method explained at Step 1(i) i.e. login method for e-Voting for individual Members holding securities in demat mode.
- 3) Alternatively, Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- 4) In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with depositories and DPs. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for attending AGM through VC / OAVM:

- 1) Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join AGM menu. The link for VC/OAVM will be available in shareholder / member login where the EVEN of Company will be displayed. Please note that members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 - 2) Members are encouraged to join the meeting through laptops for better experience.
 - 3) Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
 - 4) Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.
 - 5) Members who would like to express their views / ask questions as a speaker at the Meeting are requested to pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID / folio number and mobile number at prime@primsec.com seven days in advance of the AGM i.e. by 5.00 pm (IST) on Thursday, June 20, 2024. Only those Members who have pre-registered themselves as a speaker, will be allowed to express their views / ask questions during the AGM. Members intending to speak at the AGM would require microphone and speakers / headphone. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - 6) Members who need assistance before or during the AGM can contact NSDL on evoting@nsdl.com / 1800-1020- 990 / 1800-224-430 or contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com.
 - 7) The facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for first 1,000 members on first-come first-served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend AGM without restriction on account of first come first served basis.
- d) Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date i.e. Thursday, June 20, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing User ID and password for casting the vote. If you forgot your password, you could reset your password by using “Forgot User Details / Password” or “Physical User Reset Password” option available on www.evoting.com.

nsdl.com or call on toll free no. 1800 1020 990 and 1800224 430. In case of individual Members holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, June 20, 2024 may follow steps mentioned below under "Access to NSDL e-Voting system".

- e) A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- 20) Mr. Pramod S. Shah of M/s. Pramod S. Shah & Associates (CP No. 334), Practising Company Secretaries (Membership No. FCS 3804), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 21) The Chairperson of AGM shall, at AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, for all those Members who attend / participate in AGM but have not cast their votes by availing the remote e-voting facility.
- 22) The Scrutinizer shall, after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall submit a consolidated Scrutinizer's Report not later than 48 hours from the conclusion of the AGM of the total votes cast in favour or against, if any, to the Chairperson of AGM or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 23) The results declared along with the Report of the Scrutinizer shall be placed on the website of the Company (www.primesec.com) and on the website of NSDL (evoting@nsdl.com) immediately after the result is declared by Chairman or a person authorised by him in writing and the same shall be communicated to the Stock Exchanges where shares of the Company are listed. The results shall also be displayed on the notice board of the Company at its registered office.

Explanatory Statement setting out material facts pursuant section 102 of The Companies Act, 2013

The following explanatory statement sets out all the material facts relating to the business proposed to be transacted under item nos. 4 to 7 of the accompanying notice.

Item No. 4:

M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as an Independent Auditors of the Company at the 36th AGM of the Company held on Friday, September 27, 2019, for a term of 5 (Five) consecutive years till the conclusion of the 41st AGM. Accordingly, M/s. Walker Chandiook & Co. LLP will complete its term as an Independent Auditors of the Company on conclusion of the forthcoming 41st AGM.

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Act and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company, on recommendation of the Audit Committee, have sought the approval of the Members of the Company to appoint M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W), as an Independent Auditors of the Company, in place of the retiring auditors M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), to hold office for a period of 5 (Five) consecutive years from the conclusion of this 41st Annual General Meeting till the conclusion of 46th Annual General Meeting of the Company to be held in the year 2029.

The Audit Committee proposed the appointment of M/s. Sharp & Tannan Associates, as an Independent Auditors after assessing M/s. Sharp & Tannan Associates and another audit firms based on certain parameters, which included past audit experience of the audit firms particularly in auditing Companies is Financial Services Sector, strength and experience of key members proposed in the audit team, independence of the audit firms, etc. The Board of Directors after considering the recommendations of the Audit Committee

has recommended the said appointment for approval by the Members of the Company.

M/s. Sharp & Tannan Associates have consented to act as an Independent Auditor and have confirmed that their appointment, if made, would be within the limits specified under Section 143(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

M/s. Sharp & Tannan Associates would limited review / audit the financial statements of the Company on a standalone and consolidated basis under Ind-AS. The aggregate fee proposed to be paid for the financial year 2024-25 is ₹21 lakhs (plus applicable taxes, out of pocket expenses and fees for other certifications as may be required). There is a substantial reduction in the fee that is proposed to be paid to the new auditors from the fee that was paid to existing auditors due to standardised nature and quantum of work. The remuneration to be paid to M/s. Sharp & Tannan Associates for the remaining term i.e. financial year 2025-26 to FY 2028-29 (till conclusion of 46th AGM) shall be increased at 7.5% p.a. It is proposed to authorise the Board of Directors, including relevant Committee(s) thereof, to finalise the fee / expenses and to approve incremental fee, from time to time, based on the nature and quantum of work and vary such other terms in consultation with the Independent Auditors.

None of the Director and Key Managerial Personnel of the Company and their respective relatives are in any way concerned or interested in this resolution mentioned at Item No. 4 of the Notice.

The Board of Directors recommends the resolution set forth at Item No. 4 for approval by the Members of the Company as an Ordinary Resolution.

Item No. 5:

The Company's Non-Executive Directors are leading professionals with a high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, etc. The Company's Non-Executive Directors have been making invaluable contributions towards the Company's market strategies, monitoring of risk management and compliances. The Company had taken approval of the Members, at their Meeting held on August 17, 2021, for payment of Remuneration in the form of Commission or otherwise to Non-Executive Directors, not exceeding 1 % of the Net Profits of the Company, calculated in accordance with the provisions of Section 198 of the Act. The Companies (Amendment) Act, 2017, permits payment of remuneration to Non-Executive Directors, in excess of 1% of the Net Profits in terms of provision of Schedule V of the Act, subject to approval of the Members by means of a Special Resolution. Accordingly, based on the recommendations made by the Nomination and Remuneration Committee of Prime Securities Limited and the Board of Directors of the Company at their Meetings held on May 20, 2022, a proposal in terms of Sections 197, 198 and Schedule V of the Act, for the payment of remuneration to Non-Executive Directors of the Company, by way of Commission or otherwise not exceeding 1% or such other percentage of the Net Profits of the Company computed in accordance with the provisions of Section 198 of the Act, as may be decided by the Board of Directors, effective from the Financial Year 2024-25 is being placed for the approval of the Members. The payment of such remuneration shall be in addition to the sitting fees and / or reimbursement of expenses for attending board / committee meetings. The remuneration will be distributed amongst the Non-Executive Directors in accordance with the directions by the Board. In the event of inadequacy of profits calculated as per Section 198 of the Act in any financial year, the Non-Executive Directors shall be entitled to a remuneration by way of a commission otherwise in accordance with the provisions of Schedule V and other applicable provisions of the Act. The Company has not defaulted in repayment of any debts or interest payable thereon.

Non-Executive Directors along with their relatives are deemed to be concerned or

interested in this resolution to the extent of remuneration or fees that may be received by them. None of the other Directors, Key Managerial Personnels and their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 5 of the Notice for approval by the Members of the Company by way of a Special Resolution.

Item No. 6:

Based on the recommendation of the Nomination and Remuneration Committee, the Board had re-appointed Mr. N. Jayakumar as Managing Director and Group CEO of the Company, not liable to retire by rotation, for a further period of 5 (Five) years with effect from February 11, 2021 till February 10, 2026, which was approved by the Members at their 37th AGM held on September 22, 2020. Further, the Members at their Meeting held on August 17, 2021 had approved the payment of revised remuneration to Mr. N. Jayakumar.

The main terms and conditions relating to re-appointment, remuneration, perquisites, etc. as set out in the memorandum of understanding entered into between the Company and Mr. N. Jayakumar, which are subject to the approval of the members of the Company, are as follows:

Term

Period of Appointment – 5 (Five) years effective February 11, 2021

Nature of Duties

Mr. N. Jayakumar as Managing Director & Group CEO shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries including performing duties as assigned to Managing Director & Group CEO from time to time by serving on the boards of

such associated companies and / or subsidiaries or any committee of such a Company.

Basic Salary

Current basic salary of ₹13 lakh per months upto a maximum of ₹24 lakh per month. The increment will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee depending on Company performance as well as individual performance.

Benefits, Perquisites and Allowances

Details of benefits, perquisites and allowances are as follows:

- a) House Rent Allowances aggregating upto 80% of the basic salary.
- b) Cars with driver, maintained by the Company and reimbursement of Company car running and maintenance expenses, reasonably incurred exclusively for the business of the Company.
- c) Telecommunication facilities including mobile, broadband, internet and fax.
- d) Reimbursement of travelling and entertainment expenses reasonably incurred by him exclusively for the business of the Company.
- e) Reimbursement of medical expenses actually incurred by him and his family.
- f) Company's contribution to provident fund as per the rules.
- g) Benefit of a Company group mediclaim policy.
- h) Benefit of a Company group term insurance policy.
- i) Gratuity as per the gratuity scheme of the Company.
- j) Leave on full remuneration as per the rules of the Company. Leave earned but not availed by him would be encashable in accordance with the rules of the Company.

Perquisite shall be evaluated as per Income tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. The perquisites namely contribution to provident fund, gratuity and encashment of

leave shall not be included in the computation of the ceiling on remuneration.

Performance Bonus

Performance bonus upto ₹400 lakh per year, as may be recommended by Nomination and Remuneration Committee and decided by the Board of Directors, based on the prescribed performance evaluation criteria.

Minimum Remuneration

Notwithstanding anything to the contrary hereinabove, where in any financial year during the currency of his tenure as Managing Director and Group CEO, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits, perquisites and allowances, performance bonus, as may be recommended by Nomination and Remuneration Committee and approved by the Board of Directors, pursuant to the provisions of the Schedule V to the Companies Act, 2013.

Pursuant to provisions of Sections 196, 197 and 198 read with Schedule V of the Act, Nomination and Remuneration Committee and the Board have accorded their approval for the payment of remuneration to Mr. N. Jayakumar and there is no default in repayment of any debts or interest payable thereon.

Except Mr. N. Jayakumar, none of the Directors, Key Managerial Personnels and their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 6 of the Notice for approval by the Members of the Company by way of a Special Resolution.

The additional information as required under para (iv) of the second proviso after paragraph B of section II of part II of Schedule V of the Act in relation to the resolution set out at Item Nos. 5 and 6 of the Notice, is given below:

1) General Information:

a) Nature of Industry:

The Company is in the business of Corporate Advisory and Investment Banking and is a SEBI registered Category-I Merchant Banker.

- b) **Date or expected date of commencement of commercial production:**
Not applicable as the Company is an existing Company and has been in operations since 1982.
- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**
Not applicable.

d) **Financial performance based on given indicators:**

Standalone audited financial results for the Year ended March 31, 2024:

(₹ in Lakhs)

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Income from Operations and other Income	3,365	2,873
Operating Profit (before interest, depreciation and tax)	1,147	1,249
Profit before Tax	1,016	1,084
Profit after Tax (Total Comprehensive Income)	1,925	1,514

Consolidated audited financial results for the Year ended March 31, 2024:

(₹ in Lakhs)

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Income from Operations and other Income	6,664	4,684
Operating Profit (before interest, depreciation and tax)	2,450	1,688
Profit before Tax	2,339	1,517
Profit after Tax (Total Comprehensive Income)	2,921	1,850

- e) **Foreign investments or collaborations, if any:**
Not applicable.

2) **Information about the Appointee:**

a) **Background details:**

The appointee in respect of the resolution set out at Item Nos. 5 is Mr. N. Jayakumar, aged 60 years, who is Bachelor of Technology, Mechanical Engineering (I.I.T. Delhi) (1978-1983) and P.G.D.M. (MBA), IIM Ahmedabad (1983-1985). He is associated with the Company since 1992 and he was designated as a President of the Company since 2002. He a qualified professional with expertise in Corporate Finance and Investment Management and has vast experience in advising in

areas of financial restructuring, evaluation of business plans / joint venture proposals / acquisitions, fund raising and strategic alliances. He has been with the Company for more than 28 years handling corporate relationships. Before joining the Company, he had 7 years of experience in Citibank, N.A. as Vice President, Head-Merchant Banking Group & Corporate Finance, India. As a Managing Director, he shall carry out such functions, exercise such powers and perform such duties as the Board shall from time to time in its absolute discretion determine and entrust to him. Subject to the superintendence, control and direction of the Board, he shall have general control of the business of

the Company and be vested with the management and day-to-day affairs of the Company. The appointees in respect of the resolution set out at Item Nos. 6 are the Non-Executive Directors appointed on the Board of Directors.

b) Past Remuneration:

Mr. N. Jayakumar has been appointed as Managing Director of the Company with effect from February 12, 2011. For the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021, the Company has paid INR 475.20 lakhs, INR 443.72 lakhs and INR 658.41 lakhs respectively as remuneration to Mr. N. Jayakumar. Non-Executive Directors were paid remuneration in the form of commission not exceeding 1% of the net profits of the Company and the sitting fees for attending the board and committee meetings during the earlier financial years.

c) Recognition or Awards:

Not applicable.

d) Job profile and his suitability:

Same as above in item no. a) hereinabove.

e) Remuneration proposed:

The Company proposes to pay the remuneration to Mr. N. Jayakumar and Non-Executive Directors as stated in the explanatory statement at item nos. 5 and 6 respectively of this notice.

f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the profile of Mr. N. Jayakumar, Non-Executive Directors, the responsibilities shouldered by them and industry benchmarks, the remuneration proposed to be

paid is commensurate with the size of the Company, remuneration packages paid to similar senior level counterparts and Non-Executive Directors in the Industry.

g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to him and his holding in the Company, Mr. N. Jayakumar does not have any other pecuniary relationship with the Company. Besides the remuneration proposed and the sitting fees and/or reimbursement of expenses, the Non-Executive Directors do not have any pecuniary relationship with the Company.

3) Other Information:

a) Reasons for loss or inadequate profits:

The Company is mainly involved in Corporate Advisory and Investment Banking. The business of the Company and its performance is linked to capital market conditions and successful closure of deals.

b) Steps taken or proposed to be taken for improvement:

The Company has been continuously enhancing its client list. The Company has made significant strides in establishing stronger client relationships. The Company is focusing on providing innovative business solutions to its clients in the area of fund raising, mergers and acquisitions, etc.

c) Expected increase in productivity and profits in measurable terms:

With better capital market conditions and increased client relationships, the Company is expected to step up the revenues and profits substantially in future.

4) Disclosures:**a) Remuneration package of the managerial person:**

As stated in the explanatory statement at item nos. 5 and 6 of this notice.

b) Disclosures in the Board of Director's Report included in Annual Report 2023-24:

The requisite details of remuneration to Directors are included in the financial statement, forming part of Annual Report of the Company for financial year 2023-24.

Prime Research and Advisory Limited ("PRAL"), for its entering into financial services business.

The Company has utilized most of the funds raised for this purpose and a small amount remains pending utilization. The Company is seeking the approval of the Members to include the utilization of funds raised for general corporate purposes, up to 25% of the total funds raised, as an additional object of the issue.

The approval of the Members is being sought to enable the Board of Directors to decide the utilization of the funds raised in the Preferential Issue to the extent and in the manner as set out in the resolution and the explanatory statement. The Board believes that the proposed resolution is in the best interest of the Company and its Members and accordingly, it recommends passing of this special resolution as set out in this Postal Ballot Notice for the approval of the Members.

None of the Director(s) and / or Key Managerial Personnel of the Company and / or their relatives are in any way concerned or interested, financially or otherwise, in this special resolution.

The Board of Directors recommends the special resolution set out at Item No. 6 for approval by the Members of the Company.

Item No. 7:

The Members of the Company, at their Extraordinary General Meeting ("EGM") held on Tuesday, March 20, 2018, had approved the issue of 70,00,000 Equity Share Warrants, carrying an entitlement to apply for equivalent number of Equity Shares of face value of INR 5/- each at a price of INR 49.50 per Equity Share, on a Preferential basis, to select investors for a total consideration of INR 3,465 lakhs. The Object of the preferential issue was to augment the financial resources by the Company to capitalize / fund its wholly owned subsidiary,

Registered Office:

1109/1110, Maker Chambers V,
Nariman Point, Mumbai 400021
CIN: L67120MH1982PLC026724
Email: prime@primsec.com
Website: www.primsec.com
Mumbai, April 25, 2024

By Order of the Board of Directors
For **Prime Securities Limited**

Ajay Shah
*Executive Director, Legal
& Company Secretary*
(ACS-14359)

Additional Information of Directors seeking Appointment at 41st Annual General Meeting

[Pursuant to the Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards - 2 on General Meetings]

Name and Designation of Director	Mr. Sujit Kumar Varma (Non-Executive and Non-Independent Director)
Director Identification Number (DIN)	09075212
Date of Birth	January 6, 1961
Date of Appointment	September 27, 2022
Qualifications	Bachelor of Arts (Hons.) in English - St. Xavier's College, Ranchi
Certifications:	Certified Associate - Indian Institute of Banking & Finance, Mumbai, Leading Global Businesses - Harvard Business School, Corporate Finance - NYU Stern School of Business, New York, USA, Executive Program for Banking and Financial Sector (EPBFS) - IIM, Ahmedabad, Strategic Leadership - IIM Calcutta
Expertise in Specific Functional Area	Credit, Risk Management, Trade Finance, Compliance, Retail Banking, International Banking
Experience (Brief Profile)	Banker with proven track record of leading diverse business departments and consistently exceeding expectations. Highly experienced in Corporate and Retail Credit, Trade Finance, International Banking, Risk Management and Compliance.
Directorship held in other Companies in India	Uflex Limited Waaree Energies Limited L&T Metro Rail (Hyderabad) Limited TATA Capital Limited TATA Asset Management Private Limited Capri Global Asset Reconstruction Private Limited TATA Capital Housing Finance Limited Evyavan Assets Management Limited

Chairmanships / Memberships of Committees held in other Companies in India	<p><u>Chairperson:</u> Nomination and Remuneration Committee - Tata Asset Management Private Limited Risk Management Committee - Tata Asset Management Private Limited Stakeholders Relationship Committee - Waaree Energies Limited Lending Committee - Tata Capital Housing Finance Limited Audit Committee - Tata Capital Housing Finance Limited Risk Management Committee - L&T Metro Rail (Hyderabad) Limited Investment Credit Committee - Tata Capital Limited</p> <p><u>Member:</u> Audit Committee - Uflex Limited Risk Management Committee - Uflex Limited Nomination and Remuneration Committee - Uflex Limited Audit Committee - Tata Asset Management Private Limited Risk Management Committee - Waaree Energies Limited Nomination and Remuneration Committee - Tata Capital Housing Finance Limited Working Committee - Tata Capital Housing Finance Limited Information Technology Steering Committee - Tata Capital Housing Finance Limited Audit Committee - L&T Metro Rail (Hyderabad) Limited Nomination and Remuneration Committee - Tata Capital Limited Information Technology Strategy Committee - Tata Capital Limited Audit Committee - Tata Capital Limited Investment Credit Committee - Tata Capital Limited</p>
Relationship with other Directors and Key Managerial Personnel	None
Number of Equity shares held in the Company	Nil

Directors' Report

Dear Members,

The Board of Directors are pleased to present the Company's 41st Annual Report on the business and operations along with the Audited Financial Statements for the Financial Year ended March 31, 2024.

Financial Performance

(₹ lakhs)

Particulars	Consolidated		Standalone	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenues from Operations	6,151	4,054	3,090	2,404
Other Income	513	630	275	469
Total Income	6,664	4,684	3,365	2,873
Total Expenses	4,325	3,340	2,349	1,962
Profit before Exceptional Items and Tax	2,339	1,344	1,016	911
Extraordinary Items	Nil	173	Nil	173
Profit before Tax	2,339	1,517	1,016	1,084
Tax Expenses	483	399	154	308
Profit after Tax	1,856	1,118	862	776
Other Comprehensive Income (Net of Tax)	1,065	732	1,063	738
Total Comprehensive Income	2,921	1,850	1,925	1,514

Overview of Company's financial & operational performance

Consolidated Revenues for the Year ended March 31, 2024 was ₹6,664 lakhs as compared to ₹4,684 lakhs in the previous financial year. Consolidated Profit after Tax including Other Comprehensive Income for the Year ended March 31, 2024 was ₹2,921 lakhs as compared to ₹1,850 lakhs during the previous financial year.

Standalone Revenues was for the Year ended March 31, 2024 was ₹3,365 lakhs as compared to ₹2,873 lakhs in the previous financial year. Standalone Profit after Tax including Comprehensive Income for the Year ended March 31, 2024 was ₹1,925 lakhs compared to ₹1,514 lakhs during the previous financial year.

Financial statements are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS)

notified under Section 133 and other applicable provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, as amended from time to time.

The operations in the year remained transformative wherein emphasis on annuity type of income has produced a favorable impact. Investments in startup and early-stage businesses have remained healthy in terms of growth to carrying values. Our client base showed a meaningful addition. The growth in revenue and profits remain at appreciable levels

Acquisition of Artificial Intelligence / Machine Learning-based technology company in United Kingdom

During the year, pursuant to the authority granted by the Board of Directors on April 13, 2023, the Company entered into an agreement with Bridgeweave Limited ("Bridgeweave"), a

UK based an Artificial Intelligence / Machine Learning-based technology company, that has developed a suite of financial products for retail investors. The Company has acquired about 10% equity stake in Bridgeweave and as a result of its approximately 10% equity stake in Bridgeweave, the Company is not just the second largest shareholder after the founders, but also an important strategic ally of Bridgeweave. Due to the length of time taken for the UK regulatory approval, the original 2023 deal terms have now expired and while the strategic intent remains on both sides, a new understanding would have to be reached to finalise the transaction. The Company continues to work closely with the Bridgeweave team, for onboarding the latter onto multiple broking platforms and expanding their presence in India.

Dividend and Reserves

The Board of Directors recommend a dividend of ₹1/- per Equity Share of face value of ₹5/- each for the Financial Year 2023-24, subject to the approval of the Members at the 41st Annual General Meeting. In the previous year, the Company had declared dividend of ₹0.50 per Equity Share.

During the year under review, no amount from the Profit was transferred to Reserves.

Equity Share Capital

Paid-up Equity Share Capital of the Company as of March 31, 2024, was ₹1,664 lakhs. The outstanding Equity Shares were 3,32,88,825 Equity Shares of face value of ₹5/- each.

During the year under review, 9,31,600 Equity Shares were allotted to the eligible Employees / Directors of the Company / Subsidiaries pursuant to exercise of Options granted under Employee Stock Option Scheme 2018.

Utilisation of proceeds of preferential issue of equity shares

The Board of Directors had allotted 45,50,000 Equity Shares in November 2021 to select investors, on a Preferential basis, pursuant to approval granted by the Members at their Extraordinary General Meeting held on November 10, 2021. The part of the issue proceeds of ₹4,038 lakhs, received on allotment of Equity Shares, have been utilised

in terms of the object clause, as amended by the subsequent resolution of members, and the remaining funds have been invested in the fixed deposits till deployment of funds for the purpose for which the funds were raised.

Management Discussion and Analysis Report

Pursuant to the provisions of the Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report giving a detailed account of the operations and the state of affairs of the Company is annexed as Annexure "1" to this Report.

Directors and Key Managerial Personnel

The Members of the Company, at their 40th Annual General Meeting held on June 13, 2023, appointed Mr. Mayank Malik (DIN: 10178490) and Ms. Smeeta Harsha Bhatkal (DIN: 07363916) as Non-Executive and Independent Directors of the Company for a term of 5 years, pursuant to the notice received under Section 160 of the Companies Act, 2013. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors on August 8, 2023, approved the change in designation of Mr. Ashok Kacker (DIN: 01647408) from Non-Executive and Non-Independent Director to Non-Executive and Independent Director, for a term of Five Years from the date of original appointment, i.e. September 27, 2022.

The second term of Mr. Pradip Dubhashi, Chairperson, as Non-Executive and Independent Director completed on June 13, 2023. The first term of Ms. Namrata Kaul, as Non-Executive and Independent Director, completed on February 13, 2024, and she expressed her desire to not seek an appointment for the second term. Ms. Smita Affinwalla, Non-Executive and Independent Director, resigned w.e.f. June 19, 2023, due to the personal reasons. The Directors place on record their deep appreciation for the services rendered by Mr. Pradip Dubhashi, Ms. Namrata Kaul and Ms. Smita Affinwalla during their tenure as Non-Executive and Independent Directors.

The Company has received declaration under Section 149(7) of the Companies Act, 2013

from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that their names have been included in the Databank of Independent Directors as prescribed under the Companies Act, 2013. In the opinion of the Board, the Independent Directors of the Company possess necessary expertise, integrity and experience.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sujit Kumar Varma, Non-Executive and Non-Independent Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. An appropriate resolution for re-appointment of Mr. Sujit Kumar Varma, who retires by rotation, is being placed before you for your approval at the ensuing Annual General Meeting. The information on the particulars of Director seeking appointment / re-appointment, as required under SEBI Listing Regulations, is given in the Notice of the Annual General Meeting, forming part of this Annual Report. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Mr. N. Jayakumar, Managing Director and Group CEO, Mr. Akshay Gupta, Whole-time Director, Mr. Arun Shah, Chief Financial Officer and Mr. Ajay Shah, Company Secretary were the key managerial personnel of the Company as on date of this report.

Number of meetings of the Board & its Committees

During the year under review, Nine Board Meetings were convened and held, the details of which are given in the Report on Corporate Governance, which forms a part of the Annual Report.

The Board of Directors constituted Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee, in compliance with the requirements of the relevant provisions of applicable laws and

regulations. The details with respect to the composition, terms of reference, number of meetings held, etc. of these Committees are included in the Report on Corporate Governance, which forms a part of the Annual Report.

The intervening gap between the Board and Committee Meetings were within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations. The Company has complied with the applicable Secretarial Standards 1 (SS-1) on Board Meetings, issued by the Institute of Company Secretaries of India.

Board Evaluation

Annual performance evaluation of the Board of Directors, its committees and all the Directors individually were done in accordance with the performance evaluation framework adopted by the Company and a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation framework sets out the performance parameters as well as the process of the performance evaluation. Pursuant to the provisions of the Companies Act, 2013, a separate Meeting of Independent Directors was held during the year to review (i) performance of the Non-Independent Directors and the Board of Directors as a whole (ii) performance of the Board Committees (iii) performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors (iv) assess the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties. The Board of Directors expressed satisfaction with the evaluation process.

Policy on Directors' appointment, remuneration, etc

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnels and other employees of the Company along with other related matters have been explained in the Corporate Governance Report forming part of

this Annual Report. Depending on the need to appoint / re-appoint Director, the Nomination and Remuneration Committee (NRC Committee) of the Company determines the criteria based on the specific requirements. NRC Committee, while recommending candidature to the Board, takes into consideration the qualification, attributes, experience and independence of the candidate.

Corporate Governance and Code of Conduct

Pursuant to Regulation 34(3) read with Schedule V(C) of the SEBI Listing Regulations, a separate report on Corporate Governance practices followed by the Company together with the Certificate required under Schedule V(E) of the SEBI Listing Regulations from M/s. Pramod Shah & Associates, Practicing Company Secretaries, confirming compliance by the Company of the conditions of Corporate Governance is annexed as Annexure "2" to this Report.

Certificate of Non-Disqualification of Directors, pursuant to Regulation 34(3) and Schedule V(C) clause (10)(i) of SEBI Listing Regulations, 2015, from M/s. Pramod S. Shah and Associates, Practicing Company Secretaries, forms part of the Report on Corporate Governance.

Pursuant to the provisions of Regulation 17(5)(a) of the SEBI Listing Regulations, your Company has also laid down a Code of Conduct for its Board Members and Senior Management Personnel. All the Directors and the Senior Management Personnel have affirmed compliance with the said Code of Conduct. A declaration by the Managing Director and Group CEO confirming the compliance by Board Members and Senior Management Personnel with the Code of Conduct for the year ended March 31, 2024, forms a part of the Report on Corporate Governance.

Consolidated Financial Statement

The Audited Consolidated Financial Statements was prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable and shows the financial information

of the Company and its Subsidiaries as a single entity, after elimination of minority interest, if any. As required under provisions of the Companies Act, 2013, as applicable, the Audited Consolidated Financial Statements of the Company and all its Subsidiaries together with Auditor's Report thereon forms a part of this Annual Report.

Consolidated Revenues for the Year were ₹6,664 lakhs compared to ₹4,684 lakhs in the previous year, which comprises Investment Banking and Advisory Fees of ₹3,090 lakhs, Corporate Advisory Fees of ₹3,056 lakhs, Gain on Sale of Investment of ₹21 lakhs, Income from Dividend, Interest and Other Income of ₹462 lakhs, Net Gain on Fair Value Changes ₹35 lakhs. Consolidated Net Profit after Tax including Comprehensive Income for the Year under review was ₹2,921 lakhs as compared to ₹1,850 lakhs in the previous year.

Subsidiary Companies / Joint Ventures

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the Audited Financial Statements of the Subsidiaries / Associate Companies for the year ended March 31, 2024, is given in Form AOC-1 as an annexure to the Consolidated Financial Statements of the Company forming part of this Annual Report.

The policy for Determining Material Subsidiaries has been placed on the website of the Company (www.primesec.com). Separate Audited Financial Statements of each of the Subsidiaries are available on the website of the Company (www.primesec.com) and the same will also be made available to the Members seeking such information at any point of time.

The summary of the state of affairs and performance of the subsidiaries is given below:

Prime Research and Advisory Limited

Prime Research and Advisory Limited ("PRAL") operates in the segment of financial services business comprising value-added intermediation services in wealth management and investment advisory, assisting banks and institutional investors in risk assessment, portfolio analysis and portfolio rebalancing

through execution of specific strategies. PRAL's target clients include corporate treasuries, fund management companies and family offices among others. PRAL through its network of investors substantially enhances our capability to execute mandates. During the year under review, the Board of Directors of PRAL approved an acquisition of 60% equity stake in Prime Global Asset Management Pte. Ltd., a Singapore based Company ("PGAM"). PGAM will undertake the fund management business and offer its services to global institutional investors and family offices. The remaining shareholding of PGAM will be held equally by Mr. Anil Ahuja and Mr. Ajay Abrol, both Singapore residents, who will also act as Directors and operating team of PGAM. The acquisition is subject to execution of definitive documentation, regulatory / statutory approvals as may be required under applicable laws.

During the year under review, PRAL earned revenues of ₹3,334 lakhs as compared to ₹1,820 lakhs in the previous year. This includes Advisory Fees of ₹3,056 lakhs, Income from Dividend, Interest and Other Income of ₹242 lakhs, Net Gain on Fair Value Changes of ₹23 lakhs and Gain on Sale of Investment of ₹13 lakhs. During the year, PRAL earned Net Profit after Tax including Comprehensive Income of ₹996 lakhs as compared to ₹336 lakhs in the previous year.

PRAL has declared its maiden dividend of ₹100 lakhs for the FY 2023-24.

Prime Funds Management Limited

Prime Funds Management Limited ("PFML") was incorporated in 2018 as a 100% subsidiary of the Company to carry on Portfolio Management and setting up Alternative Investments Funds. PFML is yet to commence business.

The Company has not entered into any joint ventures.

Annual Return

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company is uploaded on the website of the Company (www.primesec.com).

Related party contracts & arrangements

In accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and a copy of the same is available on the website of the Company (www.primesec.com). The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with related parties and also deals with material related party transactions.

All related party transactions are placed before the Audit Committee for necessary review and approval. Prior omnibus approval of the Audit Committee is obtained for transactions with related parties, which are repetitive in nature and / or are entered into in the ordinary course of business and are on an arm's length basis. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company except remuneration and sitting fees.

All transactions entered into by the Company with the related parties during the financial year were in ordinary course of business and are on an arm's length basis. Disclosure pursuant to the Accounting Standards on related party transaction has been made in the notes to the Audited Financial Statements. No material related party transactions were entered into during the year by the Company and accordingly, the disclosure of contracts or arrangements with related parties in accordance with the provisions of Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Deposits

Your Company did not accept any Fixed Deposits under Chapter V of Companies Act, 2013, during this financial year and no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2024. The Company had no Deposit which was not in compliance with the provisions of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors made the following statements in terms of Section 134(3) (c) and 134(5) of the Companies Act, 2013 that:

- a) In the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable Accounting Standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same.
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profits of the Company for the year ended on that date.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility ("CSR") Committee. The present Members of the Committee are

- (i) Mr. Ashok Kacker, Non-Executive and Independent Director (ii) Ms. Smeeta Bhatkal, Non-Executive and Independent Director and

(iii) Mr. Sujit Kumar Karma, Non-Executive and Non-Independent Director. The Company has also formulated CSR Policy and the same is available on the website of the Company (www.primesec.com). Detailed report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure "3" to this Report.

Particulars of loans given, investments made, guarantees given and securities provided

Particulars of Loans, Guarantees and Investments made by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Audited Financial Statements forming part of this Annual Report.

Vigil Mechanism / Whistle Blower Policy

The Company established a Vigil Mechanism / Whistle Blower Policy for Directors and Employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, which provides for adequate safeguards against victimisation of persons who avail of such a mechanism. A copy of the Whistle Blower Policy is available on the website of the Company (www.primesec.com).

Auditors and Auditors' Report

M/s. Sharp & Tannan Associates, (Firm Registration No. 109983W) Chartered Accountants, have been appointed as Independent Auditors, for a term of Five years, commencing from the Financial Year 2014-25, in place of M/s. Walker Chandik & Co. LLP, (Firm Registration No. 001076N/N500013) Chartered Accountants, whose term expires at the ensuing Annual General Meeting. A certificate from them has been received, to the effect that their appointment as Independent Auditors of the Company is in accordance with the applicable provisions of Section 139 and 141 of the Companies Act, 2013 and rules framed thereunder, as amended from time to time.

The Report issued by the Statutory Auditor on the Audited Financial Statements of the

Company for Financial Year 2023-24 forms part of this Annual Report and does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors has appointed M/s. Pramod Shah & Associates, Company Secretaries (C.P. No. 3804), to undertake the Secretarial Audit for the year ended March 31, 2024. The Secretarial Report given by the Secretarial Auditor is annexed as Annexure "4" to this Report. Your directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been duly complied with.

Material changes and commitments, if any, affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report

Except as disclosed elsewhere in this Report, no material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this Financial Statements relate and the date of this Report.

Employees

The disclosures with respect to the remuneration of Directors and Employees as required under Section 197(12) of the Companies Act, 2013 and the Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure "5" to this Report.

The information on Employee particulars as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) is annexed as Annexure "6" to this Report. In terms of Section 136 of the Companies Act, 2013, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding the aforesaid

Annexure. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

None of the Employee of the Company is a Relative of any Director of the Company.

Employee Stock Option Schemes

The Company implemented Employee Stock Option Scheme viz Employee Stock Option Scheme 2018 (ESOS 2018). The Nomination and Remuneration Committee of the Board of Directors has granted, to eligible Employees / Directors of the Company and Subsidiary Companies pursuant to ESOS 2018 and 14,11,500 Options are outstanding as of March 31, 2024.

The disclosures in accordance with the provisions of the Section 62(1)(b) of Companies Act, 2013 read with the Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 (as amended from time to time) and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are set out as Annexure "7" to this Report. The shares arising out of exercise of the Options will be allotted in the name of the respective Employees and accordingly, the provisions relating to disclosure of voting rights not exercised directly by the employees are not applicable.

Disclosure as per the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013

The Company adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. As required under law, an Internal Complaints Committee was constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace. During the year under review, no complaint of sexual harassment was received and there was no complaint of sexual harassment pending as at the date of this report.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

In view of nature of business activities of the Company, the particulars regarding conservation of energy and technology absorption, as prescribed under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are not given. However, the Company has taken various measures for conservation of energy, like switching from conventional lighting systems to LED lights, etc.

During the year under review, the Company's earnings of foreign exchange of USD 32,580 and expenditure of foreign exchange were USD 10,950.

Listing & Listing Fees

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited and the Listing Fees for the year 2024-25 have been duly paid.

General Disclosures

Your Directors' state that during the year under review:

- a) The Business Responsibility Reporting as required pursuant to the provisions of Regulation 34(2) of the SEBI Listing Regulations is not applicable to your Company.

- b) No Equity Shares with Differential Rights, as to Dividend, Voting or otherwise, were issued.
- c) Except the allotment of Equity Shares to employees of the Company pursuant to exercise of Option granted under the Employee Stock Option Scheme 2018, no other Equity Shares (including Sweat Equity Shares) were allotted.
- d) The Company did not resort to any buyback of Equity Shares during the Year under review.
- e) Managing Director of the Company did not receive any Remuneration or Commission from any of its Subsidiaries.
- f) There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.
- g) No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the Going Concern status and Company's operations in future.

Acknowledgements

The Board wishes to place on record its sincere appreciation for the hard work put in by the Company's employees at all levels in this difficult environment. The Board of Directors also wish to thank the Company's members, bankers and business associates for their unstinted support during the year.

For and on behalf of the Board of Directors

Mumbai
April 25, 2024

N. Jayakumar
Managing Director and Group CEO

Akshay Gupta
Whole-time Director

Annexure 1 to Director's Report

Management Discussion and Analysis

A) Industry Structure & Developments

Prime Securities is part of the financial services sector that includes Non-Banking Finance Services, Insurance, and Capital Markets. We are a Category-1 Merchant Banker licensed by the Securities and Exchange Board of India (SEBI). In addition, our subsidiary Prime Research and Advisory Limited is a Corporate Insurance Agent licensed by the Insurance Regulatory and Development Authority of India ("IRDAI").

2023-24: Navigating Through Global Economic Trends

The world economy grew steadily by a cumulative 6.7 percent from 2022 to 2023 (data from IMF World Economic Outlook, April 2024), despite ongoing issues like geopolitical conflicts and climate events. While attempts to tackle inflation are working in some nations, challenges like supply chain problems, shifts in trade ties, and geopolitical tensions will make stabilising inflation harder in the coming years. For instance, softening of interest rates as expected in US in March 2024 has been pushed back by US Federal Reserve again reiterating the signs of stickiness of the inflation.

With this backdrop, the International Monetary Fund (IMF) expects the world economy to grow at no more than 3.0% in 2024. Advanced economies—i.e., the United States, the Euro area, Japan, the United Kingdom, and Canada—are forecasted to experience tepid growth at 1.4% in 2024. But many emerging economies should see higher growth on the back of strong consumer demand, younger demographics, and improving trade balances. In particular, India is expected to have one of the strongest growth rates: 6.3% in 2024.

One of the glimpses of such growth forecast can be seen in significant growth

in India's financial sector. In FY23, A total of 75 firms raised ₹61,915 crore through main board IPOs during this period, up significantly from the ₹52,116 crore raised by 37 IPOs in the previous FY22 (data from Economic Times). Out of the 75 IPOs, 54 IPOs were subscribed more than 10 times, with 22 of them witnessing subscriptions exceeding 50 times (data from Economic Times). According to AMFI, India's mutual funds industry touched a life-time high of ₹55.01 as of March 31, 2024.

Continuation of Funding Winter

A combination of both domestic and global factors contributed to the extension of the funding winter. Investor confidence was furthermore affected by softening global consumption and persistent geopolitical uncertainties. According to Bain Venture Capital Report 2024, this culminated in a decline in deal volume in India (from 1,611 to 880 deals) and average deal size (from \$16 million to \$11 million).

Several changes in the deal flow were observed in 2022 continued through 2023. According to the same report, mega-rounds plummeted by almost 70%, from 48 to 15. Several scaled start-ups chose to defer fund-raising since the advent of the funding winter—this drove consecutive and substantial declines in the emergence of unicorns, reaching pre-2019 levels. In contrast, small and medium deals (less than \$50 million) witnessed milder compression, declining by about 45% from 1,501 to 852. This resilience signalled investor optimism for India's medium-to-long-term prospects.

Emerging from a challenging 2023, the maturity of the Indian VC landscape underwent a visible shift, fostering optimism for 2024 and beyond. So, though the total PE & VC fund-raising slowed down from \$24 billion in 2022 to \$4 billion in 2023 (LSEG Deals Intelligence), domestic VCs became significantly more salient, driving more than 90% of the

raises in 2023. A lot of these VCs were thematic funds focused on emergent themes such as energy transition, sustainability-centric agritech, and India-nuanced AI tooling.

According to RBI's data in March 2024 bulletin, net FDI in India declined 38.4 per cent year-on-year to \$15.41 billion as of 31 January 2024 (10-month period) due to an increase in the repatriation of capital. Manufacturing, computer services, electricity, and other energy sectors, financial services, and transport accounted for about two-thirds of the FDI equity inflows.

In the long run, international investors are expected to maintain a positive outlook on India as an investment hub. This is due to the market's proven macroeconomic strengths, disciplined fiscal and monetary policies, abundant talent reserves, and continuously expanding digital infrastructure, all of which offer promising opportunities.

Opportunities

Looking ahead to 2024, with IMF projecting one of the highest growth rates for India, we feel that this environment will be more conducive for deal closures especially on fund raising side. We have a very robust deal flow and pipeline and expect closure rate to be better, provided the environment remains conducive. Our execution capability pivots on our skills at deal structuring and our ability to leverage our network for execution. We are constantly seeking alliances and partnerships to enhance this capability. Customers come to us for solutions for the efficient raising of equity or debt capital and our proven ability to execute. Our pipeline is full, and we expect to see this continue.

We had made a strategic investment in / acquisition of an Artificial Intelligence / Machine Learning powered company in financial products in FY24. To leverage the global technology platform of the previous investment, we are venturing into Fund Management Services that will offer its services to global institutional investors and family offices.

Threats

While we are confident of our deal flow pipeline and growth from new business initiatives. We are also mindful of the looming recession threat globally and volatile geopolitical situation. In case of any precipitation on these fronts, there could be a deterioration of economic environment.

B) Risks and Concerns

Given that we are debt free we do not have the usual risks that debt on the balance sheet represents. As our business model is only advisory and does not require any risk to capital to be taken, we see minimal risks to our continuing operations. Our substantial cash reserves will help tide over any disruptions. With increased mobility due to waning of covid pandemic we see more opportunities on expanding our business and deliver on our assignments. We remain vigilant to opportunities and will not hesitate to exploit them provided we can do so by eliminating any risk to our capital.

C) Internal control systems & their adequacy

Your Company's Internal Control System and procedures were reviewed during the year and systems and procedures were corrected wherever found to be inadequate to the Company's size, the nature of its business and the business environment. The internal control systems lay down the policies, authorisation and approval procedures.

We have enhanced controls over management of funds, cash and operations for conducting operations on hybrid model of work from office and home. All transactions are done on a dual control basis that assures greater safety for our operations. We have also strengthened the scope of internal audit to specifically focus on transaction tracking. We are leveraging all available digital tools to run our operations securely.

The adequacy of the internal control systems has been reported by the auditors

under the Companies (Auditor's Report) Order, 2003.

D) discussion on financial performance with respect to operational performance

The Consolidated Revenues of the Company were ₹6,664 lakhs for the financial year under review as against previous year ₹4,684 lakhs. Consolidated Profit after Tax including Comprehensive Income was at ₹2,921 lakhs as compared to ₹1,850 lakhs. Operating profit margins was 32.04% as against 23.98% for the previous year. At the same time, cash and cash equivalents, including investments having maturities in excess of three months, have increased from ₹11,287 lakhs to ₹14,754 lakhs, reflecting an improved operational performance.

We make suitable provisions for any receivable outstanding for more than 60 days.

We advised over 18 start-ups for fund raising. These represent new age businesses like electric vehicles (EV) and new consumer segments like gaming. In many of these assignments we have negotiated to receive our fees in shares of the company. Being start-ups, they don't have the ability to pay high fees and these investments have the potential to deliver very high returns in future.

Your Company operates in only one segment, financial advisory services. We are debt free and have no interest expense.

Overview of Operations

Despite the limitations placed on us by the pandemic, we had a year of robust revenues but more importantly a strong flow of deals that sets us up well for FY 2024-25. As with the previous year, it was driven by repeat and referral business signifying a high level of customer satisfaction. We have been noticed for our ideation, our "Intellectual Property"-

the ability to ideate and craft unique solutions, coupled with our "Network" that has underpinned our execution capabilities and drives robust deal flow. We will make additions to our team opportunistically, our current team very capably servicing our customer base. As a pure fee based, knowledge driven firm, we remain ideally placed to be a one-stop source of solutions for our customers, and this is underscored by our deal flow.

E) material development in Human Resources / industrial relations front, including number of people employed

We continue to grow our pipeline of transactions in the corporate advisory business and add people as needed. We believe our team is optimally staffed at this time.

F) Details of significant changes (i.E. Change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor

Particulars	F.Y. 2023-24	F.Y. 2022-23
Debtors Turnover (Excl. Unbilled)	83.39	87.34
Debtors Turnover (Incl. Unbilled)	118.80	171.84
Interest Coverage Ratio	1,058.50	19.43
Current Ratio (Incl. Equity Instrument)	14.17	10.08
Current Ratio (Excl. Equity Instrument)	5.63	4.89
Debt Equity Ratio	0.00	0.00
Operating Profit Margin (%)	32.04%	23.98%
Net Profit Margin (%)	30.18%	27.57%

G) Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof

In the current financial year, it has been observed that the Return on Net Worth (RoNW) has increased from 9.38% to 13.05%. RoNW is a profitability indicator that measures the returns generated by a company on its shareholders' equity. The increase in RoNW is primarily due to increase in Company's profitability owing to following factors:

- Increased revenues during the year.
- Lower legal, professional fees and travelling expenses.

- Unrealised gain on financial instruments on fair value changes.

Cautionary Statement

Statements in this Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic developments in the country and improvement in the state of capital markets, changes in the Government regulations, tax laws and other status and other incidental factors.

For and on behalf of the Board of Directors

Mumbai
April 25, 2024

N. Jayakumar
Managing Director and Group CEO

Akshay Gupta
Whole-time Director

Annexure 2 to Director's Report

Corporate Governance Report

Mandatory Requirements

1. Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is aimed at ensuring that the objectives of the Company are well defined along with timely measurement and monitoring of the performance against those objectives. It envisages attainment of a high level of transparency and accountability in the functioning of the Company and helps the Management in the efficient conduct of the Company's affairs and in protecting the interest of various participants like Shareholders, Employees, Lenders, Clients, etc and at the same time places due emphasis on compliance of various statutory laws.

2. Board of Directors:

The Board of Directors ("the Board") is composed of Six Members, comprising of Three Non-Executive and Independent Directors ("NED-I"), One Non-Executive and Non-Independent Directors ("NED") and Two Executive / Whole-time Directors ("ED"). This composition meets the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There is no permanent Chairperson. The Directors appoint one of the Non-Executive Director as Chairperson for each Meetings. No Non-Executive Directors are related to the Managing Director and CEO. One Non-Executive and Independent Director is a woman.

Non-Executive and Independent Directors and Executive Directors are appointed for a term of up to five years and are not required to retire by rotation every year. Non-Executive and Non-Independent Directors are subject to retirement by

rotation at the Company's Annual General Meeting ("AGM").

Mr. Ashok Kacker and Mr. Sujit Kumar Varma were appointed as Non-Executive and Non- Independent Directors, by Members of the Company at the 39th AGM, for a first term of five consecutive years commencing from September 27, 2022, pursuant to the notice received under Section 160 of the Companies Act, 2013. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors on August 8, 2023, approved the change in designation of Mr. Ashok Kacker from Non-Executive and Non-Independent Director to Non-Executive and Independent Director, for a term of Five Years from the date of original appointment, i.e. September 27, 2022. Mr. Mayank Malik and Ms. Smeeta Harsha Bhatkal were appointed as Non-Executive and Independent Directors, by Members of the Company at their 40th Annual General Meeting, for a first term of five consecutive years commencing from June 13, 2023, pursuant to the notice received under Section 160 of the Companies Act, 2013. Mr. N. Jayakumar was appointed as the Managing Director and Group CEO, by the Members of the Company at the 37th AGM, for a term of five years commencing from February 11, 2021 to February 10, 2026. Mr. Akshay Gupta, who was appointed as a Non-Executive and Non-Independent Director, by the shareholders at the 37th AGM, was re-designated as Whole-time Director by the Board of Directors, effective March 22, 2023.

During the period under review, there was no inter-se relationship among the Directors of the Company. None of the Directors are related to each other within the meaning of the term "Relative" under Section 2(77) of the Companies Act, 2013.

Composition / Category of Directors, Number of Meetings Held / Attended, Directorship and Committee Chairmanship / Membership in other Companies as on March 31, 2024:

Director Name (DIN)	Category (\$)	Board Meetings during 2023-24		Attendance at last Annual General Meeting held on June 13, 2023	Other Directorships in India (@)	Committee positions in Other Companies in India (*)	
		Held	Attended			Member	Chairman
Mr. Ashok Kacker (01647408) **	NED-I	9	9	No	14	1	1
Mr. Akshay Gupta (01272080)	WTD	9	8	No	2	Nil	Nil
Mr. Mayank Malik (10178490) #	NED-I	9	7	N.A.	Nil	Nil	Nil
Mr. N. Jayakumar (00046048)	MD	9	9	Yes	4	Nil	Nil
Ms. Smeeta Bhatkal (07363916) #	NED-I	9	7	N.A.	Nil	Nil	Nil
Mr. Sujit Kumar Varma (09075212) ##	NED	9	9	Yes	8	3	2
Mr. Pradip Dubhashi (01445030) %	NED-I	9	2	Yes	N.A.	N.A.	N.A.
Ms. Smita Affinwalla (07106628) ^	NED-I	9	2	No	N.A.	N.A.	N.A.
Ms. Namrata Kaul (00994532) ^^	NED-I	9	8	No	N.A.	N.A.	N.A.

§ NED-I means Non-Executive and Independent Director, NED means Non-Executive and Non-Independent Director, WTD means Whole-time Director, MD means Managing Director and Group CEO

@ Includes Directorships in Private Limited / Section 8 / Foreign Companies and interest in Firms / other bodies

* Includes Memberships of only Audit and Stakeholders Relationship Committee of Public Limited Companies

** Appointed as Non-Executive and Non-Independent Director on September 27, 2022. Changed designation to Non-Executive and Independent Director on August 8, 2023

Appointed as Non-Executive and Independent Director on June 13, 2023

Appointed as Non-Executive and Non-Independent Director on September 27, 2022

% Completed Term as Non-Executive and Independent Director on June 13, 2023

^ Resigned as Non-Executive and Independent Director on June 21, 2023

^^ Completed Term as Non-Executive and Independent Director on February 13, 2024

In accordance with the regulatory requirements, it is confirmed that none of the Directors hold directorships in more than seven listed companies or serve as an Independent Director in more than seven listed companies. Furthermore, no Director is a member of more than ten Committees or serves as the Chairperson of more than five Committees across all the listed companies in which they hold directorships.

The Managing Director and Group CEO do not serve as an Independent Director in more than three listed entities. All Independent Directors have met the eligibility criteria as per Regulation 25(1) of the SEBI Listing Regulations. In addition, all Directors have provided the necessary disclosures regarding their Directorship and Committee Membership / Chairmanship in other companies.

The Company greatly benefits from the presence of Independent Directors who come from varied backgrounds and possess a wealth of knowledge, experience, and expertise in their respective fields. Their diverse perspectives contribute significantly to the Company's growth, strategic decision-making, and overall governance. The Independent Directors have duly submitted the necessary declarations as per the requirements of the Companies Act, 2013 and SEBI Listing Regulations, confirming their adherence to the criteria of independence. The Board has carefully reviewed and considered these declarations, ensuring that all Independent Directors exhibit the required level of independence from the Company's management.

Other Directorships / Category of Directorship and Chairpersonship / Membership of Committees in Other Companies:

Director	Other Directorships and Category of Directorship	Chairpersonship / Membership of Committees in Other Companies
Mr. Ashok Kacker	<u>Listed Companies:</u> 1) MAX India Limited (Director) <u>Other Companies:</u> 1) Prime Research and Advisory Limited (Director) 2) Delhi Gust House Private Limited (Director) 3) Golden Green Golf and Resort Limited (Director) 4) Leap India Food and Logistics Private Limited (Director) 5) Samco Asset Management Private Limited (Director) 6) Salins Consultants Private Limited (Director) 7) BAS Enterprises Private Limited (Director) 8) INB Services Private Limited (Director) 9) Max Ventures Investment Holdings Private Limited (Director) 10) Max Life Pension Fund Management Ltd (Director) 11) Piveta Estate Pvt Ltd (Additional Director) 12) K Sera Sera Aryaveer Entertainment LLP (Designated Partner) 13) Salins Consultants LLP (Designated Partner)	<u>Chairperson:</u> 1) Audit Committee of MAX India Limited <u>Member:</u> 1) Nomination and Remuneration Committee of MAX India Limited 2) Stakeholders Relationship Committee of MAX India Limited

Director	Other Directorships and Category of Directorship	Chairpersonship / Membership of Committees in Other Companies
Mr. Akshay Gupta	<p><u>Listed Companies:</u> None</p> <p><u>Other Companies:</u> 1) Prime Research and Advisory Limited (Managing Director and CEO) 2) Prime Funds Management Limited (Director)</p>	<p><u>Chairperson:</u> None</p> <p><u>Member:</u> None</p>
Mr. Mayank Malik	<p><u>Listed Companies:</u> None</p> <p><u>Other Companies:</u> None</p>	<p><u>Chairperson:</u> None</p> <p><u>Member:</u> None</p>
Mr. N. Jayakumar	<p><u>Listed Companies:</u> None</p> <p><u>Other Companies:</u> 1) Prime Research and Advisory Limited (Director) 2) Judith Investments Private Limited (Director) 3) Gateway Entertainment Limited (Director) 4) Statin Enterprise LLP (Designated Partner)</p>	<p><u>Chairperson:</u> None</p> <p><u>Member:</u> None</p>
Ms. Smeeta Bhatkal	<p><u>Listed Companies:</u> None</p> <p><u>Other Companies:</u> None</p>	<p><u>Chairperson:</u> None</p> <p><u>Member:</u> None</p>
Mr. Sujit Kumar Varma	<p><u>Listed Companies:</u> 1) Uflex Limited (Additional Director)</p> <p><u>Other Companies:</u> 1) Waaree Energies Limited (Director) 2) L&T Metro Rail (Hyderabad) Limited (Director) 3) Tata Capital Limited (Director) 4) TATA Asset Management Private Limited (Director) 5) Capri Global Asset Reconstruction Private Limited (Director) 6) TATA Capital Housing Finance Limited (Director) 7) Eyyavan Assets Management Limited (Director)</p>	<p><u>Chairperson:</u> 1) Nomination and Remuneration Committee of TATA Asset Management Private Limited 2) Risk Management Committee of TATA Asset Management Private Limited 3) Stakeholders Relationship Committee of Waaree Energies Limited 4) Lending Committee of TATA Capital Housing Finance Limited 5) Audit Committee of TATA Capital Housing Finance Limited 6) Risk Management Committee of L&T Metro Rail (Hyderabad) Limited 7) Investment Credit Committee of TATA Capital Limited</p>

Director	Other Directorships and Category of Directorship	Chairpersonship / Membership of Committees in Other Companies
		<p><u>Member:</u></p> <ol style="list-style-type: none"> 1) Audit Committee of Uflex Limited 2) Risk Management Committee of Uflex Limited 3) Nomination and Remuneration Committee of Uflex Limited 4) Audit Committee of Tata Asset Management Private Limited 5) Risk Management Committee of Waaree Energies Limited 6) Nomination and Remuneration Committee of TATA Capital Housing Finance Limited 7) Working Committee of TATA Capital Housing Finance Limited 8) Information Technology Steering Committee of TATA Capital Housing Finance Limited 9) Audit Committee of L&T Metro Rail (Hyderabad) Limited 10) Nomination and Remuneration Committee of TATA Capital Limited 11) Information Technology Strategy Committee of TATA Capital Limited 12) Audit Committee of TATA Capital Limited

Board's Core Skills / Expertise / Competencies:

The Board consists of diverse and highly qualified individuals with expertise in business, governance, accounting and human resources. They possess the necessary knowledge, skills, experience, and independence to contribute effectively. A table below details the specific skills, expertise and competencies of each Director:

Director and Designation	Areas of skills / expertise / competencies		
	Business	Governance / Accounting	Human Resources
Mr. Ashok Kacker, Non-Executive and Independent Director	✓	✓	✓
Mr. Akshay Gupta, Whole-time Director	✓	✓	✓
Mr. Mayank Malik, Non-Executive and Independent Director	✓	✓	✓
Mr. N. Jayakumar, Managing Director and Group CEO	✓	✓	✓
Ms. Smeeta Bhatkal, Non-Executive and Independent Director	✓	✓	✓
Mr. Sujit Kumar Varma, Non-Executive and Non-Independent Director	✓	✓	✓

Board Meetings:

During the Financial Year 2023-24, the Company effectively conducted Nine Board Meetings, while maintaining an appropriate gap of not more than 120 days between each meeting. These meetings were held on April 13, 2023, April 21, 2023, June 20, 2023, August 8, 2023, September 1, 2023, October 30, 2023, December 2, 2023, January 19, 2024, and February 14, 2024. All the necessary requirements for the meeting, such as quorum, which is the higher of one-third of the total board strength or 3 directors, including at least one Independent Director, were met. In addition, the Company adhered to the Secretarial Standards on Board Meetings (SS-1) prescribed by the Institute of Company Secretaries of India ("ICSI") and approved by the Central Government. To facilitate effective decision-making and ensure that board members can fulfil their responsibilities, detailed agenda papers containing essential information and documents were provided to Board and Committee members well in advance. If it was not feasible to submit relevant information as part of the agenda papers, it was presented during the meeting or through presentations made by concerned personnel, ensuring compliance with legal requirements. Directors invested considerable time in discussing and deliberating various matters during Board and Committee Meetings. Regular updates, as specified in Part A of Schedule II of the SEBI Listing Regulations, were made available to the Board for discussion and consideration when necessary. The Board also periodically reviewed compliance reports relating to all applicable laws and regulations and took appropriate measures to address any instances of non-compliance.

Number of Shares and Convertible Instruments held by Non-Executive and Independent Directors:

None of the Non-Executive and Independent Directors hold any equity shares or convertible instruments in the Company except Mr. Mayank Malik, who holds 71,000 Equity Shares (0.21% of the total shareholding). This ensures that their decision-making remains unbiased

and objective, as they do not have any significant direct financial interest in the organization. Moreover, it helps maintain a clear separation between the management of the Company and the independent oversight provided by the Non-Executive and Independent Directors, in line with good corporate governance practices.

Familiarization Programme for Directors:

The Company has implemented a comprehensive Familiarization Programme for Directors. This ensures that Directors have a thorough understanding of the Company's operations, policies, and regulations, enabling them to make informed decisions when acting on the company's behalf. The Familiarization Programme begins with the appointment of a new Director, when a formal letter outlining their expected roles, functions, duties, and responsibilities is provided. Directors are also given detailed information on the necessary compliance measures and legal requirements under applicable laws and regulations. Furthermore, the Managing Director engages with Independent Directors to keep them abreast of the Company's operations and any significant updates. As part of the Board and Committee Meetings' agenda, the Company prepares detailed presentations on various aspects of its operations and those of its subsidiaries. This enables the Directors to gain a deeper understanding of the organization's performance and industry trends, which is critical to effective decision-making. Details of the program can be found on the company's website (www.primesec.com).

3. Committees of Directors:

a) Audit Committee:

Terms of Reference:

The Audit Committee is empowered to handle matters in accordance with Regulation 18(3), read with Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. Its terms of reference are briefly outlined below.

- a) Overseeing the Company's financial reporting process and

the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- b) Recommending to the Board, the appointment, re-appointment, replacement or removal of Statutory Auditors, fixation of their remuneration.
- c) Reviewing and monitoring the independence and performance of Statutory Auditors and effectiveness of audit process.
- d) Approving the payment to Statutory Auditors for any other services rendered by them.
- e) Reviewing, with the management, the annual / quarterly financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Companies Act, 2013.
 - ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv) Significant adjustments made in the financial statements arising out of audit findings.
 - v) Compliance with listing and other legal requirements relating to financial statements.
 - vi) Disclosure of any related party transactions
 - vii) Qualifications in the draft audit report.
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue / funds utilized for purposes

other than those stated in the offer document, the report of the agency monitoring the utilisation of proceeds and recommending the board to take up necessary steps.

- g) Approving or any subsequent modification of transactions of the Company with Related Parties.
- h) Scrutiny of Inter-Corporate Loans and Investments.
- i) Reviewing guidelines for investing surplus funds of the Company.
- j) Reviewing Investment proposal before submission to the Board.
- k) To review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business / real estate and its valuation report and fairness opinion, if any, thereof.
- l) Valuation of Undertakings or Assets of the Company.
- m) Evaluating internal financial controls and risk management systems.
- n) Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- o) Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and frequency of Internal Audit and the performance of Internal Auditors.
- p) Discussing with Internal Auditors of any significant findings and follow up there on.
- q) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

- r) Discussing with Statutory Auditors the nature and scope of audit before the audit commences as well as post-audit discussion to ascertain any area of concern.
- s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.
- t) Reviewing the functioning of the Whistle Blower mechanism.
- u) Approval of appointment of CFO after assessing the qualifications, experience and background of the candidate.
- v) To appoint valuers for the valuation of any property, stocks, shares, debentures, securities or goodwill or any other Assets or net worth of a Company or liability of the Company under the provision of the Companies Act, 2013.
- w) To ensure proper system of storage, retrieval, display, or printout of the electronic records.
- x) Such other functions as is mentioned in the terms of reference of the Audit Committee.
- y) Review the following information:
- i) Management discussion and analysis of financial condition and results of operations.
 - ii) Statement of significant related party transactions,
- (as defined by the Audit Committee), submitted by management.
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - iv) Internal audit reports relating to internal control weaknesses.
 - v) The appointment, removal and terms of remuneration of the chief internal auditor and
 - vi) The financial statements, in particular, the investments made by unlisted subsidiary companies.

Composition and Meetings:

Audit Committee have Three Members, all of which are Non-Executive and Independent Directors. All Members are financially literate and have accounting and related financial management expertise.

During the Financial Year 2023-24, the Members of Audit Committee met Four times on April 21, 2023, August 8, 2023, October 30, 2023, and January 19, 2024. The gap between two Audit Committee Meetings did not exceed the prescribed limit and all the Audit Committee Meeting had necessary quorum, being higher of Two Members or one-third of total strength. The details of composition and attendance of each Member at the Audit Committee Meeting are given below.

Name	Category	Designation	No. of Meetings Attended	
			Held	Attended
Ms. Smeeta Bhatkal #	NED-I	Chairperson	4	3
Mr. Ashok Kacker *	NED-I	Member	4	3
Mr. Mayank Malik *	NED-I	Member	4	3
Mr. Pradip Dubhashi ##	NED-I	Chairperson	4	1
Ms. Namrata Kaul **	NED-I	Member	4	1
Ms. Smita Affinwalla **	NED-I	Member	4	1

Appointed as Chairperson w.e.f. June 20, 2023

* Appointed as Member w.e.f. June 20, 2023

Ceased to be Chairperson w.e.f. June 20, 2023

** Ceased to be Member w.e.f. June 20, 2023

The Committee invites the Managing Director and CEO, Whole-time Director, Chief Financial Officer of the Company, Internal and Statutory Auditors to participate in the Meeting. The Company Secretary acts as the Secretary to the Audit Committee Meetings. The Chairperson of the Committee was present at the last Annual General Meeting held on June 13, 2023.

Internal Auditors:

The Company has appointed M/s. Mahajan and Aibara LLP, Chartered Accountants, as Internal Auditors of the Company. The Report of the Internal Auditor along with their suggestions is submitted on a quarterly basis before the Audit Committee for its consideration.

b) Nomination and Remuneration Committee:

Terms of Reference:

Nomination and Remuneration Committee has been given the powers to deal with matters specified under Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations as well as Section 178 of the Companies Act, 2013, which are as follows:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnels and other Employees.

- 2) Formulation of criteria for Evaluation of Independent Directors and the Board.
- 3) Devising a policy on Board diversity.
- 4) Identifying people who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- 5) Recommending extending or continuing the term of appointment of Independent Director, on the basis of the report of their performance evaluation.

Composition and Meetings:

Nomination and Remuneration Committee have Three Members, out of which Two Members including the Chairperson are Non-Executive and Independent Directors and One Member is Non-Executive and Non-Independent Director.

During the year under review, the Members met Two times on April 20, 2023, and June 23, 2023. All the meetings had necessary quorum, being higher of Two Members or one-third of total strength, including at least one Independent Director. The details of composition and attendance of each Member at the Nomination and Remuneration Committee Meeting are given below:

Name	Category	Designation	No. of Meetings Attended	
			Held	Attended
Mr. Mayank Malik #	NED-I	Chairperson	2	1
Ms. Smeeta Bhatkal *	NED-I	Member	2	1
Mr. Sujit Kumar Varma *	NED	Member	2	1
Ms. Smita Affinwalla ##	NED-I	Chairperson	2	1
Ms. Namrata Kaul **	NED-I	Member	2	1
Mr. Pradip Dubhashi **	NED-I	Member	2	1

Appointed as Chairperson w.e.f. June 20, 2023

* Appointed as Member w.e.f. June 20, 2023

Ceased to be Chairperson w.e.f. June 20, 2023

** Ceased to be Member w.e.f. June 20, 2023

The Company Secretary acts as the Secretary to the Nomination and Remuneration Meeting. The Chairperson of the Nomination and Remuneration Committee was not present at the last Annual General Meeting held on June 13, 2023.

Remuneration Policy:

The Remuneration Policy of the Company is performance driven and is structured to motivate employees by rewarding their performance, recognizing their merits and achievement and promoting excellence in their performance as well as attracting and retaining high caliber talent. The Remuneration Policy of the Company is displayed on the website of the Company (www.primesec.com).

Managing Director and Group CEO / Whole-time Director and Key Managerial Personnel are paid remuneration in form of salary, perquisites and allowances, performance bonus and contributions to provident and other retirement benefit funds. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. Annual increments and performance bonus are linked to the performance and are approved by the Board based on the recommendation of the Nomination and Remuneration Committee.

Non-Executive Directors are paid Sitting Fees for attending Board and Committee Meetings and also Commission within the ceiling of 1% per annum of the Net Profits of the Company (computed in accordance with the provisions of Section 198 of the Companies Act, 2013 and the Rules framed thereunder from time to time), as approved by the Members of the Company at their 38th AGM held on August 17, 2021.

Employees / Directors are also rewarded through Employee Stock Option Scheme in terms of the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014. Independent Directors are not entitled to receive Stock Options under Employee Stock Option Scheme.

Remuneration paid to Directors:

Name	Salary and Perquisites (#) (₹ lakh)	Commission (*) (₹ lakh)	Sitting Fees (₹ lakh)	Stock Options (Numbers lakh)
Mr. Ashok Kacker	Nil	Nil	14.00	Nil
Mr. Akshay Gupta (\$)	Nil	Nil	Nil	9,70,000
Mr. Mayank Malik	Nil	Nil	11.40	Nil
Mr. N. Jayakumar (\$)	390.85	Nil	Nil	Nil
Ms. Smeeta Bhatkal	Nil	Nil	12.00	Nil
Mr. Sujit Kumar Varma	Nil	Nil	10.60	Nil
Mr. Pradip Dubhashi	Nil	5.50	3.80	Nil
Ms. Smita Affinwalla	Nil	5.50	3.60	Nil
Ms. Namrata Kaul	Nil	3.40	11.20	Nil

Includes performance bonus for FY 2022-23, paid in FY 2023-24.

* Commission for FY 2022-23, paid in FY 2023-24.

\$ The Contract with the Managing Director and Whole-time Directors are for a period of five years or the normal retirement date, whichever is earlier. The appointment of Managing Director and Whole-time Director are terminable by giving three months' notice of either party. Severance fee, if any, payable to the Managing Director on termination of the agreement will be decided by the Board.

As of the year ended March 31, 2024, Mr. N. Jayakumar, Managing Director and Group CEO, along with persons acting in concert with him, is holding 56,82,480 Equity Shares of the Company representing 17.07% of the total Shareholding of the Company, Mr. Akshay Gupta, Whole-time Director is holding 6,29,738 Equity Shares of the Company representing 1.89% of the total Shareholding of the Company.

None of the Non-executive Directors have any other pecuniary interest in the Company, except as disclosed to the Company.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulation, the Board has carried out the annual evaluation of its own performance, its committees and Independent Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Managing Director was carried out by the Independent Directors.

c) Stakeholders Relationship Committee:

Terms of Reference:

Stakeholders Relationship Committee has been given the powers to deal with

matters specified under the Part D of Schedule II of SEBI Listing Regulations as well as Section 178 of the Companies Act, 2013 and specifically looks into various aspects of interest of shareholders such as approving share transfers, transmissions, etc. and other related matters and reviews the redressal of Member complaints like non-transfer of shares, non-receipt of annual reports etc. The powers to approve transfer of shares and redressal of Member's complaints have been designated to the Managing Director or the Company Secretary. Any shareholder's complaints, which cannot be settled by the Managing Director or the Company Secretary, are placed before the Stakeholders Relationship Committee for their decision. Details of share transfer / transmission and summary of shareholder queries / complaints are placed at the Meeting of Members of Stakeholders Relationship Committee.

Composition and Meetings:

Stakeholders Relationship Committee have Three Members, out of which Two Members are Non-Executive and Independent Directors and One Member is Non-Executive and Non-Independent Director.

During the year under review, the Members met One time on March 27, 2024. The details of composition and attendance of each member is given below:

Name	Category	Designation	No. of Meetings Attended	
			Held	Attended
Mr. Sujit Kumar Varma #	NED	Chairperson	1	1
Mr. Ashok Kacher *	NED-I	Member	1	1
Mr. Mayank Malik *	NED-I	Member	1	1
Ms. Smita Affinwalla ##	NED-I	Chairperson	N.A.	N.A.
Ms. Namrata Kaul @	NED-I	Chairperson	N.A.	N.A.
Mr. Pradip Dubhashi **	NED-I	Member	N.A.	N.A.

Appointed as Chairperson w.e.f. February 14, 2024

* Appointed as Member w.e.f. June 20, 2023

Ceased to be Chairperson w.e.f. June 20, 2023

@ Appointed as Chairperson w.e.f. June 20, 2023. Ceased to be Chairperson w.e.f. February 13, 2024

** Ceased to be Member w.e.f. June 20, 2023

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee Meeting. The Chairperson of the Stakeholders Relationship Committee was not present at the last Annual General Meeting held on June 13, 2023, to answer queries of the security holders. Mr. Ajay Shah, Sr. Vice President, Legal and Company Secretary, has been designated as the Compliance Officer.

Summary of Shareholder's queries / complaints received and replied during the year are as follows:

Particulars	Queries / Complaints received	Queries / Complaints Replied to
Transfer/Transmission/Name Deletion/Duplicate Certificates	480	480
KYC Updation	223	223
Dividend/Revalidation/Bank Details	159	159
Change of Address	194	194
Correction of Data	75	75
Demat / Remat	44	44
Nomination	41	41
Stop Transfer	111	111
Total	1,327	1,327

d) **Corporate Social Responsibility Committee:**

Terms of Reference:

Corporate Social Responsibility Committee has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, to recommend and supervise the implementation of corporate social responsibility commitments and has been given the following powers:

- Formulate and recommend to the Board, Corporate Social Responsibility Policy ("CSR Policy") and the activities to be undertaken.
- Recommend the amount of expenditure to be incurred on the activities under CSR Policy.
- Monitor implementation of the activities undertaken as per the CSR Policy.

The Company has formulated CSR Policy, which is uploaded on the website of the Company (www.primesec.com).

Composition and Meetings:

Corporate Social Responsibility Committee have Three Members, all of which are Non-Executive and Independent Directors.

During the year under review, the Members met One time on August 8, 2023. The details of composition and attendance of each member is given below:

Name	Category	Designation	No. of Meetings Attended	
			Held	Attended
Mr. Ashok Kacker #	NED-I	Chairperson	N.A.	N.A.
Ms. Smeeta Bhatkal *	NED-I	Member	1	1
Mr. Sujit Kumar Varma *	NED	Member	1	1
Ms. Namrata Kaul @	NED-I	Chairperson	1	1
Mr. Pradip Dubhashi **	NED-I	Member	N.A.	N.A.
Mr. N. Jayakumar **	ED	Member	N.A.	N.A.

Appointed as Chairperson w.e.f. February 14, 2024

* Appointed as Member w.e.f. June 20, 2023

@ Appointed as Chairperson w.e.f. June 20, 2023. Ceased to be Chairperson w.e.f. February 13, 2024

** Ceased to be Member w.e.f. June 20, 2023

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee Meeting. The Chairperson of the Corporate Social Responsibility Committee was not present at the last Annual General Meeting held on June 13, 2023, to answer queries of the security holders.

e) **Risk Management Committee:**

Terms of Reference:

The Board has constituted a Risk Management Committee pursuant to the provisions of SEBI Listing Regulations, for framing, implementing and monitoring the risk management framework for the Company.

Composition and Meetings:

Risk Management Committee has Five Members, out of which Two Members are Non-Executive and Independent Directors, One Member is Non-Executive and Non-Independent Director, One Member is Whole-time Director and One Member is a Chief Financial Officer.

During the year under review, no Risk Management Committee meetings were held.

The Company Secretary acts as the Secretary to the Risk Management Committee Meeting. The Chairperson of the Risk Management Committee was present at the last Annual General Meeting held on June 13, 2023, to answer queries of the security holders.

4. Meeting of Independent Directors:

The Independent Directors on the Board of Directors of Company met One time on March 5, 2024, inter-alia for the following:

- a) Review the performance of the Non-Independent Director and the Board of Directors as a whole.
- b) Review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors.
- c) Assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The details of composition and attendance of each Member at the Independent Directors Meeting is given below:

Name	Category	Designation	No. of Meetings Attended	
			Held	Attended
Mr. Ashok Kacker	NED-I	Member	1	1
Mr. Mayank Malik	NED-I	Member	1	1
Ms. Smeeta Bhatkal	NED-I	Member	1	1

5. Managing Director (MD) and Chief Financial Officer (CFO) certification:

Pursuant to the provisions of Regulation 17 read with Part B of Schedule II of the Listing Regulations, the MD and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. N. Jayakumar, Managing Director and Group CEO and Mr. Arun Shah, Chief Financial Officer. The said certificate is annexed as Annexure "A" to this report.

6. General Body Meetings:

(a) Location and Time, where the last Three Annual General Meetings were held:

Financial Year	Date	Location of the Meeting	Time
2022-2023	June 13, 2023	Victoria Memorial School for the Blind, Tardeo Road, Opp. Film Centre, Near Hindustan Petroleum Petrol Pump, Mumbai 400034	3.00 p.m.
2021-2022	September 27, 2022	Two-way Video Conferencing and Other Audio- Visual Means from Registered Office	3.30 p.m.
2020-2021	August 17, 2021	Two-way Video Conferencing and Other Audio- Visual Means from Registered Office	3.30 p.m.

(b) Extraordinary General Meeting:

No Extraordinary General Meeting was held during the financial year under review.

(c) Whether any Special Resolutions passed in the previous Three Annual General Meetings:

The following Special Resolutions were passed at the 40th Annual General Meeting held on June 13, 2023:

- i) Alteration of Articles of Association

The following Special Resolutions were passed at the 39th Annual General Meeting held on September 27, 2022:

- ii) Remuneration to Non-Executive and Independent Directors

The following Special Resolutions were passed at the 38th Annual General Meeting held on August 17, 2021:

- i) Payment of Remuneration to Mr. N. Jayakumar as Managing Director and Group CEO
ii) Payment of Commission to Non-Executive Directors

(a) Whether any Special Resolution passed last year through Postal Ballot and the person who conducted the Postal Ballot exercise:

During the year under review, the following Special Resolutions were passed through the Postal Ballot:

- i) Change in the Objects Clause for the utilization of funds raised in

the Preferential Issue of Equity Shares in November 2021

- ii) Change in designation of Mr. Akshay Gupta (DIN: 01272080) from Non-Executive and Non-Independent Director to Whole-time Director of the Company

- iii) Change in designation of Mr. Ashok Kacker (DIN: 01647408) from Non-Executive and Non-Independent Director to Non-Executive and Independent Director of the Company

- iv) Alteration of Authorised Share Capital

Mr. Pramod S. Shah of M/s. Pramod S. Shah and Associates (CP No. 334), Practising Company Secretaries (Membership No. FCS 3804), was appointed as Scrutinizer to scrutinize the remote e-Voting process in a fair and transparent manner.

(b) Whether any Special Resolution is proposed to be conducted through Postal Ballot and procedure for Postal Ballot:

No Special Resolutions are proposed to be passed through the Postal Ballot and any Special Resolutions proposed to be passed through Postal Ballot in the Current Year will be done in accordance with the provisions of the prescribed law.

7. Disclosures:

(a) **Materially significant Related Party Transactions:**

There were no materially significant related party transactions entered into during the year under review by the Company with its Directors or Management, Subsidiaries or Relatives that may have a potential conflict with the interests of the Company at large. All Related Party Transactions are at arm's length and in the ordinary course of business. Transactions with the Related Parties are disclosed in notes to the Audited Financial Statements forming part of this Annual Report. The Company has formulated a Policy of dealing with Related Party Transactions, which is available on the website of the Company (www.primesec.com).

(b) **Material Subsidiary:**

The Company has formulated a policy for determining Material Subsidiaries, which is available on the website of the Company (www.primesec.com).

(c) **Penalties, strictures for non-compliance:**

During the last three years, there were no penalties, strictures imposed on the Company, by either the Stock Exchanges or SEBI or any other statutory authorities for non-compliance of any matter related to the Capital Markets.

(d) **Whistle Blower Policy:**

The Company has established a Vigil Mechanism (Whistle Blower Policy) for Directors and Employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct, leak of unpublished price sensitive information and related matters, which provides for adequate safeguards against victimization of persons who avails such mechanism. Whistle Blower Policy is available on the website of the Company (www.primesec.com). No personnel of the Company have been denied access to the Audit Committee.

(e) **Code of Conduct for Prohibition of Insider Trading:**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading duly approved by the Board of Directors of the Company and the Company Secretary has been appointed as the Compliance Officer for the purpose of ensuring compliance with the Code of Conduct. Code of Conduct is available on the website of the Company (www.primesec.com).

(f) **Commodity Price Risk / Foreign Exchange Risk and Hedging activities:**

The Company has no exposure to Commodities and Foreign Exchange and accordingly, no hedging activities are carried out.

(g) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

Part of the funds raised through the preferential allotment of equity shares in November 2021 were utilised in terms of the object clause and the remaining funds are kept in the fixed deposits pending utilisation in terms of the objects of the issue. The Board of Directors at their Meeting held on March 22, 2023, have approved the alteration in the end use for the funds raised in the preferential issue.

(h) **Compliance with mandatory and non-mandatory requirements:**

The Company has complied with all the mandatory requirements of this clause except as stated otherwise in this report. The extent of adoption of non-mandatory requirements has been stated separately in this report.

(i) **Recommendations by various Committees:**

The Board has accepted all recommendations made during the year by its various Committees.

- (j) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity, of which the statutory auditor is a part:**

The payment made by the Company and its subsidiaries to the Statutory Auditors for the year ended March 31, 2024, is given below. No payments have been made to any network firms / network entities, of which the statutory auditor is a part.

(₹ lakhs)

Particulars	Company	Subsidiaries	Total
Statutory Audit fees	55.00	4.00	59.00
Other services	4.00	Nil	4.00
Reimbursement of expenses	1.00	Nil	1.00

- (k) **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a) Number of complaints filed during the financial year : Nil
 b) Number of complaints disposed of during the financial year : N.A.
 c) Number of complaints pending as on end of the financial year : Nil

8. Code of Conduct:

The Board of Directors has adopted the Code of Conduct for all Board Members and Senior Management of the Company. The said Code of Conduct has been communicated to all Board Members and Senior Management and they have confirmed the annual compliance with the Code of Conduct. A declaration to that extent signed by Managing Director and Group CEO is annexed as Annexure "B" to this report. The Code of Conduct is available on the website of the Company (www.primesec.com).

9. Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board / Ministry of Corporate Affairs or any such statutory authority:

Pursuant to the provisions of Regulation 34(3) and Schedule V, Para C, clause (10)(i) of the SEBI Listing Regulations, a Certificate by M/s. Pramod S. Shah and Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from

being appointed or continuing as Directors of Company by the Board / Ministry of Corporate Affairs or any such statutory authority, is annexed as Annexure "C" to this report.

10. Unclaimed Suspense Account:

Pursuant to the Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company's Registrar and Share Transfer Agents have already sent three reminders to those shareholders whose share certificates were returned undelivered and remain unclaimed so far, for transfer of the said unclaimed shares to one folio in the name of "Prime Securities Limited - Unclaimed Suspense Account", and the freezing of the voting rights thereon till the shares are claimed by the rightful owners. Details are given below:

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
 b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
 c) Number of shareholders to whom shares were transferred from suspense account during the year: Nil

- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

and published in the Mumbai edition of Free Press Journal and Navshakti within the stipulated time. The same are not sent individually to each Shareholder.

11. Means of Communication:

- a) Quarterly, Half-yearly and Yearly Financial Results of the Company, as approved by the Board of Directors of the Company, are communicated to all the Stock Exchanges, where the shares of the Company are listed
- b) The Company's Financial Results and other official news release are displayed on the Company's website (www.primesec.com).
- c) At present, no formal presentations are made to analysts.

12. General Shareholder Information:

* AGM Date, Time and Venue	: Thursday, June 27, 2024 at 3:00 p.m. by Two-way Video Conferencing and Other Audio- Visual Means from Registered Office
* Financial Year and Indicative Calendar	: Financial Year → April 1, 2024 to March 31, 2025
	i) First Quarter ending June 30, 2024 → on or before August 14, 2024
	ii) Second Quarter and Half-year ending September 30, 2024 → on or before November 14, 2024
	iii) Third Quarter and Nine Months ended December 31, 2024 → on or before February 14, 2025
	iv) Fourth Quarter and Year ended March 31, 2025 → during April 2025 to May 2025
* Date of Book Closure	: Friday, June 21, 2024, to Thursday, June 27, 2024 (both days inclusive)
* Dividend payment date	: On or after Thursday, July 4, 2024
* Listing on Stock Exchanges	: The Bombay Stock Exchange Limited ("BSE") and The National Stock Exchange of India (NSE). The Company has paid the Listing Fees for the Financial Year 2024-2025
* Stock Code of Equity Shares	: BSE: 500337 / NSE: PRIMESECU
* Demat ISIN number for NSDL and CDSL	: INE032B01021
* CIN	: L67120MH1982PLC026724
* Market price data: high, low during each month in last FY	: As per Annexure "I"
* Performance in comparison to broad-based indices such as	
BSE Sensx or Nifty 50	: As per Annexure "II"
* Securities suspended from trading, if any	: Not Applicable

* Address for correspondence	: Prime Securities Limited 1109/1110, Maker Chambers V, Nariman Point, Mumbai 400021 Tel: +91-22-61842525 Email: prime@primsec.com Website: www.primsec.com
* Registrar and Transfer Agent	: Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083 Tel: +91-22- 49186000, Fax: +91-22- 49186060 Email: rnt.helpdesk@linkintime.co.in Website: https://linkintime.co.in/
* Share Transfer System	: As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice. The request for transmission, transposition of shares is being processed by the Registrar and Share Transfer Agents. The Company Secretary or the Managing Director of the Company are authorised to approve the requests and the same are generally processed within 15 days of receipt, provided the documents are clear in all aspects. The said transfers are then noted at the subsequent stakeholder's relationship committee meeting.
* Distribution of Shareholding	: As per Annexure "III"
* Shareholding Pattern	: As per Annexure "IV"
* Top 10 Shareholders	: As per Annexure "V"
* Dematerialisation of Shares and liquidity	: 96.48% of the total shareholding has been dematerialized as on March 31, 2024
* Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact of equity	: None, except 14,11,500 Employee Stock Options granted to Employees / Directors of the Company and its Subsidiaries.
* Plant Locations	: Not Applicable
* Credit Ratings	: The Company does not have any debt instrument and hence not obtained any credit rating.

Non-Mandatory Requirements:

1. The Board:

The Company has a Non-Executive Chairman. The Chairman is not entitled to maintain an office at the Company's expenses. However, the Company reimburses expenses, if any, incurred by him in the performance of his duties.

2. Shareholders' Rights:

Quarterly and Half-yearly Results are published in the newspapers in terms of the provisions of Regulation 47 of the SEBI Listing Regulations and are also available on the website of the Company (www.primesec.com). The Company is not sending Quarterly and Half-yearly Results to Individual Shareholder.

3. Audit Qualification:

The Auditors' opinion on the Financial Statement is unmodified.

4. Separate post of Chairman and CEO:

The posts of Chairman and Managing Director are separate.

5. Reporting of Internal Auditor:

The Company has appointed M/s. Mahajan and Aibara LLP, Chartered Accountant, as an Internal

Auditor pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Internal Audit plan is approved by the Audit Committee and the Internal Auditor presents their Internal Audit Report directly to the Audit Committee.

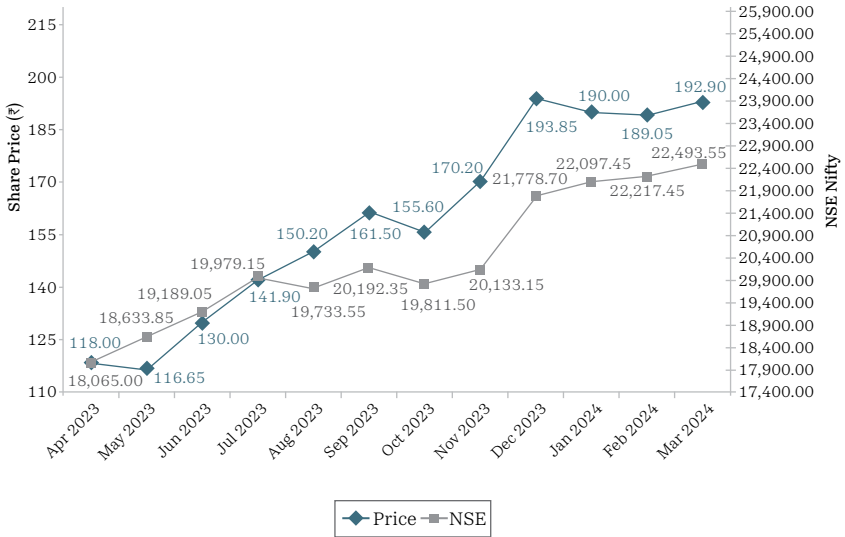
Annexure I to Report on Corporate Governance

Market Price Data: High / Low from April 2023 to March 2024

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
April 2023	118.45	109.80	2,37,338	118.00	109.55	21,01,986
May 2023	116.60	109.95	2,12,450	116.65	109.85	18,95,663
June 2023	129.00	116.20	1,18,199	130.00	116.25	23,11,787
July 2023	140.50	123.95	3,24,001	141.90	124.10	23,20,527
August 2023	150.10	136.85	2,22,614	150.20	137.45	32,03,487
September 2023	161.50	145.85	1,06,759	161.50	145.30	20,03,636
October 2023	156.60	137.70	35,559	155.60	138.00	6,88,667
November 2023	168.90	147.35	2,06,523	170.20	146.75	16,74,390
December 2023	192.00	168.95	52,770	193.85	169.65	17,75,784
January 2024	189.75	170.60	69,084	190.00	171.20	18,42,937
February 2024	187.35	171.60	61,188	189.05	172.00	19,22,287
March 2024	194.00	165.30	3,31,953	192.90	165.25	16,60,490

Annexure II to Report on Corporate Governance

Comparison of Share Price & NSE Nifty - (Monthly High)



Annexure III to Report on Corporate Governance

Distribution of Shareholding (As on March 31, 2024)

Number of Equity Shares held	Number of Shareholders	Percentage of Shareholders	Number of Shares Held	Percentage of Shareholdings
Upto 500	16,878	92.60	19,81,662	5.95
501 - 1,000	574	3.15	4,72,799	1.42
1,001 - 2,000	287	1.57	4,38,803	1.32
2,001 - 3,000	100	0.55	2,54,108	0.76
3,001 - 4,000	54	0.30	1,94,742	0.59
4,001 - 5,000	72	0.40	3,44,194	1.03
5,001 - 10,000	101	0.55	7,74,213	2.33
Above 10,000	160	0.88	2,88,28,304	86.60
Total	18,226	100.00	3,32,88,825	100.00

Annexure IV to Report on Corporate Governance
Shareholding Pattern of the Company (As on March 31, 2024)

Category	Number of Shares	% of Share Capital
A Shareholding of Promoter and Promoter Group		
1) Indian	Nil	Nil
2) Foreign	Nil	Nil
Sub-Total (1)	Nil	Nil
B Public Shareholding		
1) Institutions (Domestic)		
a) Mutual Funds	10,400	0.03
b) Banks	3,202	0.01
c) NBFCs registered with RBI	200	0.00
Sub-Total (2)	13,802	0.04
2) Institutions (Foreign)		
a) Foreign Portfolio Investors Category I	19,46,106	5.85
b) Foreign Portfolio Investors Category II	Nil	Nil
c) Any Other (Foreign Institutional Investors / Foreign Banks)	11,200	0.03
Sub-Total (3)	18,95,309	5.88
3) Non-Institutions		
a) Directors and their relatives (excluding independent directors and nominee directors)	13,80,662	4.15
b) Key Managerial Personnel	623	0.00
c) Resident Individuals holding nominal share capital up to ₹2 lakhs	51,91,072	15.59
d) Resident Individuals holding nominal share capital in excess of ₹2 lakhs	76,16,170	22.88
e) Non-Resident Indians (NRIs)	11,14,155	3.35
f) Bodies Corporate	1,03,00,397	30.94
g) Trusts	19,00,100	5.71
h) Bodies Corporate - LLP	31,87,060	9.57
i) HUF	5,97,497	1.79
j) Clearing Members	1,181	0.00
k) Overseas Corporate Bodies	28,600	0.09
l) Unclaimed or Suspense or Escrow Account	200	0.00
Sub-Total (4)	3,13,17,717	94.08
Grand Total (1+2+3+4)	3,32,88,825	100.00

Annexure V to Report on Corporate Governance
Top 10 Shareholders of the Company (As on March 31, 2024)

Sr. No.	Name of Shareholder	Category	Number of Shares held	% of Total Equity Share Capital
1.	GKK Capital Markets Private Limited	Public	43,75,000	13.14
2.	Statin Enterprise LLP	Public	31,48,059	9.46
3.	Siddarth M Pai	Public	19,00,000	5.71
4.	Varanium India Opportunity Ltd	Public	15,16,000	4.55
5.	Judith Investments Private Limited	Public	17,83,497	5.36
6.	Mahendra Jayantilal Shah	Public	9,79,023	2.94
7.	Anand Jaikumar Jain	Public	7,15,000	2.15
8.	Priya Singh Aggarwal	Public	6,60,000	1.98
9.	Akshay Gupta	Public	6,29,738	1.89
10.	Himanshi Kela	Public	5,50,000	1.65
Total			1,62,56,317	48.83

For and on behalf of the Board of Directors

Mumbai
April 25, 2024

N. Jayakumar
Managing Director and Group CEO

Akshay Gupta
Whole-time Director

Annexure “A”

CEO / CFO Certification

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors
Prime Securities Limited
Mumbai

Dear Sir / Madam,

This is to certify that:

- (a) We have reviewed the Audited Financial Statements and the Cash Flow Statement for the Year ended March 31, 2024, and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, the deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
 - (i) There are no significant changes in internal controls during the Year ended March 31, 2024.
 - (ii) There are no significant changes in Accounting Policies during the Year ended March 31, 2024; and
 - (iii) We have not become aware of any instances of significant fraud, having the involvement of the Management or an Employee, having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,
For **Prime Securities Limited**

Mumbai,
April 25, 2024

N. Jayakumar
Managing Director and Group CEO
DIN: 00046048

Arun Shah
Chief Financial Officer

Annexure “B”

Declaration regarding compliance of code of conduct by board members and senior management personnel

[Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosures) Regulations, 2015]

The Board of Directors
Prime Securities Limited
Mumbai

Dear Sir / Madam,

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and all Senior Management Personnel. The Code of Conduct is posted on the Company's website.

I confirm that the Company has, in respect of the Financial Year ended March 31, 2024, received a declaration of Compliance with the Code of Conduct from all the Members of the Board and Senior Management Personnel.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Board of Directors as on March 31, 2024.

Yours faithfully,
For **Prime Securities Limited**

N. Jayakumar
Managing Director and Group CEO
DIN: 00046048

Mumbai,
April 25, 2024

Certificate on Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Prime Securities Limited
1109/1110, Maker Chambers V,
Nariman Point, Mumbai 400021

We have examined the relevant registers, records, forms, returns and disclosures Received from the Directors of Prime Securities Limited having CIN:L67120MH1982PLC026724 and having registered office at 1109/1110, Maker Chambers V, Nariman Point, Mumbai City MH 400021 IN (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Jayakumar Narayanswami	00046048	12/02/2011
2	Akshay Gupta	01272080	14/08/2019
3	Ashok Kacker	01647408	27/09/2022
4	Sujit Kumar Varma	09075212	27/09/2022
5	Smeeta Harsha Bhatkal	07363916	13/06/2023
6	Mayank Madanlal Malik	10178490	13/06/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Pramod S. Shah & Associates**
Practising Company Secretaries

Pramod S. Shah
Partner
Membership No.: FCS 334
COP No.: 3804
UDIN: F000334F000247790

Date: April 25, 2024
Place: Mumbai

Certificate on Corporate Governance

Certificate on compliance with the conditions of Corporate Governance as per the provisions of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Prime Securities Limited
1109/1110, Maker Chambers V,
Nariman Point, Mumbai 400021

We have examined the compliance of conditions of corporate governance by Prime Securities Limited for the year ended on March 31, 2024 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the corporate governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the provisions as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

For **Pramod S. Shah & Associates**
Practising Company Secretaries

Pramod S. Shah
Partner
Membership No.: FCS 334
COP No.: 3804
UDIN: F000334F000235833

Date: April 25, 2024
Place: Mumbai

Annexure 3 to Director's Report

Annual Report on the CSR Activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Corporate Social Responsibility ("CSR") forms an important part of the Prime Securities Limited's overall philosophy of giving back to the society. Prime Securities Limited ("the Company") is committed to bring about positive changes in the environment it operates. The guiding principles of the Company's CSR policy provide the businesses of the Company various means of achieving social integration.

The focus areas of our CSR initiatives are eradication of hunger, preventive healthcare, environment sustainability, women empowerment, girl education, child development and enhancing vocational skills. The CSR Policy of Prime Securities Limited is available on the Company's website (www.primesec.com).

The activities and funding are monitored internally by the Company.

2. **The Composition of the CSR Committee:**

The Board of Directors of your Company has constituted the CSR Committee of Directors. CSR Committee is formed as per the applicable laws of the Companies Act, 2013 and the Committee is responsible for the implementation / monitoring and review of the policy and various projects / activities undertaken under the policy.

The Members of the Committee are:

- Mr. Ashok Kacker – Chairperson (Independent Director)
- Mr. Smeeta Bhatkal – Member (Independent Director)
- Mr. Sujit Kumar Varma – Member (Non-Executive & Non-Independent Director)

3. **Average Net Profit of the Company for last Three Financial Years:**

The Average Net Profit of the Company, as per Section 198 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014 ("CSR Rules"), for last Three Financial Years is ₹1,233.35 lakhs.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

₹24.67 lakhs

5. **Details of CSR Spent during the Financial Year:**

- a. Total amount to be spent for the Financial Year: ₹24.67 lakhs.
- b. Earlier years overspent: ₹30.19 lakhs.
- c. Spent during the year: ₹6 lakhs.
- d. Surplus spend carried forward for utilizing against spend required for future years: ₹11.52 lakhs
- e. Amount unspent: ₹ Nil

f. Manner in which the amount was spent during the Financial Year 2023-24:

(₹ in Lakhs)

Sr. No.	CSR Project / Program	Sector Covered	District and State where Project / Program was Undertaken	Amount Outlay (Budget)	Amount Spent	Cumulative Expenditure up to the reporting period	Amount spent - Direct / Through implementing agency
1.	Facial and Skull deformities	Healthcare	Across India	6.00	6.00	6.00	Through Implementation Agency
2.	Kids Cancer	Healthcare	New Delhi	1.00	1.00	1.00	Through Implementation Agency

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

The Company has spent two percent of the average net profit of the last three financial years.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, it is hereby confirmed that the Corporate Social Responsibility Committee of the Board of Directors of Prime Securities Limited has implemented and monitored the CSR initiatives of Prime Securities Limited in line with CSR Objectives and Policy of the Company.

For and on behalf of the Board of Directors

Mumbai,
April 25, 2024

Ashok Kacker
Chairman of CSR Committee

N. Jayakumar
Managing Director and Group CEO

Contents of CSR Policy

(Approved by the Board of Directors of Prime Securities Limited at their meeting held on May 27, 2015)

Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programs will be by investing resources into any of the following areas:

- Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & making available safe drinking water;
- Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently unable & livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centers & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
- Reducing child mortality and improving maternal health by providing good hospital facilities and low cost medicines;
- Providing with hospital and dispensary facilities with more focus on clean and good sanitation so as to combat human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water;
- Employment enhancing vocational skills
- Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up public libraries; promotion & development of traditional arts & handicrafts;
- Measures for the benefit of armed forces veterans, war widows & their dependents;
- Training to promote rural sports, nationally recognized sports, sports & Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
- Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government;
- Rural development projects, etc.
- Slum area development

Annexure 4 to Director's Report

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Prime Securities Limited
1109/1110, Maker Chambers V,
Nariman Point, Mumbai 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Securities Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - (e) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and amendments made from time to time;
 - (f) The Securities and Exchange Board of India (Issue of Capital

- and Disclosures Requirements) Regulation, 2009;
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008; (Not Applicable during the Audit Period);
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 (Not Applicable during the Audit Period)
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998 (Not Applicable during the Audit Period); and
 - (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable during the Audit Period)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2)
- (ii) The Securities and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under the review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of

Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and adequate compliance as required under Companies Act, 2013 and Secretarial Standards is adopted for Board Meetings in which detailed notice and agenda could not be sent at least 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were passed with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's affairs other than as following.

During the review period Board approved the allotment of 9,31,600/- Equity Shares of face value of ₹5/- each of the Company to the eligible employees, pursuant to the exercise of Options granted under Employee Stock Option Scheme 2018 of the Company

For **Pramod S. Shah & Associates**
Practising Company Secretaries

Pramod S. Shah
Partner
Membership No.: F334
COP No.: 3804
UDIN: F000334F000235690

Date: April 25, 2024
Place: Mumbai

Annexure 5 to Director's Report

Disclosure in Director's Report

Pursuant to section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

Sr. No.	Requirements	Disclosure	
		Name of the Director	Ratio
1.	The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year	N. Jayakumar, Managing Director and Group CEO	31.86 X
		Akshay Gupta, Whole-time Director	N.A.
		Ashok Kacker, Independent Director	N.A.
		Mayank Malik, Independent Director	N.A.
		Smeeta Bhatkal, Independent Director	N.A.
		Sujit Kumar Varma, Non-Executive and Non-Independent Director	N.A.
		1. The Median Remuneration of Employees of the Company was ₹15 lakhs	
		2. Independent Directors are not paid any remuneration except Sitting Fees and Commission, which has not been considered as remuneration	
		3. Non-Executive and Non-Independent Directors are paid Sitting Fees and Commission, which has not been consider as remuneration	
		4. Figures have been rounded off wherever necessary	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the Financial Year	Name of the Director, CFO and CS	%
		N. Jayakumar, Managing Director and Group CEO	28.25
		Akshay Gupta, Whole-time Director	N.A.
		Ashok Kacker, Independent Director	N.A.
		Mayank Malik, Independent Director	N.A.
		Smeeta Bhatkal, Independent Director	N.A.
		Sujit Kumar Varma, Non-Executive and Non-Independent Director	N.A.
		Arun Shah, Chief Financial Officer	20.04
		Ajay Shah, Company Secretary	8.90
		1. Increase, if any, in remuneration is made as per appraisal system and Remuneration and Nomination Policy of the Company	
2. Independent Directors are not paid any remuneration except Sitting Fees and Commission, which has not been considered as remuneration			
3. Non-Executive and Non-Independent Directors are paid Sitting Fees and Commission, which has not been consider as remuneration			

Sr. No.	Requirements	Disclosure	
		Name of the Director	Ratio
3.	The percentage increase in the Median Remuneration of Employees in the Financial Year	During FY 2023, the percentage decrease in the median remuneration of employees as compared to previous year was 37.81	
4.	The number of Permanent Employees on the rolls of Company	There were 19 employees as on March 31, 2024	
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase / (decrease) in remuneration is (17.97)% for employees other than managerial personnel and 37.95% for managerial personnel	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed	

For and on behalf of the Board of Directors

Mumbai,
April 25, 2024

N. Jayakumar
Managing Director and Group CEO

Akshay Gupta
Whole-time Director

Annexure 7 to Director's Report

Employee Stock Option Scheme (ESOS)

Disclosure pursuant to the provisions of the Securities and Exchange Board of India
(Share Based Employee Benefits) Regulations, 2014

Particulars	ESOS 2018
a) Options granted	46,17,000
b) Pricing formula	₹34.70 per share for 18,87,000 Options ₹36.50 per share for 16,80,000 Options ₹27.40 per share for 10,50,000 Options (Fair value determined based on 10% discount to the three months average price, upto the Grant Date)
c) Options vested	36,35,000
d) Options exercised	22,23,500
e) The total number of shares arising as a result of exercise of option	22,23,500
f) Options lapsed	9,82,000
g) Variation of terms of options	Nil
h) Money raised by exercise of options	7,16,59,950
i) Total number of options in force	14,11,500
j) Employee wise details of options granted	
i) Senior managerial personnel	Total 19,50,000 Options granted to 3 senior managerial personnel (employees one level below the Board of Directors including employees of subsidiaries)(Only summary given due to sensitive nature of information)
ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of the option granted during that year	No Options granted during the financial year 2023-24
iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	No Options granted during the financial year 2023-24
k) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard AS20 Earnings Per Share	₹2.52 per share of face value of ₹5/- each
l) i) Method of calculation of employee compensation cost	Fair value method

Particulars	ESOS 2018
ii) Difference between the employee compensation cost so computed at (i) above and cost that shall have been recognized if it had used the fair value of the options	Nil
iii) The impact of this difference on profits and on EPS of the Company	Nil
m) Weighted average exercise price and weighted average fair value	Weighted average exercise price: ₹34.70 per Share (Grant Date 13-Nov-2018), ₹36.50 Per Share (Grant Date 18-May-2019), ₹27.40 Per Share (Grant Date 20-May-2020) Weighted average fair value - ₹27.80
n) Fair value of options based on Black Scholes methodology - assumptions	
Risk free rate	5.95% - 6.10%
Expected life of options	6.5 years - 7.5 years
Expected volatility	67.61% - 66.90%
Expected dividends	-
Closing market price of share on date of option grant	-

For and on behalf of the Board of Directors

Mumbai
April 25, 2024

N. Jayakumar
Managing Director and Group CEO

Akshay Gupta
Whole-time Director

Independent Auditor's Report

To the Members of **Prime Securities Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Prime Securities Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="73 188 267 209">Revenue Recognition</p> <p data-bbox="73 228 443 320">We refer to the Company’s material accounting policies in note 2(b) and the revenue related disclosure in note 38 of the standalone financial statements.</p> <p data-bbox="73 339 443 480">The Company’s revenue from operations arises from merchant banking and advisory services, which mainly includes Corporate and Financial Advisory services, arranging long term finance and raising equity funds.</p> <p data-bbox="73 499 443 687">Recognition of revenue is based upon the satisfaction of performance obligations upon transfer of control of promised services to customers in an amount that reflects the consideration the Company is contractually expected to receive in exchange for those services as set forth under the terms of engagement.</p> <p data-bbox="73 707 443 847">Identification of the various performance obligations within the contract and allocation of consideration to these performance obligations, is complex and requires significant management judgement.</p> <p data-bbox="73 866 443 959">Considering the materiality of amounts involved, significant judgements, this has been identified as a key audit matter in respect of standalone financial statements.</p>	<p data-bbox="446 188 925 233">Our audit procedures to address this key audit matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li data-bbox="446 252 925 296">▪ Evaluated the appropriateness of the Company’s accounting policy for revenue recognition; <li data-bbox="446 316 925 386">▪ Evaluated the design and operating effectiveness of key controls over the revenue recognition process; and <li data-bbox="446 405 925 1204">▪ For the revenue contracts entered by the Company, the following procedures were performed: <ul style="list-style-type: none"> <li data-bbox="498 491 925 632">• Obtained and inspected mandates, with respect to the key contractual terms entered by the Company with the customer and evaluated the appropriateness of the accounting treatment assessed by the management; <li data-bbox="498 651 925 839">• Evaluated whether the performance obligations and service delivery obligations as per the terms of the engagement appear to be satisfied by the Company to the extent of revenue recognised, by performing enquiry with the management and inspecting supporting documents evidencing completion of such work; <li data-bbox="498 858 925 1024">• Tested invoices, on sample basis, raised in relation to the advisory services and traced the receipt of money in respect of such invoices to the bank statements. Accounting of unbilled revenue was verified with invoices issued in subsequent period; and <li data-bbox="498 1043 925 1204">• Performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation to assess whether the revenue was recognized in the correct period.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="104 186 464 233">Valuation of unquoted investments carried at fair value</p> <p data-bbox="104 248 464 320">Refer note 2(g) for material accounting policies and note 8 of standalone financial statements</p> <p data-bbox="104 339 464 459">As at 31 March 2024, the Company held unquoted investments carried at fair value amounting to Rs. 7,916 lacs which represents 50 % of the total assets of the Company as at 31 March 2024.</p> <p data-bbox="104 475 464 762">The aforesaid investments are not traded in the active market. These investments are fair valued using Level 2 and Level 3 inputs. The fair valuation of Level 3 investments is determined by a management-appointed independent valuation specialist. The process of computation of fair valuation of Level 3 investments includes use of unobservable inputs and management judgements and estimates which are complex.</p> <p data-bbox="104 778 464 946">The key assumptions underpinning management's assessment of fair value of Level 3 investments, include application of liquidity discounts, calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates.</p> <p data-bbox="104 962 464 1201">The valuation of these investments was considered to be one of the areas which required significant auditor attention and was one of the matters of most significance in the standalone financial statements due to the materiality of total value of investments to the standalone financial statements and the complexity involved in the valuation of these investments.</p>	<p data-bbox="467 186 957 284">Our audit procedures in relation to valuation of unquoted investments with the involvement of our valuation experts included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li data-bbox="467 300 957 397">▪ Obtained an understanding of Company's business model and its assessment in accordance with Ind AS 109 for classification and valuation of its investments; <li data-bbox="467 413 957 628">▪ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of these investments. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Company including its valuation policy and discussion with those involved in the process of valuation; <li data-bbox="467 644 957 836">▪ Evaluated the design and tested the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls, independent price verification performed by the management expert; <li data-bbox="467 852 957 924">▪ Obtained and evaluated for reasonableness, the market observable inputs used by the management for valuation of Level 2 investments; <li data-bbox="467 940 957 1035">▪ Obtained the valuation reports issued by the management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of Level 3 investments; <li data-bbox="467 1051 957 1323">▪ Performed a reasonableness test on the valuation reports provided by Management by carrying out following procedures: <ul style="list-style-type: none"> <li data-bbox="519 1139 957 1211">• Analyzed financial performance of the investee company from the date of investment till the valuation date. <li data-bbox="519 1227 957 1323">• Applied calibration to price of recent Investment methodology in assessing the impact if any on the valuation of investee company as on the valuation date. <li data-bbox="467 1339 957 1404">▪ Screened for comparable companies / comparable transactions (wherever transaction data was available) for each of the investee companies.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li data-bbox="464 188 918 304">▪ Ensured the appropriateness and sufficiency of the carrying value of these investments in the standalone financial statements and the gain or loss recognized in the standalone financial statements as a result of such fair valuation; <li data-bbox="464 323 918 392">▪ Ensured the appropriateness of the disclosures in accordance with the applicable accounting standards; and <li data-bbox="464 411 918 528">▪ Obtained written representations from the management and those charged with governance whether they believe significant assumptions used in valuation of the investments are reasonable.

Information other than the Standalone Financial Statements and Auditor’s Report thereon

6. The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company’s Board of Directors. The Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors and Those Charged with Governance is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 17(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company, as detailed in note 31 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 50(b) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 50(a) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. As stated in note 49 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Further, the final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. As stated in Note 54 to the standalone financial statements and based on our examination which included test checks except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions

recorded in the software. Further, during the course of our audit we did not come across any instance of audit

trail feature being tampered with, other than the consequential impact of the exception given below.

Particulars	Details
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled for the accounting software (Tally Prime Edit log) for the period 1 April 2023 to 3 April 2023.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No.: 043334
UDIN: 24043334BKDQBB7512

Place: Pune
Date: 25 April 2024

Annexure I referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Prime Securities Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right-of-use assets under which the assets are physically verified once in every 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3 (i) (c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3 (ii) (a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3 (ii) (b) of the Order is not applicable to the Company.
- (iii) (a) The Company has provided loans and advances in the nature of loans to others during the year as per details given below:

(Amount in lakhs)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount provided/granted during the year:				
- Subsidiaries				
- Joint Ventures				
- Associates				
- Others			500	7
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries				
- Joint Ventures				
- Associates				
- Others			500	7

- (b) During the year, company has made investment in 6 entities amounting to Rs. 23,23 lakhs, granted loan to 1 party amounting to Rs. 500 lakhs and advances in the nature of loan to 1 party amounting to Rs. 7 lakhs. In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans and advances in the nature of loans are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or given any security during the year.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently, however, the receipt of the interest is regular. Further in respect of advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal and interest amount are not due for repayment currently.
- (d) There is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

- (e) The Company has not granted any loan or advance in the nature of loan, which are repayable on demand or without specifying any terms or period of repayment.
- (iv.) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and 186 of the Act in respect of guarantees and security.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under subsection (1) of section 148 of the Act, in respect of Company's products/ business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory

dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in

respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in lakhs)

Name of the statute	Nature of dues	Gross Amount (Rs.)	Amount paid under Protest (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act 1961	Income tax	175	-	Assessment year 2017-18	Commissioner of income Tax (Appeals)	None

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. However, loans amounting to Rs. 194 lakhs is repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer

- or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company. However, the Company has made a preferential allotment of shares during the year ended 31 March 2022, the amount so raised remained partly unutilised as on 31 March 2024 and have been invested in readily realisable liquid investments.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (a) Based on the information and explanations given to us and as represented by the management of

the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date,

will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Murad D. Daruwalla

Partner

Membership No.: 043334

UDIN: 24043334BKDQBB7512

Place: Pune

Date: 25 April 2024

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Prime Securities Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note on issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control

based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable

assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No.: 043334
UDIN: 24043334BKDQBB7512

Place: Pune
Date: 25 April 2024

Balance Sheet as at March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Financial assets			
a) Cash and cash equivalents	4	75	64
b) Bank balance other than (a) above	5	1,970	4,333
c) Receivables	6		
(i) Trade receivables		1,230	1,491
(ii) Other receivables		431	440
d) Loans	7	555	55
e) Investments	8	10,453	6,107
f) Other financial assets	9	41	62
Sub total (I)		14,755	12,552
II. Non-financial assets			
a) Current tax assets (net)	10	442	283
b) Property, plant and equipment	11(a)	153	225
c) Other Intangible assets	11(b)	9	7
d) Other non-financial assets	12	44	121
Sub total (II)		648	636
TOTAL ASSETS (I + II)		15,403	13,188
LIABILITIES AND EQUITY			
I. Financial liabilities			
a) Payables			
(i) Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		102	100
b) Borrowings (Other than debt securities)	14	194	487
c) Other financial liabilities	15	568	464
Sub total (I)		864	1,051
II. Non-financial liabilities			
a) Provisions	16	207	175
b) Deferred tax liabilities (net)	17	643	349
c) Other non-financial liabilities	18	64	41
Sub total (II)		914	565
III. Equity			
a) Equity share capital	19	1,664	1,618
b) Other equity		11,961	9,954
Sub total (III)		13,625	11,572
TOTAL LIABILITIES AND EQUITY (I + II + III)		15,403	13,188

Summary of material accounting policy information and other explanatory information to the financial statements. 1-57

This is the Balance Sheet referred to in our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO

(DIN: 00046048)

Akshay Gupta

Whole-time Director

(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary

(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Statement of Profit and Loss for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Note no.	Year ended March 31, 2024	Year ended March 31, 2023
I. Revenue from operations			
i) Fee and Commission income	20	3,090	2,404
Total Revenue from operations (I)		3,090	2,404
II. Other Income			
i) Interest income	21	255	319
ii) Dividend income		0	4
iii) Net gain on fair value changes	22	12	-
iv) Gain on sale / redemption of investments (net)	23	8	104
v) Other	24	0	42
Total other income (II)		275	469
III. Total income (I + II)		3,365	2,873
IV. Expenses			
i) Finance costs	25	49	65
ii) Fees and commission expense		183	34
iii) Net loss on fair value changes	22	-	120
iv) Impairment on financial instruments	26	34	(55)
v) Employee benefits expense	27	1,378	1,124
vi) Depreciation and amortisation expense	11(a) & 11(b)	82	100
vii) Other expenses	28	623	574
Total expenses (IV)		2,349	1,962
V. Profit before exceptional items and tax		1,016	911
VI. Exceptional items (net gain)	29	-	173
VII. Profit before tax (V) + (VI)		1,016	1,084
VIII. Tax expense			
i) Current tax charge	43	183	197
ii) Earlier year tax charge	43	-	170
iii) Deferred tax credit	43	(29)	(59)
Total Tax expense (VIII)		154	308
IX. Profit after tax (VII) - (VIII)		862	776
X. Other comprehensive income / (loss)			
Item that will not be reclassified to profit or loss			
Remeasurement (loss) of the defined benefit plans		(11)	(19)
Remeasurement gain on fair valuation of investments		1,396	979
Deferred tax on remeasurement of the defined benefit plans		3	6
Deferred tax on remeasurement of gain on fair valuation		(325)	(228)
Other comprehensive income for the year (X)		1,063	738
XI. Total comprehensive income for the year (IX) + (X)		1,925	1,514
Earnings per equity share of nominal value of Rs. 5 each	30		
Basic (in Rs.)		2.63	2.44
Diluted (in Rs.)		2.52	2.30

Summary of material accounting policy information and other explanatory information to the financial statements. 1-57

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandio & Co LLP

For Prime Securities Limited

Chartered Accountants

Firm Registration Number : 001076N/N500013

N. Jayakumar
Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta
Whole-time Director
(DIN: 01272080)

Murad D. Daruwalla
Partner
Membership No 043334

Arun Shah
Chief Financial Officer

Ajay Shah
Company Secretary
(ACS-14359)

Place : Pune
Date : April 25, 2024

Place : Mumbai
Date : April 25, 2024

Statement of Cash Flows for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	1,016	911
Adjustments for :		
Depreciation and amortisation expense	82	100
Changes in fair valuation of investment (net)	(12)	120
(Profit) on sale of property, plant and equipments (net)	(0)	(6)
Gain on sale of investments (net)	(8)	(104)
Interest Expense	37	53
Interest income on deposits	(156)	(319)
Dividend income	(0)	(4)
Share based payment to employees	-	14
Impairment / Reversal of expected credit loss	(73)	(123)
Impairment of financial assets	(193)	61
Operating profit before working capital changes	693	703
Adjustments for changes in working capital:		
Increase / (Decrease) in provisions	32	43
Increase / (Decrease) in trade payables	1	(10)
Increase/ (Decrease) in other financial liabilities	105	(177)
Increase/ (Decrease) in other non-financial liabilities	23	5
(Increase)/ Decrease in other financial assets	21	(40)
(Increase)/ Decrease in other receivables	9	(47)
(Increase)/ Decrease in trade receivables	261	(1,191)
(Increase)/ Decrease in other non-financial assets	76	9
(Increase)/ Decrease in Loans	(500)	(55)
Total changes in working capital	28	(1,463)
Cash generated from / (used in) operations	721	(760)
Taxes paid, net of refunds	(341)	(52)
Net cash generated from /(used in) operating activities (A)	380	(812)
Cash flow from investing activities:		
Purchase of property, plant and equipments including capital work-in-progress	(12)	(26)
Proceeds from sale / disposal of property, plant and equipments	0	6
Purchase of Investments	(2,950)	(901)
Proceeds form sale / redemption of investments	20	609
Decrease / (Increase) in other bank balances	(4)	-
Decrease/ (Increase) in fixed deposits original maturity more than 3 months	2,368	222

Statement of Cash Flows for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income	156	319
Dividend received	0	4
Net cash generated from / (used in) investing activities (B)	(422)	232
Cash flow from financing activities:		
Proceeds from issuance of Share capital	545	698
Borrowings (repaid) / availed during the year from related party	(291)	483
Borrowings repaid during the year	(2)	(492)
Interest paid	(37)	(53)
Payment of Dividend to shareholders	(162)	(717)
Net cash (used in) financing activities (C)	53	(81)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	11	(660)
Cash and cash equivalents at the beginning of the year	64	724
Cash and cash equivalents at the end of the year	75	64
Total	11	(660)
	-	-
Notes:		
1) Cash and cash equivalents comprise of		
Cash on hand	0	0
Balances with banks		
In current account	75	64
Cash and cash equivalents at the end of the year	75	64

Note:

- 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).
- Figures in brackets indicate cash outflows

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta

Whole-time Director
(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary
(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Statement of Changes in Equity for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Equity share capital

Particulars	Amount
Balance as at April 1, 2022	1,559
Restated balance as at April 1, 2022	1,559
Changes in equity share capital during the year	59
Balance as at March 31, 2023	1,618
Balance as at April 1, 2023	1,618
Restated balance as at April 1, 2023	1,618
Changes in equity share capital during the year	46
Balance as at March 31, 2024	1,664

Other equity

Particulars	Reserves and Surplus			Share application money pending allotment	Items of other Comprehensive Income (net of tax)		Total
	Securities Premium	Share Options outstanding account	Retained earnings		Remeasurement of defined benefit liability / assets	Fair value gain / loss on Financial assets carried at FVTOCI	
Opening balance as at April 1, 2022	3,874	951	3,342	0	(77)	710	8,799
Transactions during the year							
Profit after tax for the year	-	-	776	-	-	-	776
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	(13)	751	738
Dividend paid	-	-	(717)	-	-	-	(717)
Securities premium	639	-	-	-	-	-	639
Share Application during the Year	-	-	-	5	-	-	5
Share based compensation	-	(287)	-	-	-	-	(287)
Closing balance as at March 31, 2023	4,513	664	3,401	5	(91)	1,462	9,954
Transactions during the year							
Profit after tax for the year	-	-	862	-	-	-	862
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	(8)	1,071	1,063
Dividend Paid	-	-	(162)	-	-	-	(162)
Securities premium	499	-	-	-	-	-	499
Share Application during the Year	-	-	-	(5)	-	-	(5)
Share based compensation	-	(250)	-	-	-	-	(250)
Closing balance as at March 31, 2024	5,012	414	4,101	0	(99)	2,533	11,961

Statement of Changes in Equity for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Nature and purpose of reserve

- **Securities premium**
Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.
- **Share Options outstanding account**
This reserve is created by debiting the statement of profit and loss account with the fair value of share options granted to the employees by the Company. On exercise of the options so granted, the reserve will move to securities premium and unvested portion if any, will be transferred to securities premium account.
- **Retained earnings**
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Summary of material accounting policy information and other explanatory information to the financial statements. This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta

Whole-time Director
(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary
(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

1 Corporate Information

Prime Securities Limited (“PSL” or ‘the Company’) is a public limited company and incorporated under the provisions of Companies Act, 1956. The Company is domiciled in India and the addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

PSL is a Leading provider of diversified, Investment Banking and Corporate Advisory services, licensed and regulated by the Securities and Exchange Board of India (SEBI), authorized to advise and arrange financial services under a Category 1 Merchant Banking License. The Company’s shares are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) in India.

PSL specializes in providing value added advice and services to its clients on complex strategic and financial decisions and transactions focused around Fund Raising, Mergers & Acquisitions, Equity & Debt Private Placements, Initial Public Offerings, Corporate Advisory, and Capital Restructuring.

The Financial statements were approved for issuance by the Company’s Board of Director on April 25, 2024.

2 Material Accounting policy information

a) Basis of preparation

i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015, other relevant provisions of the Act and the guidelines issued by Securities Exchange Board of India to the extent applicable.

The financial statements have been prepared using the material accounting policies and measurement bases summarized as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans – plan assets measured at fair value
- Share based payment measured at fair value on grant date.

iii) Preparation of financial statements

The Company is covered in the definition of non-banking financial company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company presents the Balance Sheet, the Statement of Profit and Loss and the statement of Changes in Equity in the order of liquidity as per the format prescribed under Division III of Schedule III to the Companies Act, 2013. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is prescribed in Note 46.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

b) Revenue Recognition

The Company derives revenues primarily from advisory services. Fee income is recognised based on the stage of completion of assignments and terms of agreement with the client.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer and accordingly revenue is recognized at transaction price. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company is contractually expected to receive in exchange for those services.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or,
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or,
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

c) Recognition of Other Income:

- i) Dividend income is recognised when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
- ii) Interest income is recognized using the effective interest rate method on accrual basis.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

iii) Gain or losses on sale of investments are recognized on trade dates by comparing the sales realization with the weighted average cost of such investment.

iv) Income from net gain on fair value changes on bonds and equity is recognised based on the principles as stated in Ind AS 109.

d) Property, plant and equipment:

Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent cost relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. Useful life of Property Plant and Equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate. The Company provides pro-rata depreciation from the date on which the asset is available to use, till date the assets are sold or disposed.

The estimated useful lives of assets are as follows:

Assets	Estimated Useful life
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers and other hardware	3 years
Vehicles	8 to 10 years

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

e) Intangible Assets:

Measurement at recognition

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

The Company amortizes intangible assets on a straight-line basis over the five years commencing from the date on which the asset is available to use.

Cost of an intangible asset includes purchase price, non-refundable taxes and duties and any other directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Assets	Useful life
Computer Software	5 years

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

f) Capital Work-in-Progress

The Project assets or assets which are not ready for their intended use are shown as Capital Work-in-Progress.

Capital work-in-progress are measured at cost less accumulated impairment losses, if any.

g) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Fair value of financial instruments:

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair value measurement under Ind AS are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows.

- **Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the closing price. These instruments are included in level 1
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2
- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. During the year, there have been no transfers amongst the hierarchy levels.

Financial Assets:

(i) Initial recognition and measurement:

All financial assets except trade receivables, are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially recognised at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Classification and subsequent measurement:

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI.

Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

3. Investments in mutual funds

Investments in mutual funds Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

4. Investments in bonds

Investments in bonds Investments in bonds are measured at fair value through profit and loss (FVTPL).

(iii) Impairment of financial assets:

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables - Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows. The application of

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the receivables are classified based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the receivables impairment allowance account accordingly.

Additionally, the Company uses a provision matrix to compute the trade receivables, as per which the provision is made at 10% for trade receivable overdue more than 180 days but less than 270 days, additional 30% for trade receivable overdue more than 270 days but less than 360 days, additional 50% for trade receivable overdue more than 360 days and remaining 10% will always be retained, until bad debt is recognised.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iv) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities:

(i) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

h) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Employee Benefits:

i) Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

ii) Post Employment / Retirement Benefits:

Defined contribution plan:

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc. are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans:

The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

iii) Other Long Term Employee Benefits:

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

j) Share based payments

Employee stock option scheme (ESOS)

The Employees Stock Options Scheme ("the Scheme") has been established by the Company. The Scheme provides that employees are granted an option to subscribe to equity share of the Company that vest on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of options disclosed in note 32.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

k) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

l) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate as at the date of transaction.

m) Leases:

Leases – As lessee:

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

▪ **Measurement and recognition of leases as a lessee:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

n) **Taxation:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

i) Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) MAT :

As per Section 115JB, if the tax on the book profit is higher than the computed tax, then company need to provide for tax on the basis of MAT, which is available for setoff in the subsequent years.

iii) Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

o) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

p) Impairment of non-financial assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

q) Provisions, Contingent Assets and Contingent Liabilities:

Contingent assets / liabilities:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

r) Dividend payable

Interim Dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders. The dividend payable is recognised as a liability with a corresponding amount recognised directly in equity.

s) Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

t) Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements, unless otherwise indicated. The amounts reflected as “0” in the Financial Statements are values with less than rupees one lakh.

v) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

w) Recent accounting developments

i) Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. As on March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

ii) Standards issued / amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company has applied for the first-time these amendments.

a) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company’s disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company’s standalone financial statements.

b) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company does have leases and it continues to disclose deferred tax asset and liability separately on leases.

This amendment did not have any material impact on the amounts recognised in prior periods and do not affect the current period or are expected to significantly affect future periods.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

c) **Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these standalone financial statements.

- x) These financial statements are presented in Indian rupees, which is the Company's functional currency.

3 Critical Accounting Judgements & Estimates

Use of Estimates and Judgements

The preparation of financial statements in accordance with Ind AS requires use of estimates, judgements and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. The actual amounts realised may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. Estimates and judgements are required in particular for:

▪ **Determination of the estimated useful lives of Property Plant and Equipments:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. Useful lives of Property Plant and Equipments are based on the life prescribed in Schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

▪ **Recognition and measurement of defined benefit obligations:**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- **Recognition of deferred tax assets / liabilities:**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income (supported by reliable evidence) will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.
- **Impairment of financial assets:**

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the Company assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.
- **Fair valuation of employee share option**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Company's stock and employee exercise behaviour which are based on historical data as well as expectations of future developments over the term of the option. As stock-based compensation expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in our stock-based compensation expense amounts in the future.
- **Determining whether an arrangement contains a lease:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals). The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain to not exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend or terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate of the Company, specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- **Fair valuation of unlisted equity shares**

Ind AS 109 requires all investment in equity instrument to be measured at FVTPL, the company at the initial recognition carries a proper assessment to make irrevocable election for FVTPL or FVTOCI of equity instrument held other than for trading purpose. The fair valuation of unlisted equity shares is based on the management (respective investee company) estimates of future earnings or market multiple using prescribed technique of valuation.

- a). Investment in equity instrument is valued at purchase cost at the time of initial recognition.
- b). For subsequent measurement the company adopts the following process for valuation of investments:
 - i. At any time or at each quarter end if there is any indicator trigger as per para B5.2.4 of Ind AS,
 - ii. Availability of sufficient information such as subsequent allotment of shares,
 - iii. March 31st every year for investments held for more than six months.

- **Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Contingent liabilities**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Provisions**

Provisions are recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding defined benefit plan) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

4 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0	0
Balances with banks		
In current accounts	75	64
Total	75	64

5 Bank balances other than (4) above

Particulars	As at March 31, 2024	As at March 31, 2023
Others		
Term deposits with banks with original maturity period more than 3 months	1,886	4,254
Other Bank Balance *	84	79
Total	1,970	4,333

* Other Bank balance is against the unclaimed dividend.

6 Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivable (including unbilled revenue)		
(i) Receivables considered good-secured	-	-
(ii) Receivables considered good-unsecured	1,061	1,498
(iii) Receivables which have significant increase in credit risk-unsecured	263	54
(iv) Receivables-credit impaired-unsecured	58	58
	1,382	1,610
Less: Expected credit losses	(152)	(119)
	1,230	1,491
Other Receivable*	431	440
Total	1,661	1,931

* Refer Note 51 (j)

The trade receivables are non-interest bearing and recoverable within period of 3 to 12 months

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

6 Trade Receivable Aging Schedule

Particulars	As at March 31, 2024						Unbilled Revenue
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed Trade receivables / unbilled revenue - considered good	566	-	-	-	-	566	495
(ii) Undisputed Trade receivables - Which have significant increase in credit risk*	67	139	57	-	-	263	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	58	-	58	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	633	139	57	58	-	887	495

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

Particulars	As at March 31, 2023						Unbilled Revenue
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed Trade receivables / unbilled revenue - considered good	527	21	-	-	-	548	950
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	54	-	-	-	54	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	58	-	58	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	527	75	-	58	-	660	950

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

Refer note 39 E (i) for credit risk analysis & aging.

No debts are due from directors or other officers or any of them either severally or jointly with any other person, except loan to KMP as disclosed in Note 7.

*No debts are due from firms, limited liability partnerships or private companies in which any director is a partner or a director or a member except a debt of Rs. 67 lakhs (March 31, 2023 Rs. 54 lakhs) is due from Super Six Sports Gaming Private Limited in which the Managing Director and Group CEO is a member.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

7 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost - Unsecured		
Related Parties		
- KMP's*	43	55
Others#	512	-
Total	555	55
Percentage		
Related Parties		
Related Parties		
- KMP's	8%	100%
Others	92%	0%
Total	555	55

*Company has given unsecured loan to it's KMP for personal utilisation at prevailing market interest rate at 8% which will be paid as per the agreed repayment schedule.

Including accrued interest of Rs. 12 lakhs (March 31, 2023 Rs. Nil). The loan has been given to the Indian subsidiary of Bridgeweave Limited for the purpose of Business development & towards working capital.

There are no loans or advances in the nature of loans to promoters, directors, KMPs or related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

Loans In India

Particulars	As at March 31, 2024	As at March 31, 2023
Others	555	55
Total	555	55

Stage wise break up of loans

Particulars	As at March 31, 2024	As at March 31, 2023
i) Low credit risk (Stage 1)	555	55
ii) Significant increase in credit risk (Stage 2)	-	-
iii) Credit impaired (Stage 3)	-	-
Total	555	55

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

8 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Share / Unit	Carrying value / Net Asset Value	Share / Unit	Carrying value / Net Asset Value
At Cost				
Wholly-owned Subsidiary Companies				
Prime Research & Advisory Limited	13,50,000	1,320	13,50,000	1,320
Prime Funds Management Limited	50,000	5	50,000	5
Total investment in wholly owned subsidiary (A)		1,325		1,325
At fair value through profit or loss				
Investments in equity instruments:				
Quoted				
Ironwood Education Limited	68,804	16	68,804	20
Solid Stone Company Limited	1,72,731	55	1,72,731	58
Total investments in equity instruments FVTPL (1)		71		78
Investments in Bonds				
Quoted				
09.22% Tata Capital Housing Finance Limited	-	-	25	261
8.25% BOB Perpetual Bonds	25	262	25	265
9.56% SBI Perpetual Bonds	-	-	25	260
INOX Wind Limited	25	283	-	-
Total investments in bonds (2)		545		786
Investment In Non Convertible Debentures				
Quoted				
TATA Industries Ltd	25	291	-	-
Total investments in Non Convertible Debentures (3)		291		-
Investments in Mutual Funds				
Quoted				
Helios Flexi Cap Fund	4,99,975	60	-	-
Quant Active Fund	18,092	120	-	-
Quant Midcap Fund	53,423	125	-	-
Total investments in mutual funds (4)		305		-
Total investment at fair value through profit or loss (B)		1,212		865
At fair value through Other Comprehensive Income				
Unquoted				
Investments in equity instruments:				
Super Six Sports Gaming Private Limited	577	1,282	496	2,344
Feast Software Private Limited	8,04,218	338	8,04,218	221
88 Academics (India) Private Limited	8,000	50	8,000	64
Hindustan Wellness Private Limited	45,000	38	45,000	50

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

8 Investments (Contd.)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Share / Unit	Carrying value / Net Asset Value	Share / Unit	Carrying value / Net Asset Value
IBS Fintech India Private Limited	9,026	233	8,407	94
Jalpak Foods India Private Limited	9,36,336	416	7,11,111	160
Entity Gaming Private Limited	666	33	666	50
Last Mile Channel Enhancement Private Limited	41,668	175	41,668	280
Lithion Power Private Limited	65,088	66	65,087	318
Steel Infra Solutions Private Limited - Fully Paid	1,52,542	200	57,500	68
Steel Infra Solutions Private Limited - Partly Paid	-	-	95,042	28
V-One Ventures Private Limited	167	37	167	150
Absolute Legends Sports Private Limited	250	36	250	45
BDEL Wellness Private Limited	1,026	64	1,026	45
Ventura Bioceticals Private Limited	34,965	50	-	-
Xanadu Foods Private Limited	3,00,000	1,089	-	-
Usha Shriram Water Purifiers Private Limited	3,40,862	2,294	-	-
Bridgeweave Limited	26,12,129	1,515	-	-
Total investments in equity instruments FVTOCI (C)		7,916		3,917
Total investment (A) + (B) + (C)		10,453		6,107
Investments in India		8,938		6,107
Investments outside India		1,515		-
Total		10,453		6,107

9 Other financial assets (Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	34	42
Employee advances	7	20
Total	41	62

10 Current tax asset (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (Net of provision for tax Rs. 380 lakhs) (March 31, 2023 Rs. 197 lakhs)	442	283
Total	442	283

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

11 (a) Property, plant and equipment

Particulars	Right to Use (Refer note 35)	Lease hold improvement	Computers and other hardware	Office equipment	Furniture and fixtures	Vehicles** (Refer note 33)	Total
Gross carrying value							
Gross carrying value as of April 1, 2022	344	-	16	13	31	169	573
Adjustments due to modification in lease arrangements	14	-	-	-	-	-	14
Additions *	-	75	7	-	0	-	82
Disposals	-	-	(2)	-	-	(123)	(125)
Gross carrying value as of March 31, 2023	358	75	21	13	31	46	545
Adjustments due to modification in lease arrangements	-	-	-	-	-	-	-
Additions	-	-	3	5	-	-	8
Disposals	-	-	(0)	(2)	(1)	-	(3)
Gross carrying value as of March 31, 2024	358	75	24	16	30	46	549
Accumulated depreciation							
Accumulated depreciation as of April 1, 2022	159	-	11	7	23	145	345
Depreciation for the year	70	15	5	2	1	6	99
Accumulated depreciation on disposals	(0)	-	(2)	-	-	(123)	(125)
Accumulated depreciation March 31, 2023	229	15	14	9	24	28	319
Depreciation for the year	50	20	3	0	0	6	80
Accumulated depreciation on disposals	-	-	(0)	(2)	(1)	-	(3)
Accumulated depreciation March 31, 2024	279	35	17	7	23	34	396
Net carrying value							
Net carrying value as on April 1, 2022	185	-	4	6	8	24	227
Net carrying value as on March 31, 2023	129	60	7	4	7	18	225
Net carrying value as on March 31, 2024	79	40	6	9	7	12	153

* The addition or modification on account of reassessment of continued lease term is considered as addition / adjustments to the lease.

** Vehicles taken on term loan

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

11 (b) Intangible assets

Particulars	Computer software#
Gross carrying value	
Gross carrying value as of April 1, 2022	2
Additions	8
Disposals	-
Gross carrying value as of March 31, 2023	10
Additions	4
Disposals	-
Gross carrying value as of March 31, 2024	14
Accumulated amortisation	
Accumulated amortisation as of April 1, 2022	1
Amortisation for the year	1
Accumulated amortisation on disposals	-
Accumulated amortisation as of March 31, 2023	3
Amortisation for the year	2
Accumulated amortisation on disposals	-
Accumulated amortisation as of March 31, 2024	5
Net carrying value	
Net carrying value as on April 1, 2022	0
Net carrying value as on March 31, 2023	7
Net carrying value as on March 31, 2024	9

Other than internally generated.

12 Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Balances with government authorities	4	74
Prepaid expenses	40	47
Total	44	121

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

13 Trade payables

Total outstanding dues of creditors other than micro enterprises and small enterprises

Particulars	As at March 31, 2024	As at March 31, 2023
a) Others		
(i) Payable to dealers / vendors / customers	102	100
Total	102	100

Note:- The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principle and interest outstanding during the year is given below.

Total outstanding dues of micro enterprises and small enterprises

Under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006), certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the management. The Company has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(b) The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the suppliers beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
Total	-	-

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

13 Trade payables (Contd.)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	102	-	-	-	102
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	102	-	-	-	102

Note:- Ageing of the trade payables is determined from the date of transaction till the reporting date.

Particulars	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	100	-	-	-	100
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	100	-	-	-	100

Note:- Ageing of the trade payables is determined from the date of transaction till the reporting date.

No amounts due and outstanding to be credited to investor education and protection fund.

14 Borrowings (Other than debt securities)

	As at March 31, 2024	As at March 31, 2023
At amortised cost		
a) Term loans		
Secured - In India		
From Bank *	-	2
b) Loan from related parties		
Unsecured		
On demand **	194	485
Total	194	487
Borrowings in India	194	487
Borrowings outside India	-	-
Total	194	487

*Term Loan from bank is secured against hypothecation of vehicle.

**Rs. 194 lakhs (March 31, 2023 Rs. 485 lakhs) payable to Wholly-owned subsidiary (The terms of repayment not specified and hence considered payable on demand).

For terms of repayment and interest rate refer Note 33.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

15 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability (Refer note 35)		
- Long term (Obligation payable more than 12 months)	30	88
- Short term (Obligation payable within 12 months)	59	61
Other payables	84	92
Interest Payable On Inter Corporate Deposit	42	11
Accrued employees benefit expenses	353	212
Total	568	464

16 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer note 41)	138	112
Provision for compensated absences (Refer note 41)	69	63
Total	207	175

17 Deferred tax assets / (liability) (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets / (liabilities) (Refer note 44 and 45)		
Liability towards lease rentals	2	6
Provision for compensated absences	20	19
Net Mark-to-Market Loss/(Gain) on investments (net)	(730)	(429)
Provision for gratuity	40	33
Merger expenses	1	1
Depreciation / amortisation	23	21
Total	(643)	(349)

18 Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues (including provident fund, tax deducted at source and goods and services tax)	64	41
Total	64	41

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

19 Equity share capital

	As at March 31, 2024	As at March 31, 2023
Authorised :		
7,90,00,000 (March 31, 2023 4,30,00,000) Equity Shares of Rs. 5/- each	3,950	2,150
Nil (March 31, 2023 18,00,000) Unclassified Shares of Rs. 100/- each	-	1,800
	3,950	3,950
Issued :		
3,40,38,025 (March 31, 2023 3,31,06,425) Equity Shares of Rs. 5/- each	1,702	1,655
	1,702	1,655
Subscribed and paid up:		
3,32,88,825 (March 31, 2023 3,23,57,225) Equity Shares of Rs. 5/- each	1,664	1,618
Total	1,664	1,618

(a) Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares:				
Balance as at the beginning of the year	3,23,57,225	1,618	3,11,75,825	1,559
Changes in Equity due to prior year error	-	-	-	-
Restated balance at the beginning of the current year	3,23,57,225	1,618	3,11,75,825	1,559
Changes in Equity during the current year	9,31,600	46	11,81,400	59
Balance at the end of the current year	3,32,88,825	1,664	3,23,57,225	1,618

(b) Rights and restrictions attached to the shares

Equity shares:

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

19 Equity share capital (Contd.)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	%	Number of Shares	%
Equity shares:				
GKK Capital Markets Private Limited	43,75,000	13.14	39,25,000	12.13
Statin Enterprise LLP	31,48,059	9.46	31,48,059	9.73
Siddarth M. Pai	19,00,000	5.71	19,00,000	5.87
Judith Investments Private Limited	17,83,497	5.36	17,83,497	5.51

(d) Details of shares held by the Promoter in the Company

There are no Promoters in the Company hence these details are not applicable to the Company as notified by MCA amendments to Schedule III to the Companies Act, 2013 on March 24, 2021.

(e) Details of holding & ultimate holding Company

There are no holding or ultimate holding company hence these details are not applicable to the Company.

(f) There are 14,11,500 shares reserved for issue under employee stock option scheme.

(g) Aggregate number and class of shares allotted as fully paid-up pursuant to contract without payment being received in cash and bonus shares issued and shares bought back during the period of five years immediately preceding the current year

The company has neither allotted any class of shares as fully paid-up pursuant to contract without payment being received in cash nor issued bonus shares and there has not been any buy back of shares during the five years immediately preceding March 31, 2024.

20 Fee and commission income

	Year ended March 31, 2024	Year ended March 31, 2023
Merchant Banking and Advisory Fees	3,090	2,404
Total	3,090	2,404

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

20 Fee and commission income (Contd.)

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market, major products/ service lines and timing of revenue recognition:

	Year ended March 31, 2024	Year ended March 31, 2023
Primary geographical market		
India	3,063	2,404
Outside India	27	-
Total	3,090	2,404
Major products/ service lines		
Merchant Banking and Advisory Fees	3,090	2,404
Total	3,090	2,404
Timing of revenue recognition		
At a point in time	3,090	2,404
Over a period of time	-	-
Total	3,090	2,404

21 Interest Income

	Year ended March 31, 2024	Year ended March 31, 2023
On Financial Assets measured at FVTPL		
- Interest income from investments	61	68
On Financial Assets measured at Amortised Cost		
- Interest income on deposits with bank	155	251
- Other	39	-
Total	255	319

22 Net (gain) / loss on fair value changes

	Year ended March 31, 2024	Year ended March 31, 2023
Net (gain) / loss on financial instruments at fair value through profit or loss		
- On equity instruments	8	99
- On other financial instruments		
Bonds	9	21
Mutual Funds	(29)	-
Total	(12)	120

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

23 Gain / (loss) on sale/ redemption of investments (net)

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on redemption of Shares	-	104
Gain / (loss) on redemption of Bonds	(0)	-
Gain on redemption of Mutual Funds	8	-
Total	8	104

24 Others

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on sale of property, plant and equipments (net)	0	6
Net gain / (loss) on foreign currency transactions and translations	(0)	(0)
Lease modification gain	-	16
Investment - written back	-	20
Total	0	42

25 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
At amortised cost		
- Interest on borrowings	37	53
- Interest on lease liabilities (Refer note 35)	12	12
Total	49	65

26 Impairment on financial instruments

	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost		
Recovery of Impaired financial assets	(73)	(123)
Trade receivables - significant increase in credit risk	128	44
Trade receivables - considered good	(21)	24
Total	34	(55)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

27 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus and allowances	1,297	1,029
Contribution to provident and other funds (Refer note 41)	17	19
Contribution towards Gratuity Fund paid to LIC	-	1
Gratuity (Refer note 41)	27	22
Compensated absences	23	34
Employee share based payments (Refer note 32)	-	14
Staff welfare expenses	14	5
Total	1,378	1,124

28 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Repairs and maintenance - others	9	6
Rates and taxes	48	6
Insurance	38	26
Electricity	2	2
Travelling, conveyance and car hire	64	58
Membership and subscription	40	74
Legal and professional fees	182	213
Payment to Auditor's (Refer note 42)	61	35
Directors' sitting fees	64	62
Commission to Non-Executive Directors	14	21
Fixed assets written off	1	-
Interest on late payment of GST	30	-
Spend towards Corporate Social Responsibility (CSR) activities (Refer note 37)	6	16
Miscellaneous expenditure	64	55
Total	623	574

29 Exceptional items

	Year ended March 31, 2024	Year ended March 31, 2023
Write-back of earlier years	-	173
Total	-	173

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

29 Exceptional items (Contd).

The exceptional item consist of certain listed shares, which had formed part of the Company's investments but were misplaced and hence, 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 Items". Subsequent changes in fair valuations have been shown under "Net Gain / (Loss) on fair value changes".

30 Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit after tax for the year attributable to equity shareholders of company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The relevant details as described above are as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Basic earnings per share		
Profit attributable to equity shareholders (Rs. in lakhs) (A)	862	776
Nominal value per share (Rs.)	5	5
Weighted average number of equity shares outstanding during the year (B)	3,27,93,231	3,17,87,198
Earnings per share (Basic) (Rs.) [(A) / (B)]	2.63	2.44
Diluted earnings per share		
Profit attributable to equity shareholders (Rs. In Lakhs)	862	776
Less: Impact on profit due to exercise of diluted potential equity shares	-	-
Profit attributable to equity shareholders for calculation of diluted earnings per share (Rs. In Lakhs) (A)	862	776
Weighted average number of equity shares used in computing basic earnings per share	3,27,93,231	3,17,87,198
Effect of potential equity shares for stock options outstanding	14,70,193	19,69,110
Weighted number of equity shares used in computing diluted earnings per share [B]	3,42,63,424	3,37,56,308
Earnings per share (Diluted) (Rs.) [(A) / (B)]	2.52	2.30

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

31 Contingent Liabilities and commitment to the extent not provided for in respect of:

A. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liability for disputed demand under Income Tax Act 1961 for Assessment year 2017-2018	175	175

In respect of A.Y. 2017-2018, the assessing authority has considered certain receipts as income and demanded tax thereon. Aggrieved by the order, Company has made an appeal to the concerned authorities. The Company is of the opinion that the demand will be set aside and hence no provision is made.

B. Commitment

Particulars	As at March 31, 2024	As at March 31, 2023
Uncalled liability on shares and other investments partly paid		
- Partly paid up shares of Steel Infra Solutions Private Limited	-	84

32 Employees Stock Option Schemes (ESOS)

The Company's stock based compensation plan for director / employees has been implemented through a scheme (ESOS 2018) duly approved by the Shareholders."

The number of options granted, exercised and lapsed under the above schemes is set out below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
ESOS 2018				
Options outstanding, beginning of the Year	23,43,100	33.81	35,24,500	33.38
Add: Granted during the Year	-	-	-	-
Less: Exercised during the Year	9,31,600	31.74	11,81,400	32.52
Less: Lapsed during the Year	-	-	-	-
Options outstanding, end of the Year	14,11,500	35.18	23,43,100	33.81

There are 14,11,500 shares (Previous Year: 23,43,100 shares) reserved for issue under employee stock option scheme.

Weighted average remaining contractual life of the share option outstanding at the end of the year is 867 days (Previous Year 1,232 days).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

32 Employees Stock Option Schemes (ESOS) (Contd.)

The Company has its accounting policy for ESOSs valuation at fair value method for appropriate presentation of financial statements .

Particulars	ESOS 2018
Date of Grant	Various Dates
Date of board approval	May 29, 2018
Date of shareholders' approval	September 24, 2018
Number of options granted	46,17,000
Method of settlement	Equity Shares
Vesting period	18 Months & 30 Months
Vesting pattern	50 % : 50%
Weighted average remaining contractual life	
Granted but not vested	Nil (Previous Year: Nil)
Vested but not exercised	2.36 Years (Previous Year: 3.41 Years)
Weighted average share price at the date of exercise for stock options exercised during the year	Rs. 153.72 (Previous Year: Rs. 103.42)
Exercise period	5 years from vesting date
Vesting conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time.
Weighted average fair value of options as on grant date	27.80

The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options during the year are as follows:

Sr. No.	Particulars	ESOS 2018
(A)	Risk-free rate	5.95% - 6.10%
(B)	Expected life of options	6.5 years - 7.5 years
(C)	Expected volatility	67.61% - 66.90%
(D)	Weighted average share price	Rs. 28.05 Per Share
(E)	Weighted average exercise price	Grant Date 13-Nov-2018 - Rs. 34.70 Per Share Grant Date 18-May-2019 - Rs. 36.50 Per Share Grant Date 20-May-2020 - Rs. 27.40 Per Share
(F)	Method used to determine expected volatility	Based on the returns generated on equity shares of Company for the period from F.Y. 2013 to F.Y. 2020

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

32 Employees Stock Option Schemes (ESOS) (Contd.)

Expense on Employee Stock Options Scheme debited to the Statement of Profit and Loss during the year is Rs. Nil (Previous year Rs. 14 lakhs). The Carrying amount of ESOP reserve as on March 31, 2024 is Rs. 414 lakhs (March 31, 2023 Rs. 664 lakhs).

The company provides the sensitivity analysis to show the impact to the Company's profit before taxation in the event that forfeiture and performance condition assumptions exceed or are below the company's estimation by the stated percentages.

Impact on the income statement of a change in lever assumptions	Year ended March 31, 2024	Year ended March 31, 2023
(+) 5%	-	-
(-) 5%	-	-

33 Borrowings:

(A) Secured loans:

a) Term Loan from Bank:

Term loan of Rs. Nil (March 31, 2022 Rs. 2 lakhs) from the Bank is secured against Vehicle of the Company.

b) Term of Repayment

Term Loan from Bank was repayable in equal monthly instalment, the last instalment was due on June 5, 2023 as per repayment schedule having interest rate of 8.60% p.a.

(B) Unsecured loans:

Loan from related party is received from Wholly-owned Subsidiary which is unsecured, carries interest @10%p.a.

34 Related Party Disclosures:

Names of related parties and their relationships:

Subsidiary Companies:

Prime Research & Advisory Limited

Prime Funds Management Limited

Enterprises over which Key Management Personnels are able to exercise significant influence:

Gateway Entertainment Limited

Judith Investments Private Limited

Statin Enterprise LLP

Key Management Personnels:

Mr. N. Jayakumar

Mr. Ajay Shah

Mr. S R Sharma (Demise on September 23, 2022)

Mr. Arun B Shah

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

34 Related Party Disclosures: (Contd.)

Names of related parties and their relationships:

Independent Directors:

Mr. Ashok Kacker (Change in designation from August 8, 2023)

Mr. Mayank Malik (From June 13, 2023)

Ms. Smeeta Bhatkal (From June 13, 2023)

Mr. Pradip Dubhashi (Upto June 13, 2023)

Ms. Smita Cawas Affinwalla (Upto June 19, 2023)

Ms. Namrata Kaul (Upto February 13, 2024)

Executive & Non-Independent Director:

Mr. Akshay Gupta

Non-Executive & Non-Independent Director:

Mr. Sujit Kumar Varma

Relative of Key Management Personnel

Ms. Madhu Vadera Jayakumar

Shareholder holding more than 10% of Shares of the Company

GKK Capital Markets Private Limited

The following transactions were carried out with the related parties in the ordinary course of business and are on arm's length basis:

Sr. No.	Nature of Transaction	Relationship	Transactions	
			Current year	Previous year
1	Borrowings from Prime Research & Advisory Limited	Subsidiary		
	Amount received		40	500
	Amount repaid		331	17
2	Interest paid to Prime Research & Advisory Limited	Subsidiary	35	22
3	Remuneration paid to Key Managerial Personnel			
	- Mr. N Jayakumar	Key Management Personnel	475	376
	- Mr. S. R. Sharma *	Key Management Personnel	-	55
	- Mr. Ajay Shah	Key Management Personnel	73	69
	- Mr. Arun Shah	Key Management Personnel	160	25
4	Payment to Independent Directors			
	- Sitting Fees	Independent Directors	64	62
	- Commission	Independent Directors	14	21
5	ESOP Charge to Prime Research & Advisory Limited	Subsidiary	-	13
6	Interest charged on Loan			
	- Mr. Arun Shah	Key Management Personnel	4	3
7	Sale of Services			
	- Ms. Madhu Vadera Jayakumar	Relative of Key Management Personnel	1	-
	- GKK Capital Markets Private Limited	Shareholder holding more than 10% of Shares of the Company	5	-

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

Outstanding Balance

Sr. No.	Nature of Transaction [receivable/(payable)]	Relationship	Balance as on	
			March 31, 2024*	March 31, 2023
	Borrowings from Prime Research & Advisory Limited*	Subsidiary	236 (Credit)	496 (Credit)
	Ex-gratia to Key Managerial Personnel	Key Management Personnel	217 (Credit)	114 (Credit)
	Loan to Key Managerial Personnel**	Key Management Personnel	43 (Debit)	55(Debit)

* The outstanding balance Rs. 236 lakhs includes interest payable of Rs 42 lakhs (P.Y. Rs. 11 Lakhs)

** The outstanding balance Rs. 43 lakhs includes interest receivable of Rs 6 lakhs (P.Y. Rs. 3 Lakhs)

The related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Note:

As the liabilities for gratuity and leave compensation are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel is not included above.

35 Leases

As a lease the Company classified property lease as operating lease under Ind AS 116. These include office premises taken on lease. Lease include conditions such as non-cancellable period, notice period before terminating the lease or escalation of rent upon completion of part tenure of the lease in line with inflation of price.

The Company has taken various office premises on operating lease for the period which ranges from 12 months to 60 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2022 is 10.00 %.

Information about leases for which the company is a lessee are presented below:

(A) Right-of-use assets

Right-of-use assets relate to building that are presented separately within property and equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	129	185
Addition during the period	-	-
Adjustments due to modification in lease arrangements	-	14
Deletion during the period	-	-
Depreciation charge for the period	(50)	(70)
Closing balance	79	129

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

35 Leases (Contd.)

(B) Movement of Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	150	224
Addition during the period	-	-
Deletion during the period	-	-
Finance Cost	12	12
Adjustments due to modification in lease arrangements	-	(2)
Payment of lease liabilities	(74)	(84)
Closing balance	88	150

(C) Future minimum lease payments under non-cancellable operating lease were payable as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one month	6	6
Between one and three months	12	12
Between three months and one year	46	55
Between one and five years	31	96
More than five years	-	-
Total	95	169

(D) Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	12	12
Depreciation of ROU lease asset	50	70

(E) Amounts recognised in Statement of Cash Flow

Particulars	As at March 31, 2024	As at March 31, 2023
Total Cash outflow for leases	74	84

Company has considered entire lease term for the purpose of determination of Right of Use assets and lease

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

36 Segmental Reporting:

The company's business segment is providing merchant banking and advisory services and it has no other primarily reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities and total cost incurred to acquire segment assets, is as reflected in the financial statements as of and for the year ended March 31, 2024. There is no distinguishable component of the company engaged in providing services in a different economic environment. The company has no offices outside India and there are no reportable geographical segments.

All assets of the Company are domiciled in India.

Revenue of Rs. 1,786 lakhs (March 31, 2023 : Rs. 1,683 lakhs) is derived from five external customers (three external customers in PY) and revenue from each such customer constitutes more than 10% of the Company's revenue.

37 Corporate Social Responsibility

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

- (a) Gross amount required to be spent by the Company during the year 2023-24 Rs. 25 lakhs (Previous year Rs. 20 lakh).
- (b) Amount spent during the year on:

Particulars	2023-24	2022-23
(i) Amount required to be spent by the company during the year	25	20
(ii) Amount of expenditure incurred		
- Construction / acquisition of any asset	-	-
- On purposes other than above	6	16
(iii) Shortfall at the end of the year	-	-
(iv) Adjustment of earlier years overspent	19	4
(v) Earlier years overspent carry forward	11	30
(vi) Total of previous years shortfall	-	-
(vii) Reason for shortfall	NA	NA
(viii) Nature of CSR activities*	-	-
(ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

*Contribution to Various Trusts for Medical, Training and skill development of women, children and special abled persons.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

38 Revenue from contracts with customers

The Company determines revenue recognition through the following steps:

- (a) Identification of the contract, or contracts, with a customer.
- (b) Identification of the performance obligations in the contract
- (c) Determination of the transaction price.
- (d) Allocation of the transaction price to the performance obligations in the contract.
- (e) Recognition of revenue when, or as, we satisfy a performance obligation.

I. Nature of Services

Merchant Banking and Advisory Services

The Company derives main revenue from corporate advisory services. The company specialize in providing value added advice and services to our clients on complex strategic and financial decisions and transactions focused around Fund Raising, Mergers & Acquisitions, Equity & Debt Private Placements, Initial Public Offerings, Corporate Advisory, and Capital Restructuring.

II. Contract Balances

Trade Receivables. The outstanding balance as on March 31, 2024 : Rs. 1,230 lakhs, March 31, 2023: Rs. 1,491 lakhs. (Refer note 6)

III. Performance obligations and timing of revenue recognition

Income from corporate advisory services is recognised upon rendering of services.

IV. Reconciliation of amount of revenue recognised in the statement of profit and loss with the contracted price.

Particulars	2023-24	2022-23
Revenue from the Contracts (as per Contract)	3,090	2,404
Less :- Discounts / Incentive to Customers	-	-
Revenue from the Contracts (as per Statement of Profit and Loss)	3,090	2,404

39 Financial instruments – Fair values and risk management

A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

March 31, 2024	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised	Total Carrying Value
Financial assets				
Cash and cash equivalents	-	-	75	75
Bank balance other	-	-	1,970	1,970
Trade receivables	-	-	1,230	1,230
Other receivables	-	-	431	431
Loans	-	-	555	555
Investments	1,212	7,916	1,325	10,453
Other financial assets	-	-	41	41
Total	1,212	7,916	5,627	14,755
Financial liabilities				
Trade payables	-	-	102	102
Borrowings	-	-	194	194
Other financial liabilities	-	-	568	568
Total	-	-	864	864

March 31, 2023	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised	Total Carrying Value
Financial assets				
Cash and cash equivalents	-	-	64	64
Bank balance other	-	-	4,333	4,333
Trade receivables	-	-	1,491	1,491
Other receivables	-	-	440	440
Loans	-	-	55	55
Investments	865	3,917	1,325	6,107
Other financial assets	-	-	62	62
Total	865	3,917	7,770	12,552
Financial liabilities				
Trade payables	-	-	100	100
Borrowings	-	-	487	487
Other financial liabilities	-	-	464	464
Total	-	-	1,051	1,051

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

March 31, 2024	Fair value through Profit and Loss / Other Comprehensive Income				Amortised Cost	
	Level 1	Level 2	Level 3	Total	Amount	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	75	75
Bank balance other	-	-	-	-	1,970	1,970
Trade receivables	-	-	-	-	1,230	1,230
Other receivables	-	-	-	-	431	431
Loans	-	-	-	-	555	555
Investments	1,212	3,833	4,083	9,128	1,325	1,325
Other financial assets	-	-	-	-	41	41
Total	1,212	3,833	4,083	9,128	5,627	5,627
Financial liabilities						
Trade payables	-	-	-	-	102	102
Borrowings	-	-	-	-	194	194
Other financial liabilities	-	-	-	-	568	568
Total	-	-	-	-	864	864
March 31, 2023	Fair value through Profit and Loss / Other Comprehensive Income				Amortised Cost	
	Level 1	Level 2	Level 3	Total	Amount	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	64	64
Bank balance other	-	-	-	-	4,333	4,333
Trade receivables	-	-	-	-	1,491	1,491
Other receivables	-	-	-	-	440	440
Loans	-	-	-	-	55	55
Investments	604	3,173	1,005	4,782	1,325	1,325
Other financial assets	-	-	-	-	62	62
Total	604	3,173	1,005	4,782	7,770	7,770
Financial liabilities						
Trade payables	-	-	-	-	100	100
Borrowings	-	-	-	-	487	487
Other financial liabilities	-	-	-	-	464	464
Total	-	-	-	-	1,051	1,051

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy is used as follows:

- **Level 1:**
The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1
- **Level 2:**
The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Few unlisted equity instruments are classified as level 2 in the fair value hierarchy, since there are significant observable inputs available by way of fund raising transaction during the year. Further no significant adjustments needs to be made to the prices obtained from recent transactions.
- **Level 3:**
If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities with no significant observable inputs.

C) Valuation techniques used to determine fair value:

Significant valuation techniques used to value financial instruments include:

The carrying amounts of cash and cash equivalent, trade receivables, other financial assets, loans, trade payables, other financial liabilities are considered to be approximately equal to the fair value.

The following tables show the valuation techniques used in measuring fair values.

Type	Valuation technique
Listed Equity Investments & Bonds (Level 1)	The valuation has been done using the quoted price in active market.
Investments in Bonds and Unquoted equity instrument traded in the market (Level 2)	The valuation has been done using observable market data and recent transaction available in the inactive market.
Unquoted equity instrument (Level 3)	The valuation has been done based on discounted cash flow method and Comparable Companies Market Multiple method using unobservable market data.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Unobservable inputs used in measuring fair value categorised within Level 3 and sensitivity of fair value measurement to change in unobservable market data.

Type of Financial Instrument	Valuation technique	Significant unobservable input	Range of estimates for unobservable input	Increase in unobservable input	Change in fair value due to increase in unobservable input	Decrease in unobservable input	Change in fair value due to decrease in unobservable input
Investment in unquoted equity shares categorised at Level 3	Comparable Companies Market Multiple	Multiple	+5/-5%	5.00%	7.67	-5.00%	(7.69)
		Sizing discount	+5/-5%	5.00%	(19.23)	-5.00%	19.21
	Discounted projected cash flow	WACC%	+2.5/-2.5%	2.50%	(4.22)	-2.50%	6.91
		TGR%	+1/-1%	1%	1.36	-1%	(1.13)

D) Fair value of financial instrument measured at amortised cost

Fair value of financial asset and liabilities are equal to their carrying amount.

Note: During the periods mentioned above, there have been no transfers amongst the hierarchy levels.

E) Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically. Further, the Company, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The Audit Committee oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal auditors.

The Company has exposure to the following risk arising from financial instruments:

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

For trade receivables, the company individually monitors outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses the impairment requirements.

Additionally, the Company uses a provision matrix to compute the trade receivables, as per which the provision is made at 10% for trade receivable overdue more than 180 days but less than 270 days, additional 30% for trade receivable overdue more than 270 days but less than 360 days, additional 50% for trade receivable overdue more than 360 days and remaining 10% will always be retained, until bad debt is recognised.

The movement in expected credit loss:

Particulars	Carrying amount (Rs. in lakhs)	
	March 31, 2024	March 31, 2023
Opening balance	119	188
Provided during the year	107	68
Written Back	(74)	(137)
Closing balance	152	119

Ageing of Expected credit loss provided during the year

Particulars	Carrying amount (Rs. in lakhs)	
	March 31, 2024	March 31, 2023
Less than 1 year	56	61
1-2 years	51	7
2-3 years	-	-
More than 3 years	-	-

Management believes that the unimpaired amounts which are past due are collectible in full.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Cash and cash equivalents and other Bank balances

The Company held cash and cash equivalents and other bank balances of Rs. 2,045 lakhs as on March 31, 2024 (March 31, 2023 Rs. 4,397 lakhs). The cash and cash equivalents are held with banks with good credit ratings.

Loans:

The Company has given Loans of Rs. 555 lakhs as on March 31, 2024 (March 31, 2023 Rs. 55). The loans of Rs. 43 lakhs is in the nature of loans to related party. The Loans are fully recoverable.

Other financial assets:

The Company has given employee advances of Rs. 7 lakhs as on March 31, 2024 (March 31, 2023 Rs. 20 lakhs). The employee advances are fully recoverable.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2024	Carrying amount	Contractual cash flows					
		Total	less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	102	102	102	-	-	-	-
Borrowings	194	194	-	-	194	-	-
Other financial liabilities	568	568	511	27	30	-	-

March 31, 2023	Carrying amount	Contractual cash flows					
		Total	less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	100	100	100	-	-	-	-
Borrowings	487	487	2	-	485	-	-
Other financial liabilities	464	464	344	32	59	29	-

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

The gross outflows disclosed in the above tables represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity.

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

a) Currency risk

The Company has insignificant amount of foreign currency denominated assets. Accordingly, the exposure to currency risk is insignificant.

b) Interest rate risk

The Company's investments are primarily in fixed rate interest instruments. Accordingly, the exposure to interest rate risk is also insignificant.

c) Price risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer or the market. The Company exposed to price risk from its investment in Mutual Funds, listed and unlisted Equity Shares, Bonds classified in the balance sheet at fair value through profit and loss or fair value through other comprehensive income.

Particulars	March 31, 2024		March 31, 2023	
	Profit & Loss	Other Comprehensive Income	Profit & Loss	Other Comprehensive Income
Exposure to price risk	1,212	7,916	865	3,917

Sensitivity analysis

The table below sets out the effect on profit or loss and Other Comprehensive Income due to reasonable possible weakening / strengthening in prices of 5% in carrying cost of quoted investment, unquoted investment & debt instruments:

Particulars	March 31, 2024		March 31, 2023	
	Change in Statement of Profit & Loss	Change in Other Comprehensive Income	Change in Statement of Profit & Loss	Change in Other Comprehensive Income
5% increase in the prices	61	396	43	196
5% decrease in the prices	(61)	(396)	(43)	(196)

Decrease in prices by 5% will have equal and opposite impact in financial statements. Sensitivity analysis has been computed by stress testing the market price of the underlying price index on the investment portfolio as on the reporting date.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

40 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using debt to equity ratio.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (including interest)	236	498
Gross Debt	236	498
Less: Cash & Bank Balance	(2,045)	(4,397)
Net debt (A)	(1,809)	(3,899)
Total equity (B)	13,625	11,572
Net debt to equity ratio (A) / (B)	-13.28%	-33.70%

41 Employee Benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Company recognised Rs. 17 lakhs for year ended March 31, 2024 (Rs. 19 lakhs for year ended March 31, 2023) provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

Gratuity

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

A)

Particulars	Gratuity	
	Carrying amount (Rs. in lakhs)	
	March 31, 2024	March 31, 2023
Defined benefit obligation	226	194
Fair value of Plan Assets at the end of the year	88	82
Net Obligation at the end of the year	138	112

B) Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	194	149	82	78	112	71
Included in profit or loss	-	-	-	-	-	-
Current service cost	18	17	-	-	18	17
Past service cost	-	-	-	-	-	-
Interest cost / (income)	14	11	6	6	8	5
	226	177	88	84	138	93
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss / (gain) arising from:	-	-	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	7	10	-	-	7	10
Experience adjustment	4	7	-	-	4	7
Return on plan assets excluding Interest income	-	-	0	(2)	(0)	2
	237	194	88	82	149	112
Other						
Contributions paid by the employer	(11)	-	-	-	(11)	-
Benefits paid	-	-	-	-	-	-
Closing balance	226	194	88	82	138	112
Represented by						
Net defined benefit asset	-	-	-	-	(88)	(82)
Net defined benefit liability	-	-	-	-	226	194
	-	-	-	-	138	112

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

C) Plan assets

Plan assets comprise the following:

	March 31, 2024	March 31, 2023
Fund managed by Insurance Company	88	82
Total	88	82

D) Defined benefit obligations

i) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	March 31, 2024	March 31, 2023
Discount rate	7.21%	7.62%
Expected Rate of Return on Plan Assets	7.21%	7.62%
Salary escalation rate	7.00%	7.00%
Employee Turnover	2.00%	2.00%
Average expected future service	15 Years	14 Years
Mortality rate	N.A.	N.A.
	Indian Assured Lives	Indian Assured Lives
	"Mortality (2012-14)"	"Mortality (2012-14)"
	Urban	Urban

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(17)	20	(14)	17
Future salary growth (1% movement)	20	(17)	17	(15)
Rate of employee turnover (1% movement)	0	(0)	1	(1)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2024 were as follows

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2024, i.e. Rs. Nil

Expected future benefit payments	Amount
March 31, 2025	6
March 31, 2026	7
March 31, 2027	104
March 31, 2028	4
March 31, 2029	4
Thereafter	365

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to Rs. 23 lakhs (March 31, 2023 Rs. 34 lakhs). Accumulated provision for leave encashment aggregates Rs. 69 lakhs (March 31, 2023 Rs. 63 lakhs).

42 Payment to Auditor's (excluding taxes)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to Auditor		
Audit Fees	55	34
Tax Audit Fees	1	1
Other Services (includes out of pocket expenses)*	5	-
Total	61	35

*Other Services include fees for Certifications

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

43 Income Tax Expense

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Amounts recognised in statement of profit or loss		
Current tax		
Current year (a)	183	197
Changes in estimates related to prior years (b)	-	170
Deferred tax (c)		
Origination and reversal of temporary differences	(29)	(59)
Tax expense (a)+(b)+(c)	154	308
B. Tax recognised in other comprehensive income		
Deferred Tax on remeasurement of defined benefit liability	3	6
Total	3	6
C. Reconciliation of effective tax		
Profit/(Loss) before tax	1,016	911
Tax at the rate of 29.12%	296	265
Effect of:		
- Net Disallowance of Expenses	14	139
- Impact due to differential tax rates	-	(64)
- Current and brought forward losses	-	(1)
- Difference due to MAT	(127)	(142)
Tax adjustment of earlier year	-	170
Deferred Tax	(29)	(59)
Effective tax	154	308
Effective Tax Rate (%)	15.19	33.80
D. Recognised deferred tax assets and liabilities		
Deferred tax assets and liabilities are attributable to the following:		
Difference between book depreciation and tax depreciation	23	21
Lease Rent adjustment as per Ind AS 116	2	6
Net Mark-to-Market Loss/(Gain) on investments (net)	(730)	(429)
Merger expenses	1	1
Provision for Gratuity	40	33
Provision for compensated absence	20	19
Net Deferred Tax Expense	(643)	(349)

Note:

The Company's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

43 Income Tax Expense (Contd.)

Amounts recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Before Tax	Tax (expenses) benefit	Net of tax	Before Tax	Tax (expenses) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(11)	3	(8)	(19)	6	(13)
Items that are or may be reclassified subsequently to profit or loss						
Fair value gain on Financial Assets carried at FVTOCI	1,396	(325)	1,071	979	(228)	752
Total	1,385	(322)	1,063	960	(222)	738

44 Net Deferred Tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax asset on account of:		
Lease Rent adjustment as per Ind AS 116	2	6
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	23	21
Provision for gratuity	40	33
Merger expenses	1	1
Net Mark-to-Market Loss/(Gain) on investments (net)	(730)	(429)
Provision for compensated absences	20	19
Total Deferred tax assets (A)	(643)	(349)
Total Deferred tax liability (B)	-	-
Net Deferred Tax Assets / (Liability) (A) - (B)	(643)	(349)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

45 Movement of Deferred Tax

Particulars	As at Mar 31, 2024	Recognised through Other Comprehensive Income	Recognised through Profit and Loss	As at Mar 31, 2023
Deferred tax asset on account of:				
Lease Rent adjustment as per Ind AS 116	2	-	(4)	6
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	23	-	2	21
Provision for gratuity	40	3	5	33
Merger expenses	1	-	(0)	1
Provision for compensated absences	20	-	2	19
Net Mark-to-Market Loss/(Gain) on investments (net)	(730)	(325)	24	(429)
Total Deferred tax assets (A)	(643)	(322)	29	(349)
Total Deferred tax liability (B)	-	-	-	-
Net Deferred Tax Assets / (Liability) (A) - (B)	(643)	(322)	29	(349)

46 Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	With in 12 Months	After 12 Months	Total	With in 12 Months	After 12 Months	Total
Financial Assets						
Cash and Cash Equivalents	75	-	75	64	-	64
Bank Balance other than Cash and Cash Equivalents above	1,970	-	1,970	4,333	-	4,333
Receivables						
- Trade Receivables (Net)	1,230	-	1,230	1,491	-	1,491
- Other Receivables	-	431	431	47	393	440
Loans	555	-	555	55	-	55
Investments	658	9,795	10,453	78	6,029	6,107
Other Financial Assets	7	34	41	20	42	62
Total financial assets (A)	4,495	10,260	14,755	6,088	6,464	12,552
Non-financial assets						
Current Tax Assets (Net)	-	442	442	-	283	283
Deferred Tax Assets (Net)	-	-	-	-	-	-
Property, Plant and Equipment	-	153	153	-	225	225
Other Intangible assets	-	9	9	-	7	7
Other non-financial assets	44	-	44	121	-	121
Total Non-financial Assets (B)	44	604	648	121	515	636
Total Assets (C) = (A) + (B)	4,539	10,864	15,403	6,209	6,979	13,188

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

46 Maturity Analysis of Assets and Liabilities (Contd.)

Particulars	As at March 31, 2024			As at March 31, 2023		
	With in 12 Months	After 12 Months	Total	With in 12 Months	After 12 Months	Total
Financial liabilities						
Payables						
Trade Payables						
Total Outstanding dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	102	-	102	100	-	100
Borrowings	-	194	194	2	485	487
Other financial liabilities	538	30	568	376	88	464
Total Financial Liabilities (A)	640	224	864	478	573	1,051
Non Financial Liabilities						
Provisions	43	164	207	63	112	175
Deferred tax liabilities (net)	-	643	643	-	349	349
Other non financial liabilities	64	-	64	41	-	41
Total Non-Financial Liabilities (B)	107	807	914	104	461	565
Total Liabilities (C) = (A) + (B)	747	1,031	1,778	582	1,034	1,616

47 Assets pledged as security

	As at March 31, 2024	As at March 31, 2023
Property, Plant and Equipment (Vehicle)	-	18
Total assets pledged as security	-	18

48 Changes in liabilities arising from financing activities

Particulars	As at April 1, 2022	Cash flows	Others	As at March 31, 2023	Cash flows	Others	As at March 31, 2024
Borrowings (Other than debt securities)	496	(9)	-	487	(293)	-	194

Particulars	As at April 1, 2021	Cash flows	Others	As at March 31, 2022	Cash flows	Others	As at March 31, 2023
Borrowings (Other than debt securities)	17	479	-	496	(9)	-	487

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- 49 The dividend declared by the Company is based on profits available for distribution as reported in the standalone financial statements of the Company. On April 25, 2024 the Board of Directors of the Company have proposed a dividend of Re. 1 (P.Y. Re. 0.50) per equity share of Rs.5 each in respect of the financial year ended March 31, 2024, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately Rs. 333 lakhs (P.Y. Rs. 162 lakhs).
- 50 a). The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b). The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, except as stated hereunder:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Date	Amount	Date	Amount
Invested in Jalpak Food India Private Limited (intermediary)”	30-03-2024	100	-	-
Further invested by intermediary White Spread Foods Private Limited (Subsidiary of Jalpak Food India Private Limited)	30-03-2024	100	-	-

The Company is in compliance with relevant provisions of the Foreign Exchange Management Act 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the prevention of Money-Laundering Act 2002,(15 of 2003).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

51 The disclosure on the following matters required under Section III amended not being relevant or applicable in case of the Company for the year ended March 31, 2024, same are not covered:

- a). The company has not traded or invested in crypto currency or virtual currency during the financial year.
- b). No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- c). The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- d). The Company has not entered into any scheme of arrangement.
- e). No satisfaction of charges are pending to be filed with ROC.
- f). There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- g). The Company has not entered into any transaction with Company struck off under section 248 of the Companies Act, 2013.
- h). The Company does not have any step down subsidiaries hence compliance of layer of companies are not applicable.
- i). Disclosure of ratios, is not applicable to the Company as it is in merchant banking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
- j). Disclosures of immovable property not in the name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date*	Reason for not being held in the name of the company*
Other Receivable	Building	431	Mr. Anil Mithalal Shah *	No	Under Litigation (From 1995)	Under Litigation

* The title was not transferred in the Company's name and the possession of the flat was with the Official Assignee due to pending litigations since 1995. The Hon'ble Mumbai High Court has vide its Order dated October 5, 2023 has confirmed the title in the name of the Company and the Company has received the possession back from the Official Assignee. The Company is in the process of completing the formalities for transfer of title in its name.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- 52 During the year, pursuant to the authority granted by the Board of Directors on April 13, 2023, the Company entered into an agreement with Bridgeweave Limited (“Bridgeweave”), a UK based an Artificial Intelligence / Machine Learning-based technology company, that has developed a suite of financial products for retail investors. The Company has acquired about 8% equity stake in Bridgeweave and as a result of its approximately 8% equity stake in Bridgeweave, the Company is not just the second largest shareholder after the founders, but also an important strategic ally of Bridgeweave. Due to the length of time taken for the UK regulatory approval, the original 2023 deal terms have now expired and while the strategic intent remains on both sides, a new understanding would have to be reached to finalise the transaction. The Company continues to work closely with the Bridgeweave team, for onboarding the latter onto multiple broking platforms and expanding their presence in India. As and when the new terms are agreed, relevant disclosures would be made to the exchanges and permissions of shareholders and regulators sought subsequently.
- 53 Pursuant to the amendment approved by the shareholders at their meeting held on June 13, 2023, to the object clause for the utilization of funds received against the issue of equity shares in November 2021 to specified investors on a preferential basis, the Company have utilised part of the proceeds in terms of the permitted objects and the balance unutilized proceeds have been invested in the fixed deposits with bank pending utilisation in terms of the objects of the issue.
- 54 Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended by the Companies (Accounts) Amendment Rules 2021, the Company has enabled the audit trail feature in the accounting software effective April 3, 2023, and the same was not disabled thereafter. First two days of the financial year were non-working day, and the audit trail feature was enabled on the first working day of the financial year. No transactions were recorded in the accounting software prior to audit trail feature was enabled. In the opinion of the management, the Company is in compliance with the provisions which require that the Company shall use only such accounting software, which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made.

55 Foreign currency transactions

Particulars	As at March 31, 2024	As at March 31, 2023
Expenditure in foreign currency		
- Membership & Subscription	10	26
- Fees & Commission & expense	-	15
	10	41
Earnings in foreign currency		
- Advisory Fees	27	21
	27	21

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

56 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

57 The figures for the previous year have been regrouped wherever necessary. The impact of such regroupings / reclassifications are not material to Financial Statements.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

Murad D. Daruwalla

Partner

Membership No 043334

Place : Pune

Date : April 25, 2024

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO

(DIN: 00046048)

Arun Shah

Chief Financial Officer

Place : Mumbai

Date : April 25, 2024

Akshay Gupta

Whole-time Director

(DIN: 01272080)

Ajay Shah

Company Secretary

(ACS-14359)

Independent Auditor's Report

To the Members of **Prime Securities Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Prime Securities Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. 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 on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="104 186 298 209">Revenue Recognition</p> <p data-bbox="104 228 474 320">We refer to the Group's material accounting policies in note 2(c) and the revenue related disclosure in note 38 of the consolidated financial statements.</p> <p data-bbox="104 339 474 480">The Group's revenue from operations arises from merchant banking and advisory services, which mainly includes Corporate & Financial Advisory services, arranging long term finance and raising equity funds.</p> <p data-bbox="104 499 474 687">Recognition of revenue is based upon the satisfaction of performance obligations upon transfer of control of promised services to customers in an amount that reflects the consideration the Group is contractually expected to receive in exchange for those services as set forth under the terms of engagement.</p> <p data-bbox="104 707 474 847">Identification of the various performance obligations within the contract and allocation of consideration to these performance obligations, is complex and requires significant management judgement.</p> <p data-bbox="104 866 474 981">Considering the materiality of amounts involved, significant judgements, this has been identified as a key audit matter in respect of consolidated financial statements.</p>	<p data-bbox="477 186 959 234">Our audit procedures to address this key audit matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li data-bbox="477 250 959 298">▪ Evaluated the appropriateness of the Group's accounting policy for revenue recognition. <li data-bbox="477 314 959 384">▪ Evaluated the design and operating effectiveness of key controls over the revenue recognition process. <li data-bbox="477 400 959 1181">▪ For the revenue contracts entered by the Group, the following procedures were performed: <ul style="list-style-type: none"> <li data-bbox="529 464 959 608">• Obtained and inspected mandates, with respect to the key contractual terms entered by the Group with the customer and evaluated the appropriateness of the accounting treatment assessed by the management. <li data-bbox="529 624 959 815">• Evaluated whether the performance obligations and service delivery obligations as per the terms of the engagement appear to be satisfied by the Group to the extent of revenue recognised, by performing enquiry with the management and inspecting supporting documents evidencing completion of such work. <li data-bbox="529 831 959 997">• On a sample basis, tested invoices raised in relation to the advisory services and traced the receipt of money in respect of such invoices to the bank statements. Accounting of unbilled revenue was verified with invoices issued in subsequent period. <li data-bbox="529 1013 959 1181">• Performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation to assess whether the revenue was recognised in the correct period.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="73 188 430 233">Valuation of unquoted investments carried at fair value</p> <p data-bbox="73 248 430 322">Refer note 2 (h) for significant accounting policies and note 8 of consolidated financial statements</p> <p data-bbox="73 338 430 459">As at 31 March 2024, the Group held unquoted investments carried at fair value amounting to Rs.7,916 lakhs which represents 45 % of the total assets of the Group as at 31 March 2024.</p> <p data-bbox="73 475 430 762">The aforesaid investments are not traded in the active market. These investments are fair valued using Level 2 and Level 3 inputs. The fair valuation of Level 3 investments is determined by a management-appointed independent valuation specialist. The process of computation of fair valuation of Level 3 investments includes use of unobservable inputs and management judgements and estimates which are complex.</p> <p data-bbox="73 778 430 948">The key assumptions underpinning management's assessment of fair value of Level 3 investments, include application of liquidity discounts, calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates.</p> <p data-bbox="73 963 430 1203">The valuation of these investments was considered to be one of the areas which required significant auditor attention and was one of the matters of most significance in the consolidated financial statements due to the materiality of total value of investments to the consolidated financial statements and the complexity involved in the valuation of these investments.</p>	<p data-bbox="441 188 923 284">Our audit procedures in relation to valuation of unquoted investments with the involvement of our valuation experts included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li data-bbox="441 300 923 395">▪ Obtained an understanding of Group's business model and its assessment in accordance with Ind AS 109 for classification and valuation of investments; <li data-bbox="441 411 923 603">▪ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of these investments. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Group including its valuation policy and discussion with those involved in the process of valuation; <li data-bbox="441 619 923 788">▪ Evaluated the design and tested the operational effectiveness of relevant key controls over the valuation process, including the Group's review and approval of the estimates and assumptions used for the valuation including independent price verification performed by the management expert; <li data-bbox="441 804 923 874">▪ Obtained and evaluated for reasonableness, the market observable inputs used by the management for valuation of Level 2 investments; <li data-bbox="441 890 923 986">▪ Obtained the valuation reports of the management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of Level 3 investments; <li data-bbox="441 1002 923 1377">▪ Performed a reasonableness test on the valuation reports provided by management by carrying out following procedures: <ul style="list-style-type: none"> <li data-bbox="487 1090 923 1160">• Analysed financial performance of the investee company from the date of investment till the valuation date; <li data-bbox="487 1176 923 1272">• Applied calibration to price of recent Investment methodology in assessing the impact, if any, on the valuation of investee company as on the valuation date; <li data-bbox="487 1287 923 1377">• Screened for comparable companies / comparable transactions (wherever transaction data was available) for each of the investee companies;

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li data-bbox="495 188 957 308">▪ Ensured the appropriateness and sufficiency of the carrying value of these investments in the consolidated financial statements and the gain or loss recognized in the standalone financial statements as a result of such fair valuation; <li data-bbox="495 323 957 395">▪ Ensured the appropriateness and sufficiency of the disclosures in accordance with the applicable accounting standards; and <li data-bbox="495 411 957 528">▪ Obtained written representations from the management and those charged with governance whether they believe significant assumptions used in valuation of the investments are reasonable.

Information other than the Consolidated Financial Statements and Auditor’s Report thereon

6. The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company’s Board of Directors. The Holding Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and

design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors and Those Charged with Governance are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on

the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that

may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of ₹ 3,894 lakhs as at 31 March 2024, total revenues of ₹ 3,334 lakhs and net cash outflows amounting to ₹ 119 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the

- consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
 18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor except for the matter stated in paragraph 18(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 report of the other auditors on separate financial statements and other financial information of the subsidiary companies incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the

- consolidated financial position of the Group as detailed in Note 31 to the consolidated financial statements;
- ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended 31 March 2024;
 - iv.
 - a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, other than as disclosed in note 50(b) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any persons or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 50(a) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. As stated in note 49 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Further, the final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. The subsidiary companies have not declared or paid any dividend during the year ended 31 March 2024.
- vi. As stated in Note 54 to the consolidated financial statements

and based on our examination which included test checks and that are performed by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, except for the instance mentioned below, the Holding Company, its subsidiaries, in respect of financial year commencing on 1 April 2023, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail being tampered with, other than the consequential impact of the exception given below.

Particulars	Details
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled for the accounting software (TallyPrime Edit log) for the period 1 April 2023 to 3 April 2023 for the Holding company and its subsidiaries.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No.: 043334
UDIN: 24043334BKDQBC3336

Place: Pune
Date: 25 April 2024

Annexure I

List of entities included in the Consolidated Financial Statements:

- 1) Prime Research & Advisory Limited
 - 2) Prime Funds Management Limited
-

Annexure II

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Prime Securities Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include those policies and procedures

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies and the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements

and such controls were operating effectively as at 31 March 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 3,894 lakhs and net assets of ₹ 3,463 lakhs as at 31 March 2024, total revenues of ₹ 3,334 lakhs and net cash inflows amounting to ₹ 119 lakhs for the year

ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditor whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditor of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Murad D. Daruwalla
Partner
Membership No.: 043334
UDIN: 24043334BKDQBC3336

Place: Pune
Date: 25 April 2024

Consolidated Balance Sheet

as at March 31, 2024
(Rs. in Lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Financial assets			
a) Cash and cash equivalents	4	86	194
b) Bank balance other than (a) above	5	3,796	5,541
c) Receivables	6		
(i) Trade receivables		1,230	1,492
(ii) Other receivables		431	440
d) Loans	7	555	55
e) Investments	8	10,872	5,552
f) Other financial assets	9	47	64
Sub total (I)		17,017	13,338
II. Non-financial assets			
a) Current tax assets (net)	10	423	330
b) Property, plant and equipment	11(a)	186	264
c) Other intangible assets	11(b)	9	8
d) Other non-financial assets	12	56	143
Sub total (II)		674	745
TOTAL ASSETS (I + II)		17,691	14,083
LIABILITIES AND EQUITY			
I. Financial liabilities			
a) Payables			
(i) Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		102	100
b) Borrowings (Other than debt securities)	14	-	2
c) Other financial liabilities	15	825	652
Sub total (I)		927	754
II. Non-financial liabilities			
a) Provisions	16	297	222
b) Deferred tax liabilities (net)	17	616	332
c) Other non-financial liabilities	18	94	81
Sub total (II)		1,007	635
III. Equity			
a) Equity share capital	19	1,664	1,618
b) Other equity		14,093	11,076
Sub total (III)		15,757	12,694
TOTAL LIABILITIES AND EQUITY (I + II + III)		17,691	14,083

Summary of material accounting policy information and other explanatory information to the financial statements. 1-59

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO

(DIN: 00046048)

Akshay Gupta

Whole-time Director

(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary

(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Consolidated Statement of Profit and Loss for the year ended March 31, 2024 (Rs. in Lakhs, unless otherwise stated)

Particulars	Note no.	Year ended March 31, 2024	Year ended March 31, 2023
I. Revenue from operations			
i) Fee & Commission income	20	6,151	4,054
Total Revenue from operations (I)		6,151	4,054
II. Other Income			
i) Interest income	21	457	467
ii) Dividend income		0	4
iii) Net gain on fair value changes	22	35	-
iv) Gain on sale / redemption of investments (net)	23	21	117
v) Other	24	0	42
Total other income (II)		513	630
III. Total income (I + II)		6,664	4,684
IV. Expenses			
i) Finance costs	25	14	57
ii) Fees & commission expense		1,172	650
iii) Net loss on fair value changes	22	-	141
iv) Impairment on financial instruments	26	34	(54)
v) Employee benefits expense	27	2,279	1,749
vi) Depreciation and amortisation expense	11(a) & 11(b)	97	114
vii) Other expenses	28	729	683
Total expenses (IV)		4,325	3,340
V. Profit before exceptional items and tax		2,339	1,344
VI. Exceptional items (net gain)	29	-	173
VII. Profit before tax (V) + (VI)		2,339	1,517
VIII. Tax expense			
i) Current tax charge	43	523	318
ii) Earlier year tax charge	43	-	147
iii) Deferred tax credit	43	(40)	(66)
Total Tax expense (VIII)		483	399
IX. Profit after tax (VII) - (VIII)		1,856	1,118
X. Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurement (loss) of the defined benefit plans		(8)	(26)
Remeasurement gain on fair valuation of investments		1,396	979
Deferred tax on remeasurement of the defined benefit plans		2	7
Deferred tax on remeasurement of gain on fair valuation		(325)	(228)
Other comprehensive income for the year (X)		1,065	732
XI. Total comprehensive income for the year (IX) + (X)		2,921	1,850
Earnings per equity share of nominal value of Rs. 5 each	30		
Basic (in Rs.)		5.66	3.52
Diluted (in Rs.)		5.42	3.31

Summary of material accounting policy information and other explanatory information to the financial statements. 1-59

This is the Statement of Consolidated Profit and Loss referred to in our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO

(DIN: 00046048)

Akshay Gupta

Whole-time Director

(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary

(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	2,339	1,344
Adjustments for :		
Depreciation and amortisation expense	97	114
(Profit)/ Loss on sale of property, plant and equipments (net)	(0)	11
Changes in fair valuation of investment (net)	(35)	141
Gain on sale of investments (net)	(21)	(117)
Interest Expense	2	57
Interest income on deposits	(324)	(467)
Dividend income	(0)	(4)
(Appreciation) in value of investments	(73)	(123)
Share based payment to employees	-	27
Impairment / Reversal of expected credit loss	(194)	61
Operating profit before working capital changes	1,791	1,044
Adjustments for changes in working capital:		
(Decrease) / Increase in provisions	75	61
(Decrease) / Increase in trade payables	2	(10)
(Decrease) / Increase in other financial liabilities	173	(236)
(Decrease) / Increase in other non-financial liabilities	14	(4)
(Increase) / Decrease in Loans	(500)	(56)
(Increase) / Decrease in other financial assets	16	(31)
(Increase) / Decrease in other receivables	9	(47)
(Increase) / Decrease in trade receivables	262	(1,143)
(Increase) / Decrease in other non-financial assets	87	(7)
Total changes in working capital	138	(1,472)
Cash generated from / (used in) operations	1,929	(428)
Taxes paid, net of refunds	(614)	(99)
Net cash generated from / (used in) operating activities (A)	1,315	(528)
Cash flow from investing activities:		
Purchase of property, plant and equipments including capital work-in-progress	(19)	(35)
Proceeds from sale / disposal of property, plant and equipments	0	8
Purchase of Investments	(3,909)	(874)
Proceeds from sale / redemption of investments	56	673
Decrease / (Increase) in other bank balance	(4)	-
(Increase) in fixed deposits original maturity more than 3 months	1,750	103

Consolidated Statement of Cash Flows for the year ended March 31, 2024 (Rs. in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income	324	467
Dividend received	0	4
Net cash generated from / (used in) investing activities (B)	(1,802)	345
Cash flow from financing activities:		
Proceeds from issuance of Share capital	545	698
Borrowings repaid during the year	(2)	(502)
Share issue expenses	-	(27)
Interest Paid	(2)	(57)
Payment of Dividend to shareholders	(162)	(717)
Net cash generated from / (used in) financing activities (C)	379	(604)
Net (Decrease) in cash and cash equivalents (A+B+C)	(108)	(787)
Cash and cash equivalents at the beginning of the year	194	981
Cash and cash equivalents at the end of the year	86	194
Total	(108)	(787)
Notes:		
1) Cash and cash equivalents comprise of		
Cash on hand	0	0
Balances with banks		
In current account	86	194
Cash and cash equivalents at the end of the year	86	194

Note:

- 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).
- Figures in brackets indicate cash outflows

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta

Whole-time Director
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Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary
(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Consolidated Statement of Changes in Equity for the year ended March 31, 2024 (Rs. in Lakhs, unless otherwise stated)

Equity share capital

Particulars	Amount
Balance as at April 1, 2022	1,559
Restated balance as at April 1, 2022	1,559
Changes in equity share capital during the year	59
Balance as at March 31, 2023	1,618
Balance as at April 1, 2023	1,618
Restated balance as at April 1, 2023	1,618
Changes in equity share capital during the year	46
Balance as at March 31, 2024	1,664

Other equity

Particulars	Reserves and Surplus			Share application money pending allotment	Items of other Comprehensive Income (net of tax)		Total
	Securities Premium	Share Options outstanding account	Retained earnings		Remeasurement of defined benefit liability / assets	Fair value gain / loss on Financial assets carried at FVTOCI	
Opening balance as at April 1, 2022	3,874	952	4,137	0	(87)	710	9,586
Transactions during the year							
Profit after tax for the year	-	-	1,118	-	-	-	1,118
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	(19)	751	732
Securities premium	639	-	-	-	-	-	639
Dividend Paid	-	-	(717)	-	-	-	(717)
Share Application during the Year	-	-	-	5	-	-	5
Share based compensation	-	(287)	-	-	-	-	(287)
Closing balance as at March 31, 2023	4,513	665	4,538	5	(106)	1,461	11,076
Transactions during the year							
Profit after tax for the year	-	-	1,856	-	-	-	1,856
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	(6)	1,071	1,065
Securities premium	499	-	-	-	-	-	499
Dividend Paid	-	-	(162)	-	-	-	(162)
Share Application during the Year	-	-	-	(5)	-	-	(5)
Share based compensation	-	(250)	-	-	-	-	(250)
Adjustment on sale of Bond - Inter Company	-	-	15	-	-	-	15
Closing balance as at March 31, 2024	5,012	415	6,248	0	(112)	2,532	14,093

Consolidated Statement of Changes in Equity for the year ended March 31, 2024 (Rs. in Lakhs, unless otherwise stated)

Nature and purpose of reserve

- **Securities premium**

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

- **Share Options outstanding account**

This reserve is created by debiting the statement of profit and loss account with the fair value of share options granted to the employees by the Company. On exercise of the options so granted, the reserve will move to securities premium and unvested portion if any, will be transferred to securities premium account.

- **Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Summary of material accounting policy information and other explanatory.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta

Whole-time Director
(DIN: 01272080)

Murad D. Daruwalla

Partner

Membership No 043334

Arun Shah

Chief Financial Officer

Ajay Shah

Company Secretary
(ACS-14359)

Place : Pune

Date : April 25, 2024

Place : Mumbai

Date : April 25, 2024

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

1 Corporate Information

Prime Securities Limited (“PSL” or ‘the Holding Company’) is a public limited company and incorporated under the provisions of Companies Act, 1956. The Holding Company is domiciled in India and the addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. PSL shares are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) in India.

Prime Securities Limited and its subsidiaries (collectively, the Group) are engaged in Investment Banking and Corporate Advisory services. The Group specializes in providing value added advice and services to it’s clients on complex strategic and financial decisions and transactions focused around Fund Raising, Mergers & Acquisitions, Equity & Debt Private Placements, Initial Public Offerings, Corporate Advisory, and Capital Restructuring.

These consolidated financial statements contain financial information of the Group and were authorized for issue by the Board of Directors on April 25, 2024. Information on the Group’s structure is provided in note 56.

2 Material Accounting Policy information

a) Basis of preparation

i) Compliance with Ind AS

The consolidated financial statements of the Group comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and the guidelines issued by Securities Exchange Board of India to the extent applicable.

The consolidated financial statements have been prepared using the material accounting policies and measurement bases summarized as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans – plan assets measured at fair value
- Share based payment measured at fair value on grant date.

iii) Preparation of financial statements

The Holding Company is covered in the definition of non-banking financial company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Holding Company presents the Balance Sheet, the Statement of Profit and Loss and the statement of Changes in Equity in the order of liquidity as per the format prescribed under Division III of Schedule III to the Companies Act, 2013. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is prescribed in Note 46.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

b) Principles of Consolidation

Subsidiaries

The consolidated financial statements has comprised financial statements of the Holding Company and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are not included in the consolidation from the date control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of Profit and Loss including Other Comprehensive Income (OCI) is attributable to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

c) Revenue Recognition

The Group derives revenues primarily from advisory services. Fee income is recognised based on the stage of completion of assignments and terms of agreement with the client.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer and accordingly revenue is recognized at transaction price. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Group is contractually expected to receive in exchange for those services.

The Group does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or,

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or,
3. The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

d) Recognition of Other Income:

- i) Dividend income is recognised when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- ii) Interest income is recognized using the effective interest rate method on accrual basis.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses
- iii) Gain or losses on sale of investments are recognized on trade dates by comparing the sales realization with the weighted average cost of such investment.
- iv) Income from net gain on fair value changes on bonds and equity is recognised based on the principles as stated in Ind AS 109.

e) Property, plant and equipment:

Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

Subsequent cost relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are derecognised from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. Useful life of Property Plant and Equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate. The Group provides pro-rata depreciation from the date on which the asset is available to use, till date the assets are sold or disposed.

The estimated useful lives of assets are as follows:

Assets	Estimated Useful life
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers and other hardware	3 years
Vehicles	8 to 10 years

f) Intangible Assets:

Measurement at recognition

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

The Group amortizes intangible assets on a straight-line basis over the five years commencing from the date on which the asset is available to use.

Cost of an intangible asset includes purchase price, non-refundable taxes and duties and any other directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Assets	Useful life
Computer Software	5 years

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

g) Capital Work-in-Progress

The Project assets or assets which are not ready for their intended use are shown as Capital Work-in-Progress.

Capital work-in-progress are measured at cost less accumulated impairment losses, if any.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

h) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Fair value of financial instruments:

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair value measurement under Ind AS are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows.

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. During the year, there have been no transfers amongst the hierarchy levels.

Financial Assets:

(i) Initial recognition and measurement:

All financial assets except trade receivables, are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss,

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially recognised at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) Classification and subsequent measurement:

The Group has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI.

Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

3. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

4. Investments in bonds

Investments in bonds are measured at fair value through profit and loss (FVTPL).

(iii) Impairment of financial assets:

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, deposits, and bank balance.
- b) Trade receivables - Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the receivables are classified based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the receivables impairment allowance account accordingly.

Additionally, the Group uses a provision matrix to compute the trade receivables, as per which the provision is made at 10% for trade receivable overdue more than 180 days but less than 270 days, additional 30% for trade receivable overdue more than 270 days but less than 360 days, additional 50% for trade receivable overdue more than 360 days and remaining 10% will always be retained, until bad debt is recognised.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iv) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of the Group of similar financial assets) is primarily derecognised (i.e. removed from the Consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities:

(i) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

i) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Employee Benefits:

i) Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

ii) Post Employment / Retirement Benefits:

Defined contribution plan:

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc. are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans:

The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit

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Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

iii) Other Long Term Employee Benefits:

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

k) Share based payments

Employee stock option scheme (ESOS)

The Employees Stock Options Scheme ("the Scheme") has been established by the Holding Company. The Scheme provides that employees are granted an option to subscribe to equity share of the Holding Company that vest on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of options disclosed in note 32. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

l) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the

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functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate as at the date of transaction.

n) Leases:

- **Leases – As lessee:**

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

- **Measurement and recognition of leases as a lessee:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Group has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination

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option is reasonably certain not be exercised. The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

o) **Taxation:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

i) **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) **MAT :**

As per Section 115JB, if the tax on the book profit is higher than the computed tax, then company need to provide for tax on the basis of MAT, which is available for setoff in the subsequent years.

iii) **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed

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at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

p) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

q) Impairment of non-financial assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the

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extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

r) Provisions, Contingent Assets and Contingent Liabilities:

Contingent assets / liabilities:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

s) Dividend payable

Interim Dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders. The dividend payable is recognised as a liability with a corresponding amount recognised directly in equity.

t) Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Holding Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders of the Holding Company by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

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u) Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Group and assess the performance of the operating segments of the Group.

v) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirements, unless otherwise indicated. The amounts reflected as "0" in the Financial Statements are values with less than rupees one lakh.

w) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

x) Recent accounting developments

i) Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. As on March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

ii) Standards issued / amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Group has applied for the first-time these amendments.

a) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the consolidated financial statements.

b) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

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The Group does have leases and it continues to disclose deferred tax asset and liability separately on leases.

This amendment did not have any material impact on the amounts recognised in prior periods and do not affect the current period or are expected to significantly affect future periods.

c) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these consolidated financial statements.

- y)** These financial statements are presented in Indian rupees, which is the Group's functional currency.

3 Critical Accounting Judgements & Estimates

Use of Estimates and Judgements

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates, judgements and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities (including contingent liabilities) and disclosures as of the date of consolidated financial statements and the reported amounts of revenue and expenses for the reporting period.. The actual amounts realised may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Appropriate changes in estimates are recognized in the period in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods.

Estimates and judgements are required in particular for:

- **Determination of the estimated useful lives of Property Plant and Equipments:**
Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. Useful lives of Property Plant and Equipments are based on the life prescribed in Schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.
- **Recognition and measurement of defined benefit obligations:**
The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to the complexities involved in the valuation

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and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Recognition of deferred tax assets / liabilities:**
Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income (supported by reliable evidence) will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.
- **Impairment of financial assets:**
The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the Group assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.
- **Fair valuation of employee share option**
The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Group's stock and employee exercise behaviour which are based on historical data as well as expectations of future developments over the term of the option. As stock-based compensation expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in our stock-based compensation expense amounts in the future.
- **Determining whether an arrangement contains a lease:**
The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals). The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain to not exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend or terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate of the Group, specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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- **Fair valuation of unlisted equity shares**

Ind AS 109 requires all investment in equity instrument to be measured at FVTPL, the company at the initial recognition carries a proper assessment to make irrevocable election for FVTPL or FVTOCI of equity instrument held other than for trading purpose. The fair valuation of unlisted equity shares is based on the management (respective investee company) estimates of future earnings or market multiple using prescribed technique of valuation.

- a). Investment in equity instrument is valued at purchase cost at the time of initial recognition.
- b). For subsequent measurement the Group adopts the following process for valuation of investments:
 - i. At any time or at each quarter end if there is any indicator trigger as per para B5.2.4 of Ind AS,
 - ii Availability of sufficient information such as subsequent allotment of shares,
 - iii March 31st every year for investments held for more than six months.

- **Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Contingent liabilities**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Provisions**

Provisions are recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding defined benefit plan) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

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4 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0	0
Balances with banks		
In current accounts	86	194
Total	86	194

5 Bank balances other than (4) above

Particulars	As at March 31, 2024	As at March 31, 2023
Others		
Term deposits with banks with original maturity period more than 3 months	3,712	5,462
Other Bank Balance*	84	79
Total	3,796	5,541

* Other Bank balance is against the unclaimed dividend.

6 Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivable (including unbilled revenue)		
(i) Receivables considered good-secured	-	-
(ii) Receivables considered good-unsecured	1,062	1,499
(iii) Receivables which have significant increase in credit risk-unsecured	263	54
(iv) Receivables-credit impaired-unsecured	58	58
	1,383	1,611
Less: Expected credit losses	(153)	(119)
	1,230	1,492
Other Receivable*	431	440
Total	1,661	1,932

*Refer Note 51 (j)

The trade receivables are non-interest bearing and recoverable within period of 3 to 12 months

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6 Receivables (Contd.)

Particulars	As at March 31, 2024						
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	Unbilled Revenue
(i) Undisputed Trade receivables / unbilled revenue - considered good	567	-	-	-	-	567	495
(ii) Undisputed Trade receivables - Which have significant increase in credit risk *	67	139	57	-	-	263	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	58	-	58	-
(iv) Disputed Trade receivables - considered goods	-	-	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	634	139	57	58	-	888	495

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

Particulars	As at March 31, 2023						
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	Unbilled Revenue
(i) Undisputed Trade receivables / unbilled revenue - considered good	527	22	-	-	-	549	950
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	54	-	-	-	54	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	58	-	58	-
(iv) Disputed Trade receivables - considered goods	-	-	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	527	76	-	58	-	661	950

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

Refer note 39 E (i) for credit risk analysis & aging.

No debts are due from directors or other officers or any of them either severally or jointly with any other person, except loan to KMP as disclosed in Note 7.

*No debts are due from firms, limited liability partnerships or private companies in which any director is a partner or a director or a member except a debt of Rs. 67 lakhs is due from Super Six Sports Gaming Private Limited in which the Managing Director and Group CEO is a member.

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7 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Related Parties		
- KMP's	43	55
Others#	512	-
Total	555	55
Percentage		
Related Parties		
- KMP's	8%	100%
Others	92%	0%
Total	555	55

*The holding Company has given unsecured loan to it's KMP for personal utilisation at prevailing market interest rate at 8% which will be paid as per the agreed repayment schedule.

#Including accrued interest of Rs. 12 lakhs (March 31, 2023 Rs. Nil). The loan has been given to the Indian subsidiary of Bridgeweave Limited for the purpose of Business development & towards working capital.

There are no loans or advances in the nature of loans to promoters, directors, KMPs or related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand; or (b) without specifying any terms or period of repayment

Loans In India

Particulars	As at March 31, 2024	As at March 31, 2023
Others	555	55
Less: Provision for Doubtful Loans	-	-
Total	555	55

Stage wise break up of loans

Particulars	As at March 31, 2024	As at March 31, 2023
i) Low credit risk (Stage 1)	555	55
ii) Significant increase in credit risk (Stage 2)	-	-
iii) Credit impaired (Stage 3)	-	-
Total	555	55

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8 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Share / Unit	Carrying value / Net Asset Value	Share / Unit	Carrying value / Net Asset Value
At fair value through profit or loss				
Investments in equity instruments:				
Quoted				
Ironwood Education Limited	68,804	16	68,804	20
Solid Stone Company Limited	1,72,731	55	1,72,731	58
Total investments in equity instruments FVTPL (1)		71		78
Investments in Bonds				
Quoted				
9.22% Tata Capital Housing Finance Limited	-	-	50	507
8.25% BOB Perpetual Bonds	35	367	50	529
9.56% SBI Perpetual Bonds	-	-	50	520
INOX Wind Limited	50	566	-	-
Total investments in bonds (2)		933		1,556
Investment In Non Convertible Debentures				
Quoted				
TATA Industries Ltd	50	582	-	-
UGRO capital Limited	47,459	477	-	-
Total investments in Non Convertible Debentures (3)		1,059		-
Investments in Mutual Funds				
Quoted				
ICICI Prudential Liquid Fund	14,030	50	-	-
ICICI Prudential - Short Term	2,728	35	-	-
Helios Flexi Cap Fund	9,99,950	120	-	-
Quant Active Fund	50,943	338	-	-
Quant Midcap Fund	1,50,000	350	-	-
Total investments in mutual funds (4)		893		-
Total investment at fair value through profit or loss (A)		2,956		1,635
At fair value through Other Comprehensive Income				
Investments in equity instruments:				
Unquoted				
Super Six Sports Gaming Private Limited	577	1,282	496	2,344
Feast Software Private Limited	8,04,218	338	8,04,218	221
88 Academics (India) Private Limited	8,000	50	8,000	64
Hindustan Wellness Private Limited	45,000	38	45,000	50
IBS Fintech India Private Limited	9,026	233	8,407	94
Jalpak Foods India Private Limited	9,36,336	416	7,11,111	160

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8 Investments (Contd.)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Share / Unit	Carrying value / Net Asset Value	Share / Unit	Carrying value / Net Asset Value
Entity Gaming Private Limited	666	33	666	50
Last Mile Channel Enhancement Private Limited	41,668	175	41,668	280
Lithion Power Private Limited	65,088	66	65,087	318
Steel Infra Solutions Private Limited - Fully Paid	1,52,542	200	57,500	68
Steel Infra Solutions Private Limited - Partly Paid	-	-	95,042	28
V-One Ventures Private Limited	167	37	167	150
Absolute Legends Sports Private Limited	250	36	250	45
BDEL Wellness Private Limited	1,026	64	1,026	45
Venttura Bioceuticals Private Limited	34,965	50	-	-
Xanadu Foods Private Limited	3,00,000	1,089	-	-
Usha Shriram Water Purifiers Private Limited	3,40,862	2,294	-	-
Bridgeweave Limited	26,12,129	1,515	-	-
Total investments in equity instruments FVTOCI (B)		7,916		3,917
Total investment (A) + (B)		10,872		5,552
Investments in India		9,357		5,552
Investments outside India		1,515		-
Total		10,872		5,552

9 Other financial assets (Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	35	44
Employee advances	7	20
Advance given	5	-
Total	47	64

10 Current tax asset (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax	423	330
(Net of provision for tax Rs. 787 lakhs) (March 31, 2023 Rs. 385 lakhs)		
Total	423	330

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

11 (a) Property, plant and equipment

Particulars	Right to Use (Refer note 35)	Lease hold improvement	Computers and other hardware	Office equipment	Furniture and fixtures	Vehicles** (Refer note 33)	Total
Gross carrying value							
Gross carrying value as of April 1, 2022	420	-	25	16	67	226	754
Adjustments due to modification in lease arrangements	14	-	-	-	-	-	14
Additions*	5	75	8	1	0	-	89
Disposals	-	-	(2)	-	(36)	(123)	(161)
Gross carrying value as of March 31, 2023	439	75	31	17	31	103	696
Adjustments due to modification in lease arrangements	-	-	-	-	-	-	-
Additions	5	-	5	6	-	-	16
Disposals	-	-	(0)	(2)	(1)	-	(3)
Gross carrying value as of March 31, 2024	444	75	36	21	30	103	709
Accumulated depreciation							
Accumulated depreciation as of April 1, 2022	235	-	20	10	36	162	462
Depreciation for the year	71	15	5	3	5	13	112
Accumulated depreciation on disposals	(0)	-	(2)	-	(17)	(123)	(141)
Accumulated depreciation March 31, 2023	306	15	23	13	23	52	432
Depreciation for the year	55	20	4	2	0	13	94
Accumulated depreciation on disposals	-	-	(0)	(2)	(1)	-	(3)
Accumulated depreciation March 31, 2024	361	35	27	13	22	65	523
Net carrying value							
Net carrying value as on April 1, 2022	185	-	5	7	32	64	292
Net carrying value as on March 31, 2023	133	60	8	4	8	51	264
Net carrying value as on March 31, 2024	83	40	9	8	8	38	186

*The addition or modification on account of reassessment of continued lease term is considered as addition / adjustments to the lease.

**Vehicles taken on term loan

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

11 (b) Other Intangible assets

Particulars	Computer software#
Gross carrying value	
Gross carrying value as of April 1, 2022	7
Additions	8
Disposals	-
Gross carrying value as of March 31, 2023	15
Additions	4
Disposals	-
Gross carrying value as of March 31, 2024	19
Accumulated amortisation	
Accumulated amortisation as of April 1, 2022	5
Amortisation for the year	2
Accumulated amortisation on disposals	-
Accumulated amortisation as of March 31, 2023	7
Amortisation for the year	3
Accumulated amortisation on disposals	-
Accumulated amortisation as of March 31, 2024	10
Net carrying value	
Net carrying value as on April 1, 2022	2
Net carrying value as on March 31, 2023	8
Net carrying value as on March 31, 2024	9

Other than internally generated.

12 Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Balances with government authorities	4	84
Prepaid expenses	52	59
Total	56	143

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

13 Trade payables

Total outstanding dues of creditors other than micro enterprises and small enterprises

Particulars	As at March 31, 2024	As at March 31, 2023
a) Others		
(i) Payable to dealers / vendors / customers	102	100
Total	102	100

Note:- The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group. The amount of principle and interest outstanding during the year is given below.

Total outstanding dues of micro enterprises and small enterprises

Under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006), certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the management. The Group has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(b) The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the suppliers beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
Total	-	-

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

13 Trade payables (Contd.)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	102	-	-	-	102
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	102	-	-	-	102

Note:- Ageing of the trade payables is determined from the date of transaction till the reporting date.

Particulars	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	100	-	-	-	100
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	100	-	-	-	100

Note:- Ageing of the trade payables is determined from the date of transaction till the reporting date.

* No amounts due and outstanding to be credited to investor education and protection fund.

14 Borrowings (Other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
a) Term loans		
Secured - In India		
From Bank *	-	2
Total	-	2
Borrowings in India	-	2
Borrowings outside India	-	-
Total	-	2

* Term Loan from bank is secured against hypothecation of vehicles.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

15 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability (Refer note 35)		
-Long term (Obligation payable more than 12 months)	30	88
-Short term (Obligation payable within 12 months)	62	65
Employees dues payable	1	12
Other payables	87	104
Accrued employees benefit expenses	645	383
Total	825	652

16 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer note 41)	197	159
Provision for compensated absences (Refer note 41)	100	63
Total	297	222

17 Deferred tax assets / (liability) (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets / (liabilities) (Refer note 44 and 45)		
Liability towards lease rentals	2	6
Provision for compensated absences	28	19
Net Mark-to-Market Loss/(Gain) on investments (net)	(728)	(424)
Provision for gratuity	55	45
Merger expenses	1	1
Depreciation / amortisation	26	23
Short term capital Gain / (loss)	-	(2)
Total	(616)	(332)

18 Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues (including provident fund, tax deducted at source and goods and services tax)	94	81
Total	94	81

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

19 Equity share capital

	As at March 31, 2024	As at March 31, 2023
Authorised :		
7,90,00,000 (March 31, 2023 4,30,00,000) Equity Shares of Rs. 5/- each	3,950	2,150
Nil (March 31, 2023 18,00,000) Unclassified Shares of Rs. 100/- each	-	1,800
	3,950	3,950
Issued :		
3,40,38,025 (March 31, 2023 3,31,06,425) Equity Shares of Rs. 5/- each	1,702	1,655
	1,702	1,655
Subscribed and paid up:		
3,32,88,825 (March 31, 2023 3,23,57,225) Equity Shares of Rs. 5/- each	1,664	1,618
Total	1,664	1,618

(a) Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares:				
Balance as at the beginning of the year	3,23,57,225	1,618	3,11,75,825	1,559
Changes in Equity due to prior year error				
Restated balance at the beginning of the current year	3,23,57,225	1,618	3,11,75,825	1,559
Changes in Equity during the current year	9,31,600	46	11,81,400	59
Balance at the end of the current year	3,32,88,825	1,664	3,23,57,225	1,618

(b) Rights and restrictions attached to the shares

Equity shares:

The holding Company has only one class of equity shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the holding Company after distribution of all preferential amounts, in proportion to their shareholding.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

19 Equity share capital (Contd.)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the holding Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	%	Number of Shares	%
Equity shares:				
GKK Capital Markets Private Limited	43,75,000	13.14	39,25,000	12.13
Statin Enterprise LLP	31,48,059	9.46	31,48,059	9.73
Siddarth M. Pai	19,00,000	5.71	19,00,000	5.87
Judith Investments Private Limited	17,83,497	5.36	17,83,497	5.51

(d) Details of shares held by the Promoter in the holding Company

There are no Promoters in the holding Company hence these details are not applicable to the holding Company as notified by MCA amendments to Schedule III to the Companies Act, 2013 on March 24, 2021.

(e) Details of holding & ultimate holding Company

There are no holding or ultimate holding company hence these details are not applicable to the holding Company.

(f) There are 14,11,500 shares reserved for issue under employee stock option scheme.

(g) Aggregate number and class of shares allotted as fully paid-up pursuant to contract without payment being received in cash and bonus shares issued and shares bought back during the period of five years immediately preceding the current year

The holding Company has neither allotted any class of shares as fully paid-up pursuant to contract without payment being received in cash nor issued bonus shares and there has not been any buy back of shares during the five years immediately preceding March 31, 2024.

20 Fee & commission income

	Year ended March 31, 2024	Year ended March 31, 2023
Merchant Banking and Advisory Fees	3,090	2,404
Corporate Advisory Fees	3,056	1,650
Income from Brokerage & Commission	3	0
Income from Financial Transaction Process	2	-
Total	6,151	4,054

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

20 Fee and commission income (Contd.)

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market, major products / service lines and timing of revenue recognition:

	Year ended March 31, 2024	Year ended March 31, 2023
Primary geographical market		
India	6,124	4,054
Outside India	27	-
Total	6,151	4,054
Major products/ service lines		
Merchant Banking and Advisory Fees	6,151	4,054
Total	6,151	4,054
Timing of revenue recognition		
At a point in time	6,151	4,054
Over a period of time	-	-
Total	6,151	4,054

21 Interest Income

	Year ended March 31, 2024	Year ended March 31, 2023
On Financial Assets measured at FVTPL		
- Interest income from investments	91	122
On Financial Assets measured at Amortised Cost		
- Interest income on deposits with bank	324	345
- Other	42	-
Total	457	467

22 Net (gain) / loss on fair value changes

	Year ended March 31, 2024	Year ended March 31, 2023
Net (gain) / loss on financial instruments at fair value through profit or loss		
- On equity instruments	8	99
- On other financial instruments		
Bonds	19	42
Mutual Funds	(62)	-
Total	(35)	141

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

23 Gain / (loss) on sale / redemption of investments (net)

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on redemption of Shares	-	104
Gain / (loss) on redemption of Bonds	(1)	-
Gain on redemption of Mutual Funds	22	13
Total	21	117

24 Other

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on sale of property, plant and equipments (net)	0	6
Net gain / (loss) on foreign currency transactions and translations	(0)	(0)
Bad debts recovered	0	-
Lease Modification Gain	-	16
Investment - written back	-	20
Total	0	42

25 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
At amortised cost		
- Interest on borrowings	2	44
- Interest on lease liabilities (Refer note 35)	12	13
Total	14	57

26 Impairment on financial instruments

	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost		
Recovery of Impaired financial assets	(73)	(122)
Trade receivables - significant increase in credit risk	128	44
Trade receivables - considered good	(21)	24
Total	34	(54)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

27 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus and allowances	2,113	1,628
Contribution to provident and other funds (Refer note 41)	18	20
Contribution towards Gratuity Fund paid to LIC	-	1
Gratuity (Refer note 41)	42	33
Compensated absences	88	34
Employee share based payments (Refer notes 32)	-	27
Staff welfare expenses	18	6
Total	2,279	1,749

28 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Repairs and maintenance - others	24	16
Rates and taxes	48	6
Insurance	50	32
Electricity	2	2
Travelling, conveyance and car hire	92	87
Membership and subscription	40	75
Legal and professional fees	189	227
Payment to Auditors (Refer note 42)	65	38
Directors' sitting fees	67	63
Commission to Non-Executive Directors	22	29
Fixed assets written off	1	-
Interest on late payment of GST	30	-
Loss on sale / disposal of property, plant and equipment (net)	-	17
Spend towards Corporate Social Responsibility (CSR) activities (Refer note 37)	16	25
Miscellaneous expenditure	83	66
Total	729	683

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

29 Exceptional items

	Year ended March 31, 2024	Year ended March 31, 2023
Write-back of earlier years	-	173
Total	-	173

The exceptional item consist of certain listed shares, which had formed part of the holding Company's investments but were misplaced and hence, 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 Items". Subsequent changes in fair valuations have been shown under "Net Gain / (Loss) on fair value changes.

30 Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit after tax for the year attributable to equity shareholders of company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The relevant details as described above are as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings per Share		
Profit attributable to equity shareholders (Rs.) (A)	1,857	1,118
Nominal value per share (Rs.)	5	5
Weighted average number of equity shares outstanding during the year (B)	3,27,93,231	3,17,87,198
Earnings per share (Basic) (Rs.) [(A) / (B)]	5.66	3.52
Diluted earnings per share		
Profit after tax for the year (A)	1,857	1,118
Weighted average number of equity shares used in computing basic earnings per share	3,27,93,231	3,17,87,198
Effect of potential equity shares for stock options outstanding	14,70,193	19,62,601
Weighted number of equity shares used in computing diluted earnings per share [B]	3,42,63,424	3,37,49,799
Earnings per share (Diluted) (Rs.) [(A) / (B)]	5.42	3.31

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

31 Contingent Liabilities and commitment to the extent not provided for in respect of:

A. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liability for disputed demand under Income Tax Act 1961 for Assessment Year 2017-18	175	175

In respect of A.Y. 2017-2018, the assessing authority has considered certain receipts as income and demanded tax thereon. Aggrieved by the order, holding Company has made an appeal to the concerned authorities. The Company is of the opinion that the demand will be set aside and hence no provision is made.

B. Commitment

Particulars	As at March 31, 2024	As at March 31, 2023
Uncalled liability on shares and other investments partly paid		
- Partly paid up shares of Steel Infra Solutions Private Limited	-	84
Capital commitment towards purchase of vehicle	118	-
Total	118	84

32 Employees Stock Option Schemes (ESOS)

The holding Company's stock based compensation plan for director / employees has been implemented through a scheme (ESOS 2018) duly approved by the Shareholders.

The number of options granted, exercised and lapsed under the above schemes is set out below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
ESOS 2018				
Options outstanding, beginning of the Year	23,43,100	33.81	35,24,500	33.38
Add: Granted during the Year	-	-	-	-
Less: Exercised during the Year	9,31,600	31.74	11,81,400	32.52
Less: Lapsed during the Year	-	-	-	-
Options outstanding, end of the Year	14,11,500	35.18	23,43,100	33.81

There are 14,11,500 shares (Previous Year: 23,43,100 shares) reserved for issue under employee stock option scheme.

Weighted average remaining contractual life of the share option outstanding at the end of the year is 867 days (Previous Year 1,232 days).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

32 Employees Stock Option Schemes (ESOS) (Contd.)

The holding Company has its accounting policy for ESOPs valuation at fair value method for appropriate presentation of financial statements.

Particulars	ESOS 2018
Date of Grant	Various Dates
Date of board approval	May 29, 2018
Date of shareholders' approval	September 24, 2018
Number of options granted	46,17,000
Method of settlement	Equity Shares
Vesting period	18 Months & 30 Months
Vesting pattern	50 % : 50%
Weighted average remaining contractual life	
Granted but not vested	Nil (Previous Year: Nil)
Vested but not exercised	2.36 Years (Previous Year: 3.41 Years)
Weighted average share price at the date of exercise for stock options exercised during the year	Rs. 153.72 (Previous Year: Rs. 103.42)
Exercise period	5 years from vesting date
Vesting conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time.
Weighted average fair value of options as on grant date	27.80

The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options during the year are as follows:

Sr. No.	Particulars	ESOS 2018
(A)	Risk-free rate	5.95% - 6.10%
(B)	Expected life of options	6.5 years - 7.5 years
(C)	Expected volatility	67.61% - 66.90%
(D)	Weighted average share price	Rs. 28.05 Per Share
(E)	Weighted average exercise price	Grant Date 13-Nov-2018 - Rs. 34.70 Per Share Grant Date 18-May-2019 - Rs. 36.50 Per Share Grant Date 20-May-2020 - Rs. 27.40 Per Share
(F)	Method used to determine expected volatility	Based on the returns generated on equity shares of holding Company for the period from F.Y. 2013 to F.Y. 2020

Expense on Employee Stock Options Scheme debited to the Statement of Profit and Loss during the year is Rs. Nil (Previous year Rs. 27 lakhs). The Carrying amount of ESOP reserve as on March 31, 2024 is Rs. 415 lakhs (March 31, 2023 Rs. 665 lakhs).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

32 Employees Stock Option Schemes (ESOS) (Contd.)

The holding Company provides the sensitivity analysis to show the impact to the Company's profit before taxation in the event that forfeiture and performance condition assumptions exceed or are below the company's estimation by the stated percentages.

Impact on the income statement of a change in leaver assumptions	Year ended March 31, 2024	Year ended March 31, 2023
(+) 5%	-	-
(-) 5%	-	-

33 Borrowings:

Secured loans:

- Term Loan from Bank:**
Term loan of Rs. Nil (March 31, 2023 Rs. 2 lakhs) from the Bank is secured against Vehicles of the Group.
- Term of Repayment**
Term Loan from Bank was repayable in equal monthly instalment, the last instalment was due on June 5, 2023 as per repayment schedule having interest rate of 8.60% p.a.

34 Related Party Disclosures:

Names of related parties and their relationships:

Enterprises over which Key Management Personnels are able to exercise significant influence:

Gateway Entertainment Limited
Judith Investments Private Limited
Statin Enterprise LLP

Key Management Personnels:

Mr. N. Jayakumar
Mr. Ajay Shah
Mr. S R Sharma (CFO in Prime Securities Limited) (Demise on September 23, 2022)
Mr. Arun Shah (CFO in Prime Securities Limited)
Mr. Akshay Gupta (Executive Director of Prime Research & Advisory Limited)

Independent Directors:

Mr. Ashok Kacker (Change in designation from August 8, 2023)
Mr. Mayank Malik (From June 13, 2023)
Ms. Smeeta Bhatkal (From June 13, 2023)
Mr. Pradip Dubhashi (Upto June 13, 2023)
Ms. Smita Cawas Affinwalla (Upto June 19, 2023)
Ms. Namrata Kaul (Upto February 13, 2024)
Mr. Sarthak Behuria (From March 27, 2024)

Non-Executive & Non-Independent Director:

Mr. Sujit Kumar Varma

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

34 Related Party Disclosures: (Contd.)

Names of related parties and their relationships:

Relative of Key Management Personnel

Ms. Madhu Vadera Jayakumar

Shareholder holding more than 10% of Shares of the Company

GKK Capital Markets Private Limited

The following transactions were carried out with the related parties in the ordinary course of business and are on arm's length basis:

Sr. No.	Nature of Transaction	Relationship	Transactions	
			Current year	Previous Year
1	Remuneration paid to Key Managerial Personnel			
	Mr. N Jayakumar	Key Management Personnel	475	376
	Mr. Akshay Gupta	Key Management Personnel	487	287
	Mr. S R Sharma	Key Management Personnel	-	55
	Mr. Ajay Shah	Key Management Personnel	73	69
	Mr. Arun Shah	Key Management Personnel	160	25
2	Payment to Independent Directors			
	- Sitting Fees	Independent Directors	67	63
	- Commission	Independent Directors	22	29
3	Interest charged on Loan			
	- Mr. Arun Shah	Key Management Personnel	4	3
4	Sale of Services			
	- Ms. Madhu Vadera Jayakumar	Relative of Key Management Personnel	1	-
	- GKK Capital Markets Private Limited	Shareholder holding more than 10% of Shares of the Company	5	-

Outstanding Balance

Sr. No.	Nature of Transaction [receivable/(payable)]	Relationship	Balance as on	
			March 31, 2024	March 31, 2023
1	Ex-gratia to Key Managerial Personnel	Key Management Personnel	476 (Credit)	189 (Credit)
2	Loan to Key Managerial Personnel*	Key Management Personnel	43 (Debit)	55 (Debit)

* The outstanding balance Rs. 43 lakhs includes interest receivable of Rs 6 lakhs (P.Y. Rs. 3 Lakhs)

The related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Note:

As the liabilities for gratuity and leave compensation are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel is not included above.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

35 Leases

As a lease the Group classified property lease as operating lease under Ind AS 116. These include office premises taken on lease. Lease include conditions such as non-cancellable period, notice period before terminating the lease or escalation of rent upon completion of part tenure of the lease in line with inflation of price.

The Company has taken various office premises on operating lease for the period which ranges from 12 months to 60 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2023 is 10.00 %.

Information about leases for which the Group is a lessee are presented below:

(A) Right-of-use assets

Right-of-use assets relate to building that are presented separately within property and equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	133	185
Addition during the period	5	5
Adjustments due to modification in lease arrangements	-	14
Deletion during the period	-	-
Depreciation charge for the period	(55)	(71)
Closing balance	83	133

(B) Movement of Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	154	224
Addition during the period	5	5
Deletion during the period	-	-
Finance Cost	12	12
Adjustments due to modification in lease arrangements	-	(2)
Payment of lease liabilities	(79)	(85)
Closing balance	92	154

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

35 Leases (Contd.)

(C) Future minimum lease payments under non-cancellable operating lease were payable as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one month	7	7
Between one and three months	13	13
Between three months and one year	48	58
Between one and five years	31	96
More than five years	-	-
Total	99	174

(D) Amounts recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	12	12
Depreciation of ROU lease asset	55	71

(E) Amounts recognised in Statement of Cash Flow

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total Cash outflow for leases	79	85

The Group has considered entire lease term for the purpose of determination of Right of Use assets and lease.

36 Segmental Reporting:

The Group has only one segment i.e. Financial Advisory & Intermediation services. There are no separate reportable segments in terms of Ind AS 108.

All assets of the Group are domiciled in India.

Revenue of Rs. 2,413 lakhs (March 31, 2023 : 2,349 lakhs) is derived from one external customers (three external customers in PY) and revenue from each such customer constitutes more than 10% of the Group's revenue.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

37 Corporate Social Responsibility

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Group, The Group has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

- (a) Gross amount required to be spent by the Group during the year 2023-24 Rs. 32 lakhs (Previous year Rs.28 lakhs).
- (b) Amount spent during the year on:

Particulars	2023-24	2022-23
(i) Amount required to be spent by the Group during the year	32	28
(ii) Amount of expenditure incurred		
- Construction / acquisition of any asset	-	-
- On purposes other than above	16	25
(iii) Shortfall at the end of the year	-	-
(iv) Adjustment of earlier years overspent	16	4
(v) Earlier years overspent carry forward	15	31
(vi) Total of previous years shortfall	-	-
(vii) Reason for shortfall	NA	NA
(viii) Nature of CSR activities*	-	-
(ix) Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	-	-
(x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

*Contribution to Various Trusts for Medical, Training and skill development of women, children and special abled persons.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

38 Revenue from contracts with customers

The Group determines revenue recognition through the following steps:

- (a) Identification of the contract, or contracts, with a customer.
- (b) Identification of the performance obligations in the contract
- (c) Determination of the transaction price.
- (d) Allocation of the transaction price to the performance obligations in the contract.
- (e) Recognition of revenue when, or as, we satisfy a performance obligation.

I. Nature of Services

Merchant Banking and Advisory Services

The Group derives main revenue from corporate advisory services. The Group specialize in providing value added advice and services to our clients on complex strategic and financial decisions and transactions focused around Fund Raising, Mergers & Acquisitions, Equity & Debt Private Placements, Initial Public Offerings, Corporate Advisory, and Capital Restructuring.

II. Contract Balances

Trade Receivables. The outstanding balance as on March 31, 2024 : Rs. 1,230 lakhs, 31 March 2023: Rs. 1,492 lakhs. (Refer note 6)

III. Performance obligations and timing of revenue recognition

Income from corporate advisory services is recognised upon rendering of services.

IV. Reconciliation of amount of revenue recognised in the statement of profit and loss with the contracted price.

Particulars	2023-24	2022-23
Revenue from the Contracts (as per Contract)	6,151	4,054
Less :- Discounts / Incentive to Customers	-	-
Revenue from the Contracts (as per Statement of Profit and Loss)	6,151	4,054

39 Financial instruments – Fair values and risk management

A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

March 31, 2024	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised	Total Carrying Value
Financial assets				
Cash and cash equivalents	-	-	86	86
Bank balance other	-	-	3,796	3,796
Trade receivables	-	-	1,230	1,230
Other receivables	-	-	431	431
Loan	-	-	555	555
Investments	2,956	7,916	-	10,872
Other financial assets	-	-	47	47
Total	2,956	7,916	6,145	17,017
Financial liabilities				
Trade payables	-	-	102	102
Other financial liabilities	-	-	825	825
Total	-	-	927	927
March 31, 2023	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised	Total Carrying Value
Financial assets				
Cash and cash equivalents	-	-	194	194
Bank balance other	-	-	5,541	5,541
Trade receivables	-	-	1,492	1,492
Other receivables	-	-	440	440
Loan	-	-	55	55
Investments	1,635	3,917	-	5,552
Other financial assets	-	-	64	64
Total	1,635	3,917	7,786	13,338
Financial liabilities				
Trade payables	-	-	100	100
Borrowings	-	-	2	2
Other financial liabilities	-	-	652	652
Total	-	-	754	754

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

March 31, 2024	Fair value through Profit and Loss / Other Comprehensive Income				Amortised Cost	
	Level 1	Level 2	Level 3	Total	Amount	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	86	86
Bank balance other	-	-	-	-	3,796	3,796
Trade receivables	-	-	-	-	1,230	1,230
Other receivables	-	-	-	-	431	431
Loans	-	-	-	-	555	555
Investments	2,956	3,833	4,083	10,872	-	-
Other financial assets	-	-	-	-	47	47
	2,956	3,833	4,083	10,872	6,145	6,145
Financial liabilities						
Trade payables	-	-	-	-	102	102
Other financial liabilities	-	-	-	-	825	825
	-	-	-	-	927	927
March 31, 2023	Fair value through Profit and Loss / Other Comprehensive Income				Amortised Cost	
	Level 1	Level 2	Level 3	Total	Amount	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	194	194
Bank balance other	-	-	-	-	5,541	5,541
Trade receivables	-	-	-	-	1,492	1,492
Other receivables	-	-	-	-	440	440
Loans	-	-	-	-	55	55
Investments	1,128	3,419	1,005	5,552	-	-
Other financial assets	-	-	-	-	64	64
	1,128	3,419	1,005	5,552	7,786	7,786
Financial liabilities						
Trade payables	-	-	-	-	100	100
Borrowings	-	-	-	-	2	2
Other financial liabilities	-	-	-	-	652	652
	-	-	-	-	754	754

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy is used as follows:

- **Level 1:**

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1

- **Level 2:**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Few unlisted equity instruments are classified as level 2 in the fair value hierarchy, since there are significant observable inputs available by way of fund raising transaction during the year. Further no significant adjustments needs to be made to the prices obtained from recent transactions.

- **Level 3:**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities with no significant observable inputs.

C) Valuation techniques used to determine fair value:

Significant valuation techniques used to value financial instruments include:

The carrying amounts of cash and cash equivalent, trade receivables, other financial assets, loans, trade payables, other financial liabilities are considered to be approximately equal to the fair value.

The following tables show the valuation techniques used in measuring fair values.

Type	Valuation technique
Listed Equity Investments & Bonds (Level 1)	The valuation has been done using the quoted price in active market.
Investments in Bonds and Unquoted equity instrument traded in the market (Level 2)	The valuation has been done using observable market data and recent transaction available in the inactive market.
Unquoted equity instrument (Level 3)	The valuation has been done based on discounted cash flow method and Comparable Companies Market Multiple method using unobservable market data

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Unobservable inputs used in measuring fair value categorised within Level 3 and sensitivity of fair value measurement to change in unobservable market data.

Type of Financial Instrument	Valuation technique	Significant unobservable input	Range of estimates for unobservable input	Increase in unobservable input	Change in fair value due to increase in unobservable input	Decrease in unobservable input	Change in fair value due to decrease in unobservable input
Investment in unquoted equity shares categorised at Level 3	Comparable Companies	Multiple	+5/-5%	5.00%	7.67	-5.00%	(7.69)
		Sizing discount	+5/-5%	5.00%	(19.23)	-5.00%	19.21
	Market Multiple	WACC%	+2.5/-2.5%	2.50%	(4.22)	-2.50%	6.91
		TGR%	+1/-1%	1%	1.36	-1%	(1.13)
	Discounted projected cash flow						

D) Fair value of financial instrument measured at amortised cost

Fair value of financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the hierarchy levels.

E) Financial risk management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's Risk Management framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Group, which identifies the risk and lays down the risk minimization procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Group's activities, and the same is reported to the Board of Directors periodically. Further, the Group, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The Audit Committee oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the internal auditors.

The Group has exposure to the following risk arising from financial instruments:

i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Trade receivables and loans and advances.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

For trade receivables, the Group individually monitors outstanding balances. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group monitors each loans and advances given and makes any specific provision wherever required.

The Group has followed simplified method of ECL in case of Trade receivables and the Group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Group assesses the impairment requirements.

Additionally, the Group uses a provision matrix to compute the trade receivables, as per which the provision is made at 10% for trade receivable overdue more than 180 days but less than 270 days, additional 30% for trade receivable overdue more than 270 days but less than 360 days, additional 50% for trade receivable overdue more than 360 days and remaining 10% will always be retained, until bad debt is recognised.

The movement in expected credit loss:

Particulars	March 31, 2024	March 31, 2023
Opening balance	119	188
Provided during the year	107	68
Written Back	(73)	(137)
Closing balance	153	119

Ageing of Expected credit loss provided during the year

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	56	61
1-2 years	51	7
2-3 years	-	-
More than 3 years	-	-

Management believes that the unimpaired amounts which are past due are collectible in full.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

Cash and cash equivalents and other Bank balances

The Group held cash and cash equivalents and other bank balances of Rs. 3,882 lakhs as on March 31, 2024 (March 31, 2023, Rs. 5,735 lakhs). The cash and cash equivalents are held with banks with good credit ratings.

Loans:

The Group has given Loans of Rs. 555 lakhs as on March 31, 2024 (March 31, 2023 Rs. 55 lakhs). The loans of Rs. 43 lakhs is in the nature of loans to related party. The Loans are fully recoverable.

Other financial assets:

The Group has given employee advances of Rs. 7 lakhs as on March 31, 2024 (March 31, 2023 Rs. 20 lakhs) and advance against purchase of Vehicle of Rs. 5 lakhs as on March 31, 2024 (March 31, 2023 Rs. Nil). The employee advances are fully recoverable.

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2024	Carrying amount	Contractual cash flows					
		Total	less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	102	102	102	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Other financial liabilities	825	825	767	28	30	-	-

March 31, 2023	Carrying amount	Contractual cash flows					
		Total	less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	100	100	100	-	-	-	-
Borrowings	2	2	2	-	-	-	-
Other financial liabilities	652	652	531	33	59	29	-

The gross outflows disclosed in the above tables represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity..

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

39 Financial instruments – Fair values and risk management (Contd.)

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Group is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

a) Currency risk

The Group has insignificant amount of foreign currency denominated assets. Accordingly, the exposure to currency risk is insignificant.

b) Interest rate risk

The Group's investments are primarily in fixed rate interest instruments. Accordingly, the exposure to interest rate risk is also insignificant.

c) Price risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer or the market. The Company exposed to price risk from its investment in Mutual Funds, listed & unlisted Equity Shares, Bonds classified in the balance sheet at fair value through profit and loss or fair value through other comprehensive income.

Particulars	March 31, 2024		March 31, 2023	
	Profit & Loss	Other Comprehensive Income	Profit & Loss	Other Comprehensive Income
Exposure to price risk	2,956	7,916	1,635	3,917

Sensitivity analysis

The table below sets out the effect on profit or loss and Other Comprehensive Income due to reasonable possible weakening / strengthening in prices of 5% in carrying cost of quoted investment, unquoted investment & debt instruments:

Particulars	March 31, 2024		March 31, 2023	
	Change in Statement of Profit & Loss	Change in Other Comprehensive Income	Change in Statement of Profit & Loss	Change in Other Comprehensive Income
5% increase in the prices	148	396	82	196
5% decrease in the prices	(148)	(396)	(82)	(196)

Decrease in prices by 5% will have equal and opposite impact in financial statements. Sensitivity analysis has been computed by stress testing the market price of the underlying price index on the investment portfolio as on the reporting date.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

40 Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using debt to equity ratio.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	-	2
Gross Debt	-	2
Less: Cash & Bank Balance	(3,882)	(5,735)
Net debt (A)	(3,882)	(5,733)
Total equity (B)	15,757	12,694
Net debt to equity ratio (A) / (B)	-24.63%	-45.16%

41 Employee Benefits

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Group recognised Rs. 18 lakhs for year ended March 31, 2024 (Rs. 20 lakhs for year ended March 31, 2023) provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

Gratuity

The Group participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

A) Particulars	Gratuity	
	March 31, 2024	March 31, 2023
Defined benefit obligation	285	241
Fair value of Plan Assets at the end of the year	88	82
Net Obligation at the end of the year	197	159

B) Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	241	178	82	78	159	100
Included in profit or loss	-	-	-	-	-	-
Current service cost	28	25	-	-	28	25
Past service cost	-	-	-	-	-	-
Interest cost / (income)	18	13	6	6	12	7
	287	216	88	84	199	132
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss / (gain) arising from:	-	-	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	10	14	-	-	10	14
Experience adjustment	(2)	11	-	-	(2)	11
Return on plan assets excluding interest income	-	-	0	(1)	(0)	1
	295	241	88	82	207	159
Other						
Contributions paid by the employer	(10)	-	-	-	(10)	-
Benefits paid	-	-	-	-	-	-
Closing balance	285	241	88	82	197	159
Represented by						
Net defined benefit asset	-	-	-	-	(88)	(82)
Net defined benefit liability	-	-	-	-	285	241
	-	-	-	-	197	159

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

C) Plan assets

Plan assets comprise the following:

Particulars	March 31, 2024	March 31, 2023
Fund managed by Insurance Company	88	82
	88	82

D) Defined benefit obligations

i) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.21%	7.60%
Expected Rate of Return on Plan Assets	7.21%	3.81%
Salary escalation rate	7.00%	7.00%
Average expected future service	15 Years	14 Years
Employee Turnover	2.00%	2.00%
Mortality rate	N.A.	N.A.
	Indian Assured Lives	Indian Assured Lives
	Mortality (2012-14)	Mortality (2012-14)
	Urban	Urban

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(24)	27	(20)	23
Future salary growth (1% movement)	27	(24)	23	(20)
Rate of employee turnover (1% movement)	0	(0)	1	(1)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

41 Employee Benefits (Contd.)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2024 were as follows.

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2024, i.e. Rs. Nil.

Expected future benefit payments	Amount
March 31, 2025	7
March 31, 2026	8
March 31, 2027	106
March 31, 2028	6
March 31, 2029	6
Thereafter	507

Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to Rs. 88 lakhs (March 31, 2023 Rs. 34 lakhs). Accumulated provision for leave encashment aggregates Rs. 100 lakhs (March 31, 2023 Rs. 63 lakhs).

42 Payment to Auditor's (excluding taxes)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to Auditor		
Audit Fees	59	37
Tax Audit Fees	1	1
Other Services (includes out of pocket expenses)*	5	-
Total	65	38

* Other Services include fees for Certifications.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

43 Income Tax Expense

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Amounts recognised in statement of profit or loss		
Current tax		
Current year (a)	523	318
Changes in estimates related to prior years (b)	-	147
Deferred tax (c)		
Origination and reversal of temporary differences	(40)	(66)
Tax expense (a)+(b)+(c)	483	399
B. Tax recognised in other comprehensive income		
Deferred Tax on remeasurement of defined benefit liability	2	7
	2	7
C. Reconciliation of effective tax		
Profit before tax	2,339	1,517
Tax	629	374
Effect of:		
- Net Disallowance of Expenses	21	151
- Impact due to differential tax rates	-	(64)
- Current and brought forward losses	-	(1)
- Difference due to MAT	(127)	(142)
Tax adjustment of earlier year	-	147
Deferred Tax	(40)	(66)
Effective tax	483	399
Effective Tax Rate (%)	20.66	26.29
D. Recognised deferred tax assets and liabilities		
Deferred tax assets and liabilities are attributable to the following:		
Difference between book depreciation and tax depreciation	26	23
Lease Rent adjustment as per Ind AS 116	2	6
Net Mark-to-Market Loss/(Gain) on investments (net)	(728)	(424)
Merger expenses	1	1
Provision for Gratuity	55	45
Provision for compensated absence	28	19
Short term capital Gain / (loss)	-	(2)
Net Deferred Tax Expense	(616)	(332)

Note:

The Group's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

Amounts recognised in Other Comprehensive Income

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	Before Tax	Tax (expenses) benefit	Net of tax	Before Tax	Tax (expenses) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(8)	2	(6)	(26)	7	(19)
Items that are or may be reclassified subsequently to profit or loss						
Fair value gain on Financial Assets carried at FVTOCI	1,396	(325)	1,071	979	(228)	751
Total	1,388	(323)	1,065	953	(221)	732

44 Net Deferred Tax

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax asset on account of:		
Lease Rent adjustment as per Ind AS 116	2	6
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	26	23
Provision for gratuity	55	45
Merger expenses	1	1
Net Mark-to-Market Loss/(Gain) on investments (net)	(728)	(424)
Provision for compensated absences	28	19
Short term capital Gain / (loss)	-	(2)
Total Deferred tax assets (A)	(616)	(332)
Total Deferred tax liability (B)	-	-
Net Deferred Tax Assets / (Liability) (A) - (B)	(616)	(332)

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

45 Movement of Deferred Tax

Particulars	As at Mar 31, 2024	Recognised through Other Comprehensive Income	Recognised through Profit and Loss	As at Mar 31, 2023
Deferred tax asset on account of:				
Lease Rent adjustment as per Ind AS 116	2	-	(4)	6
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	26	-	3	23
Net Mark-to-Market Loss/(Gain) on investments (net)	(728)	(325)	21	(424)
Merger expenses	1	-	(0)	1
Provision for gratuity	55	2	8	45
Provision for compensated absences	28	-	9	19
Short term capital Gain / (loss)	-	-	2	(2)
Total Deferred tax assets (A)	(616)	(323)	40	(332)
Total Deferred tax liability (B)	-	-	-	-
Net Deferred Tax Assets / (Liability) (A) - (B)	(616)	(323)	40	(332)

46 Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	With in 12 Months	After 12 Months	Total	With in 12 Months	After 12 Months	Total
Financial Assets						
Cash and Cash Equivalents	86	-	86	194	-	194
Bank Balance other than Cash and Cash Equivalents above	3,796	-	3,796	79	5,462	5,541
Receivables						
- Trade Receivables (Net)	1,230	-	1,230	1,492	-	1,492
- Other Receivables	-	431	431	47	393	440
Loans	555	-	555	55	-	55
Investments	1,530	9,342	10,872	78	5,474	5,552
Other Financial Assets	12	35	47	20	44	64
Total financial assets (A)	7,209	9,808	17,017	1,965	11,373	13,338
Non-financial assets						
Current Tax Assets (Net)	-	423	423	-	330	330
Deferred Tax Assets (Net)	-	-	-	-	-	-
Property, Plant and Equipment	-	186	186	-	264	264
Other Intangible assets	-	9	9	-	8	8
Other non-financial assets	56	-	56	143	-	143
Total Non-financial Assets (B)	56	618	674	143	602	745
Total Assets (C) = (A) + (B)	7,265	10,426	17,691	2,108	11,975	14,083

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

46 Maturity Analysis of Assets and Liabilities (Contd.)

Particulars	As at March 31, 2024			As at March 31, 2023		
	With in 12 Months	After 12 Months	Total	With in 12 Months	After 12 Months	Total
Financial liabilities						
Payables						
Trade payables						
- Total Outstanding dues of Micro enterprises and small enterprises	-	-	-	-	-	-
- Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	102	-	102	100	-	100
Borrowings	-	-	-	2	-	2
Other financial liabilities	795	30	825	564	88	652
Total Financial Liabilities (A)	897	30	927	666	88	754
Non Financial Liabilities						
Provisions	45	252	297	63	159	222
Deferred Tax Liabilities (Net)	-	616	616	-	332	332
Other non-financial liabilities	94	-	94	81	-	81
Total Non-Financial Liabilities (B)	139	868	1,007	144	491	635
Total Liabilities (C) = (A) + (B)	1,036	898	1,934	810	579	1,389

47 Assets pledged as security

Particulars	As at March 31, 2024	As at March 31, 2023
Property, Plant and Equipment (Vehicle)	-	51
Total assets pledged as security	-	51

48 Changes in liabilities arising from financing activities

Particulars	As at April 1, 2022	Cash flows	Others	As at March 31, 2023	Cash flows	Others	As at March 31, 2024
Borrowings (Other than debt securities)	504	(502)	-	2	(2)	-	-

Particulars	As at April 1, 2021	Cash flows	Others	As at March 31, 2022	Cash flows	Others	As at March 31, 2023
Borrowings (Other than debt securities)	33	471	-	504	(502)	-	2

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- 49 The dividend declared by the holding Company is based on profits available for distribution as reported in the standalone financial statements of the Company. On April 25, 2024 the Board of Directors of the holding Company have proposed a dividend of Re. 1 (P.Y. Re. 0.50) per equity share of Rs.5 each in respect of the financial year ended March 31, 2024, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately Rs. 333 lakhs (P.Y. Rs. 162 lakhs).
- 50 a). The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b). The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, except as stated hereunder:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Date	Amount	Date	Amount
Invested in Jalpak Food India Private Limited (intermediary)	30-03-2024	100	-	-
Further invested by intermediary White Spread Foods Private Limited (Subsidiary of Jalpak Food India Private Limited)	30-03-2024	100	-	-

The Group is in compliance with relevant provisions of the Foreign Exchange Management Act 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the prevention of Money-Laundering Act 2002,(15 of 2003).

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- 51 The disclosure on the following matters required under Section III amended not being relevant or applicable in case of the Group for the year ended March 31, 2024, same are not covered:
- The Group has not traded on invested in crypto currency or virtual currency during the financial year.
 - No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - The Group has not entered into any scheme of arrangement.
 - No satisfaction of charges are pending to be filed with ROC.
 - There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
 - The Group has not entered into any transaction with Company struck off under section 248 of the Companies Act, 2013.
 - The Group does not have any step down subsidiaries hence compliance of layer of companies are not applicable.
 - Disclosure of ratios, is not applicable to the Group as it is in merchant banking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
 - Disclosures of immovable property not in the name of the Group:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter /director or employee of promoter/director	Property held since which date*	Reason for not being held in the name of the company*
Other Receivable	Building	431	Mr. Anil Mithalal Shah*	No	Under Litigation (From 1995)	Under Litigation

*The title was not transferred in the holding Company's name and the possession of the flat was with the Official Assignee due to pending litigations since 1995. The Hon'ble Mumbai High Court has vide its Order dated October 5, 2023 has confirmed the title in the name of the holding Company and the holding Company has received the possession back from the Official Assignee. The holding Company is in the process of completing the formalities for transfer of title in its name.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

- 52 During the year, pursuant to the authority granted by the Board of Directors on April 13, 2023, the holding Company entered into an agreement with Bridgeweave Limited (“Bridgeweave”), a UK based an Artificial Intelligence / Machine Learning-based technology company, that has developed a suite of financial products for retail investors. The holding Company has acquired about 8% equity stake in Bridgeweave and as a result of its approximately 8% equity stake in Bridgeweave, the holding Company is not just the second largest shareholder after the founders, but also an important strategic ally of Bridgeweave. Due to the length of time taken for the UK regulatory approval, the original 2023 deal terms have now expired and while the strategic intent remains on both sides, a new understanding would have to be reached to finalise the transaction. The holding Company continues to work closely with the Bridgeweave team, for onboarding the latter onto multiple broking platforms and expanding their presence in India. As and when the new terms are agreed, relevant disclosures would be made to the exchanges and permissions of shareholders and regulators sought subsequently.
- 53 Pursuant to the amendment approved by the shareholders at their meeting held on June 13, 2023, to the object clause for the utilization of funds received against the issue of equity shares in November 2021 to specified investors on a preferential basis, the holding company have utilised part of the proceeds in terms of the permitted objects and the balance unutilized proceeds have been invested in the fixed deposits with bank pending utilisation in terms of the objects of the issue.
- 54 Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended by the Companies (Accounts) Amendment Rules 2021, the Group has enabled the audit trail feature in the accounting software effective April 3, 2023, and the same was not disabled thereafter. First two days of the financial year were non-working day, and the audit trail feature was enabled on the first working day of the financial year. No transactions were recorded in the accounting software prior to audit trail feature was enabled. In the opinion of the management, the Group is in compliance with the provisions which require that the Group shall use only such accounting software, which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made.

55 Principles and assumptions used for Consolidated Financial Statements and proforma adjustments

The Consolidated Financial Statements have been prepared by applying the principles laid in the Indian Accounting Standard (Ind AS) - 110 “Consolidated Financial Statements” and (Ind AS) - 28 “Investments in Associates and Joint Ventures” issued by the Institute of Chartered Accountants of India for the purposes of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Summary of material accounting policy information and other explanatory information to the consolidated financial statements, together referred to in as ‘Consolidated Financial Statements.

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

55 Principles and assumptions used for Consolidated Financial Statements and proforma adjustments (Contd.)

The list of subsidiaries in the consolidated financial statement are as under :-

Prime Securities Limited ('the Company' or 'the holding company') shareholding in the following companies as on March 31, 2024 and March 31, 2023 is as under:

Name of the Entities	Country of incorporation	Proportion of ownership interest	
		As at March 31, 2024	As at March 31, 2023
Name of the Subsidiary Companies			
Direct Subsidiaries			
- Prime Research & Advisory Limited	India	100%	100%
- Prime Funds Management Limited	India	100%	100%

56 Additional Disclosure pertaining to Subsidiaries as per Division III of Companies Act, 2013

Sr. No.	Name of the Entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit & (Loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit / (Loss)	Amount	As % of Consolidated OCI	Amount	As % of Total Consolidated Income	Amount
Parent									
	Prime Securities Limited	80%	13,625	46%	862	100%	1,063	66%	1,925
Subsidiary Company									
	Indian								
1	Prime Research & Advisory Limited	20%	3,453	54%	994	0%	2	34%	996
2	Prime Funds Management Limited	0%	4	0%	(0)	0%	-	0%	(0)
Foreign									
		0%	-	0%	-	0%	-	0%	-
Total		100%	17,082	100%	1,856	100%	1,065	100%	2,921

Summary of material accounting policy information and other explanatory information

(Rs. in Lakhs, unless otherwise stated)

57 Foreign currency transactions

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expenditure in foreign currency		
- Membership & Subscription	10	26
- Fees & Commission & expense	-	15
	10	41
Earnings in foreign currency		
- Advisory Fees	27	21
	27	21

58 Events after reporting date

There have been no events after the reporting date that require disclosure in these consolidated financial statements

59 The figures for the previous year have been regrouped wherever necessary. The impact of such regroupings / reclassifications are not material to Financial Statements.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

Murad D. Daruwalla

Partner

Membership No 043334

Place : Pune

Date : April 25, 2024

For Prime Securities Limited

N. Jayakumar

Managing Director & Group CEO
(DIN: 00046048)

Arun Shah

Chief Financial Officer

Place : Mumbai

Date : April 25, 2024

Akshay Gupta

Whole-time Director
(DIN: 01272080)

Ajay Shah

Company Secretary
(ACS-14359)

FORM AOC-1

Salient features of the financial statements
of Subsidiaries / Associate Companies / Joint Ventures

[Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

Subsidiaries

(Rs. in lakhs)

Sr. No.	Name of Subsidiary	Prime Research & Advisory Limited	Prime Funds Management Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees
3	Share Capital	135	5
4	Reserve and Surplus	3,318	(1)
5	Total Assets	3,891	4
6	Total Liabilities (Excluding Minority interest)	438	-
7	Investment other than investment in Subsidiary	1,744	-
8	Turnover and Other Income	3,334	-
9	Profit Before Taxation	1,323	0
10	Provision for Taxation (incl Deferred Tax)	329	-
11	Profit after Tax	994	0
12	Dividend	-	-
13	% of shareholding	100%	100%

For and on behalf of the Board of Directors
Prime Securities Limited

N. Jayakumar
Managing Director & Group CEO
(DIN: 00046048)

Akshay Gupta
Whole-time Director
(DIN: 01272080)

Arun Shah
Chief Financial Officer

Ajay Shah
Company Secretary
(ACS-14359)

Place : Mumbai
Date : April 25, 2024

