

HEAD OFFICE : 5th Floor, ICICI Bank Building
296 Perin Nariman Street,
Fort, Mumbai 400001.
Tel.: 6610 4832
cityoffice@gandhi-associates.com

BRANCH OFFICE : 2nd Floor, Voltas International House,
28 G N Vaidya Marg,
Fort, Mumbai 400 001.
Tel.: 2266 4510

Gandhi & Associates
CHARTERED ACCOUNTANTS

**The Board of Directors,
Prime Securities Limited,
Ashford Centre, 7th Floor,
Opp. Peninsula Corporate Park,
Shankarrao Naram Marg,
Lower Parel, Mumbai – 400013.**

Dear Sirs,

Sub.: Limited Review Report of the Unaudited Financial Results for the quarter ended December 31st, 2011.

1. We have reviewed the accompanying statement of unaudited financial results of Prime Securities Limited for the quarter ended December, 2011. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



3. *We are unable to express our opinion on the corporate advisory fee of Rs. 400 Lacs accounted as income in the quarter ended 30th June 2011 since the supporting documents thereof are pending execution.*
4. *The Company has paid managerial remuneration of Rs. 144.61 Lacs during the nine months ended 31st December 2011 which is subject to the approval of the Central Government.*
5. *As per the Company's policy, diminution in value of current investments is determined only at financial year-end. Consequently, the amount of diminution of Rs. 93.85 Lakhs as on 31st December 2011 is not accounted.*
6. Based on our review conducted as above and *subject to the clauses (3) to (5) above* nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For GANDHI & ASSOCIATES
Chartered Accountants
[FRN: 102965W]

Milind Gandhi



Milind Gandhi
Partner
M.No. 043194

Place: Mumbai.
Dated: 14th February 2012

PRIME SECURITIES LIMITED

Regd. Office : Ashford Centre, 7th Floor, Shankarrao Naram Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai 400013.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011



Amt Rs. Lacs

| | Prime Securities Limited | | | | | |
|--|----------------------------|----------------------------|----------------------------|--------------------------------|--------------------------------|--------------------------------------|
| | Quarter ended 31-Dec-11 | Quarter ended 30-Sep-11 | Quarter ended 31-Dec-10 | Nine Months ended 31-Dec-11 | Nine Months ended 31-Dec-10 | Year ended 31-Mar-11 (Audited) |
| Income from Operations | 55 | (519) | 84 | 162 | 1,135 | 1,587 |
| Other Operating Income | - | - | 16 | - | 45 | 186 |
| Total Income | 55 | (519) | 100 | 162 | 1,180 | 1,773 |
| Staff Cost | 67 | 82 | 39 | 218 | 135 | 279 |
| Rent | 2 | 44 | 3 | 69 | 21 | 91 |
| Depreciation | 5 | 6 | 5 | 16 | 16 | 22 |
| Other Expenditure | 42 | 58 | 29 | 120 | 109 | 160 |
| Total Expenditure | 116 | 190 | 76 | 423 | 281 | 552 |
| Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items | (61) | (709) | 24 | (261) | 899 | 1,221 |
| Other Income | 53 | 54 | 27 | 167 | 88 | 99 |
| Profit/(Loss) before Interest and Exceptional Items | (8) | (655) | 51 | (104) | 987 | 1,320 |
| Interest | 166 | 159 | 235 | 489 | 674 | 863 |
| Diminution in Portfolio | - | - | - | - | - | 19 |
| Other Provisions / Write-offs / (Debts written-off earlier now recovered) | - | - | (47) | - | (86) | (86) |
| Profit/(Loss) from Ordinary Activities before Tax | (174) | (814) | (137) | (593) | 399 | 524 |
| Provision for Tax | - | - | - | - | - | - |
| - Current Tax | (35) | 30 | - | 72 | 100 | 100 |
| - Income Tax of earlier years | - | - | 2 | - | 2 | 3 |
| Net Profit/(Loss) from Ordinary Activities after Tax | (139) | (844) | (139) | (665) | 297 | 421 |
| Extraordinary Items (Net of tax expenses) | - | - | - | - | - | - |
| Net Profit/(Loss) for the Period | (139) | (844) | (139) | (665) | 297 | 421 |
| Paid-up Equity Share Capital # | 1,328 | 1,328 | 1,328 | 1,328 | 1,328 | 1,328 |
| Reserves (excluding Revaluation Reserves) | - | - | - | - | - | 9,958 |
| Earnings per Share (in Rs. not annualised) # | | | | | | |
| - Basic EPS before and after Extraordinary Items | (0.52) | (3.19) | (0.53) | (2.51) | 1.12 | 1.59 |
| - Diluted EPS before and after Extraordinary Items | (0.51) | (3.15) | (0.52) | (2.47) | 1.09 | 1.57 |
| Public Shareholding | | | | | | |
| - Number of Shares | 2,64,73,525 | 2,64,73,525 | 2,64,73,525 | 2,64,73,525 | 2,64,73,525 | 2,64,73,525 |
| - Percentage of Shareholding | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Promoter and Promoter Group Shareholding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - Number of Shares | - | - | - | - | - | - |
| - Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group) | - | - | - | - | - | - |
| - Percentage of Shares (as a % of the total share capital of the Company) | - | - | - | - | - | - |
| b) Non-encumbered | | | | | | |
| - Number of Shares | - | - | - | - | - | - |
| - Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group) | - | - | - | - | - | - |
| - Percentage of Shares (as a % of the total share capital of the Company) | - | - | - | - | - | - |

Equity Shares of Face Value of Rs 5/- each

* Provision/Diminution, if any, will be made at the year end

Notes :

- The above Results were taken on record by the Board of Directors at its Meeting held on February 14, 2012.
- Persuant to Clause 41 of the Listing Agreement, the Statutory Auditors have carried out a Limited Review of the results.
- Income from operations comprises of gain / (loss) on sale of investments sold during the period.
- The auditors of the Company in their limited review report for the quarter ended June 30, 2011, September 30, 2011 and December 31, 2011 had recorded their views about being unable to express their opinion on accounting of corporate advisory fees of Rs. 400 lacs pending execution of supporting documents thereof.
The management is in the process of executing supporting documents and has accounted for the income since the service is rendered and the corporate advisory fees of Rs. 400 lacs is already received from the party.
- The auditors of the Company in their report for the year ended March 31, 2011 had recorded their views about the following:
 - Payment of managerial remuneration is subject to the approval of the shareholders and the central government.
The company has obtained the approval of the shareholders and is in the process of obtaining central government approval.
 - Being unable to express their opinion on the Company's investment in and loans to subsidiary companies pending realisation of certain trade receivables aggregating to Rs. 3,919.22 lacs.
During the nine months ended December 31, 2011, Rs. 2,910.33 lacs has been realised and the management is confident of realisation of the balance trade receivable in the ordinary course of business. In view of the same and also considering the long term nature of the investment in subsidiaries, the amount of investment in subsidiary and the loans and advances given to subsidiaries are justifiable.
- There are no separate reportable segments as required by Accounting Standard 17 issued by ICAI.
- Previous period figures have been re-grouped / re-classified wherever necessary.
- The Company had received 8 investor complaints during the Quarter ended December 31, 2011 and all have been resolved and there were no investor complaints pending at the beginning of the Quarter.

INITIALLED FOR IDENTIFICATION

For Prime Securities Limited
N. Jayakumar
N. Jayakumar
Managing Director

Mumbai
February 14, 2012

