

PRIME SECURITIES LIMITED

Regd. Office : Ashford Centre, 7th Floor, Shankerso Naram Marg, Lower Parel, Mumbai 400013

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2013

Amt Rs. Lacs

	Quarter ended 31-Dec-13	Quarter ended 30-Sep-13	Quarter ended 31-Dec-12	Year ended 30-Sep-13 (Audited)
PART - I				
1. Income from Operations				
Income from Operations	(38)	(45)	(32)	(1,328)
Other Operating Income	-	-	-	-
Total Income from Operations	(38)	(45)	(32)	(1,328)
2. Expenses				
Employee Benefit Expense	6	19	63	244
Depreciation & Amortisation Expense	6	5	6	36
Other Expenses	16	29	27	178
Total Expenses	28	53	96	458
3. Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items	(66)	(98)	(128)	(1,786)
4. Other Income	5	10	-	25
5. Profit / (Loss) before Interest and Exceptional Items	(61)	(88)	(128)	(1,761)
6. Finance Cost	-	(234)	97	575
7. Diminution in Value of Investments	-	1,777	-	1,777
8. Other Provisions / Write-offs / (Debts written-off earlier now recovered)	-	689	-	1,036
9. Profit / (Loss) from Ordinary Activities before Tax	(61)	(2,320)	(225)	(5,149)
10. Tax Expenses				
- Current Tax	-	-	-	-
- Income Tax of Earlier Years	-	-	-	-
11. Net Profit / (Loss) for the Period	(61)	(2,320)	(225)	(5,149)
12. Paid-up Equity Share Capital #	1,328	1,328	1,328	1,328
13. Reserves (excluding Revaluation Reserves)	-	-	-	4,389
14. Earnings per Share (in Rs. not annualised) (Equity Shares of FV of Rs 5/- each)				
- Basic EPS before and after Extraordinary Items	(0.23)	(8.76)	(0.85)	(19.45)
- Diluted EPS before and after Extraordinary Items	(0.23)	(8.76)	(0.85)	(19.45)
* Provision/Diminution will be made at the year end				
PART - II				
A. Particulars of Shareholding				
1. Public Shareholding				
- Number of Shares	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
2. 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)	-	-	-	-
B. Investor Complaints				
Pending at the beginning of the Quarter	Nil	Received during the Quarter		4
Disposed of during the Quarter	4	Remaining unresolved at the end of the Quarter		Nil

Notes:

- The above results were reviewed by Audit Committee and taken on record by the Board of Directors at its Meeting held on February 14, 2014.
- Pursuant to Clause 41 of the Listing Agreement, the Statutory Auditors have carried out a Limited Review of the results.
- Income from Operations includes fees received and gain / (loss) on sale of investments sold during the period.
- The Auditors of the Company in their report for the Quarter ended December 31, 2013 has recorded their views about the following:
 - No adjustments have been made in the carrying value of the assets and liabilities in the financial statements due to going concern doubt. *Management clarification: The management has already begun discussions with various lenders for a restructuring of debt obligations. Also, the Company has completely shifted focus to non-fund based advisory and restructuring work, as the opportunities afforded by the corporate sector, in deep financial stress, are huge.*
 - No provision have been made in the carrying value of financial exposure in the subsidiary having regard to the proposed capitalisation of share application money advanced to subsidiary. *Management clarification: The management is confident of re-capitalising the subsidiary through various options being considered.*
- The Auditors of the Company in their report for the year ended September 30, 2013 had recorded their views about the following:
 - Unable to ascertain impact of outstanding inter-corporate deposit, in respect of which confirmation of balances, terms of repayment & charges of interest is not available. *Management clarification: These are unsecured advances, which the Company is in the process of renegotiating terms.*
 - Non-provision of interest on certain secured loans, which would have increased the amount of secured loan had the provision been made. *Management clarification: The Company is in the process of renegotiating the terms with the secured lender.*
 - Unable to ascertain the impact of a capital advance. *Management clarification: The management is confident of recovering the deposit in the normal course of business.*
- The Company does not have any identifiable segment as required by Accounting Standard 17 issued by ICAI.
- Previous period figures have been re-grouped / re-classified wherever necessary.

For Prime Securities Limited

Jayakumar

PRIME SECURITIES LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2013

Amt Rs. Lacs

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B. Investor Complaints				
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Notes :

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For Prime Securities Limited

N. Jayakumar
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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 31st December 2013

1. We have reviewed the accompanying statement of Standalone unaudited financial results of Prime Securities Limited for the quarter ended December 2013 except for the disclosures in Part II of the statement regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' & 'Investor Complaint' which have been traced from disclosures made by the Company's management. 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. *Attention is invited to the following:*

- (a) The Company's financial statements are prepared on going concern basis, notwithstanding significant doubts as regards the Company's ability to meet its financial obligations as and when they fall due. The appropriateness of the said basis is interalia dependent on the Company's ability to generate cash from disposing-off investments and from new revenue streams to meet its liabilities in normal course of business. Relying on the management representation on the above, no adjustments have been made to the carrying value of the assets and liabilities in the accompanying financial statements.*
- (b) The Company has substantial financial exposure in its subsidiary Primesec Investments Limited's whose networth has been eroded but having regard to the proposed capitalization of share application monies advanced by the Company, no provision/adjustment is made to the carrying amount of financial exposure in the subsidiary.*
- (c) As per the Company's policy, diminution in value of investments is determined only at financial year-end. Consequently, the amount of diminution of Rs. 1,649.99 Lacs as on 31st December 2013 is not accounted.*
- (d) The Company has not provided for interest of Rs. 146.57 Lacs on certain secured loans as in the opinion of the management the same is under renegotiations with the lenders. Had the Company made such provision the loss for the period would have been higher by that amount.*
- (e) The management is hopeful of recovery of a capital advance of Rs. 327.50 Lacs in respect of which we are unable to ascertain the impact, if any, that may arise*



in case if the same, or part thereof, is subsequently determined to be doubtful of recovery.

4. Based on our review conducted as above and *subject to the clause 3(a) to (e) above* nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results for the quarter ended 31st December 2013 prepared in accordance with applicable accounting standards [Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, which continue to be applicable in respect of section 133 of the Companies Act, 2013 as per General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs] 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
Partner
M.No. 043194

Place: Mumbai.
Dated: 14th February, 2014