



May 30, 2024

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400051

Dear Sir / Madam,

Sub: Clarification for Financial Results

We refer to the query raised by NSE vide email dated May 10, 2024 and our response dated May 16, 2024, in connection with the captioned subject, wherein we had stated as under:

Audit Reports issued on the Consolidated and Standalone Financial Results of the Company for the Quarter and Financial Year ended March 31, 2024, pursuant to the provision of Regulation 33 of SEBI Listing Regulations, were with Modified Opinion in respect of the financial results for the Quarter ended March 31, 2024 and previous quarters and not for the financial year ended March 31, 2024. Further, the Audit Report issued on the Consolidated and Standalone Financial Results of the Company for the Financial Year ended March 31, 2024, pursuant to the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, were with Unmodified Opinion. In terms of Clause C of Schedule IV to the SEBI Listing Regulations, since the modified opinion in the audit report was in respect of the financial results of previous quarter, an appropriate note had been given in the financial results and Statement of Impact of Audit Qualification was not applicable.

In this regard, as mentioned in our response to NSE, we are enclosing herewith the Statement of Impact of Audit Qualification as an abundant precautions.

Thanking you,

Yours faithfully,
For **Prime Securities Limited**



Ajay Shah
Company Secretary
(ACS-14359)

Statement of Impact of Audit Qualifications (for Audit Report with Modified Opinion) submitted along-with Annual Audited Financial Results for the Financial Year ended March 31, 2024 (Consolidated)















[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	6,664.00	6,664.00
	2.	Total Expenditure	4,325.00	4,325.00
	3.	Net Profit / (Loss)	2,339.00	2,339.00
	4.	Earnings Per Share	5.66	5.66
	5.	Total Assets	17,691.00	17,691.00
	6.	Total Liabilities	1,934.00	1,934.00
	7.	Net Worth	15,757.00	15,757.00
	8.	Any other financial item(s) (as felt appropriate by the management)	---	---
II.	Audit Qualification:			
	1)	<p>a) Details of Audit Qualification: Holding Company has an investment in an entity engaged in online gaming platform service business which is measured at 'Fair Value through Other Comprehensive Income'. As described in aforesaid note, the gaming industry was impacted by regulatory changes with effect from 1 October 2023 which indicated possible changes in the fair value of the investment. The management has recognised a reduction in fair value of aforesaid investment amounting to INR 1,243 lakhs in the current quarter ended 31 March 2024, but has not restated the financial information for the preceding quarter ended 31 December 2023, as required under Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. In absence of management assessment of updated fair valuation for respective earlier periods, we are unable to comment on the impact of the aforesaid matter on the current period and comparable period financial information included in the accompanying consolidated financial results.</p> <p>b) Type of Audit Qualification: Qualified Opinion on Financial Results for the Quarter ended March 31, 2024.</p> <p>c) Frequency of Qualification: Appearing for the first time for Annual Financial Results.</p> <p>d) For Audit Qualification(s) where the impact is quantified by auditor, Management's views: Holding Company has already given impact of the fair value change for the financial year ended March 31, 2024. As reported for the Quarter ended September 30, 2023 and December 31, 2023, the impact of fair value change in the opinion of the management are not ascertainable.</p>		



Statement of Impact of Audit Qualifications (for Audit Report with Modified Opinion) submitted along-with Annual Audited Financial Results for the Financial Year ended March 31, 2024 (Consolidated)

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>e) For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>i) Management's estimation on the impact of audit qualification: As explained, estimate made in the Quarter ended March 31, 2024 and effect given. Impact, if any, which was not quantified, pertaining to earlier quarters ending September 30, 2023 and December 31, 2023 was quantified in the quarter ended March 31, 2024.</p> <p>ii) If management is unable to estimate the impact, reasons for the same: As reported for the Quarter ended September 30, 2023 and December 31, 2023, the impact of fair value change in the opinion of the management were not ascertainable in the absence of valuation report.</p> <p>iii) Auditor's comments on (i) or (ii) above: The management has recognised a reduction in fair value of aforesaid investment amounting to INR 1.243 in the current quarter ended March 31, 2024, but has not restated the financial information for the preceding quarter ended December 31, 2023, as required under Ind-AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. In absence of management's assessment of updated fair valuation for respective earlier periods, we are unable to comment on the impact of the aforesaid matter on the current period and comparable period financial information included in the accompanying consolidated financial results.</p> <p>Our conclusions on the consolidated financial results for quarters ended September 30, 2023 and December 31, 2023 issued vide our limited review reports dated October 30, 2023 and January 19, 2024, respectively, were qualified in respect of our inability to comment on the adjustments, if any, on account this matter in absence of an updated fair valuation exercise carried out by the management as at respective reporting dates.</p>								
III. Signatories:	<table border="1"> <tr> <td data-bbox="343 1198 821 1355">Mr. N. Jayakumar (Managing Director and Group CEO):</td> <td data-bbox="821 1198 1461 1355">  </td> </tr> <tr> <td data-bbox="343 1355 821 1478">Mr. Arun Shah (Chief Financial Officer):</td> <td data-bbox="821 1355 1461 1478">  </td> </tr> <tr> <td data-bbox="343 1478 821 1601">Ms. Smeeta Bhatkal (Audit Committee Chairperson)</td> <td data-bbox="821 1478 1461 1601">  </td> </tr> <tr> <td data-bbox="343 1601 821 1747">Mr. Murad Daruwalla, Walker Chandiook and Co. LLP, Chartered Accountants (Independent Auditors of the Company)</td> <td data-bbox="821 1601 1461 1747">  </td> </tr> </table>	Mr. N. Jayakumar (Managing Director and Group CEO):		Mr. Arun Shah (Chief Financial Officer):		Ms. Smeeta Bhatkal (Audit Committee Chairperson)		Mr. Murad Daruwalla, Walker Chandiook and Co. LLP, Chartered Accountants (Independent Auditors of the Company)	
Mr. N. Jayakumar (Managing Director and Group CEO):									
Mr. Arun Shah (Chief Financial Officer):									
Ms. Smeeta Bhatkal (Audit Committee Chairperson)									
Mr. Murad Daruwalla, Walker Chandiook and Co. LLP, Chartered Accountants (Independent Auditors of the Company)									
Mumbai, May 16, 2024	 								

**Statement of Impact of Audit Qualifications (for Audit Report with Modified Opinion) submitted
along-with Annual Audited Financial Results for the Financial Year ended March 31, 2024
(Standalone)**







[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	3,365.00	3,365.00
	2.	Total Expenditure	2,349.00	2,349.00
	3.	Net Profit / (Loss)	1,016.00	1,016.00
	4.	Earnings Per Share	2.63	2.63
	5.	Total Assets	15,403.00	15,403.00
	6.	Total Liabilities	1,778.00	1,778.00
	7.	Net Worth	13,625.00	13,625.00
	8.	Any other financial item(s) (as felt appropriate by the management)	---	---
II.	Audit Qualification:			
	<p>1) a) Details of Audit Qualification: the Company has an investment in an entity engaged in online gaming platform service business which is measured at 'Fair Value through Other Comprehensive Income'. As described in aforesaid note, the gaming industry was impacted by regulatory changes with effect from 1 October 2023 which indicated possible changes in the fair value of the investment. The management has recognised a reduction in fair value of aforesaid investment amounting to INR 1,243 lakhs in the current quarter ended 31 March 2024, but has not restated the financial information for the preceding quarter ended 31 December 2023, as required under Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. In absence of management assessment of updated fair valuation for respective earlier periods, we are unable to comment on the impact of the aforesaid matter on the current period and comparable period financial information included in the accompanying standalone financial results.</p> <p>b) Type of Audit Qualification: Qualified Opinion on Financial Results for the Quarter ended March 31, 2024.</p> <p>c) Frequency of Qualification: Appearing for the first time for Annual Financial Results.</p> <p>d) For Audit Qualification(s) where the impact is quantified by auditor, Management's views: The Company has already given impact of the fair value change for the financial year ended March 31, 2024. As reported for the Quarter ended September 30, 2023 and December 31, 2023, the impact of fair value change in the opinion of the management are not ascertainable.</p>			



Statement of Impact of Audit Qualifications (for Audit Report with Modified Opinion) submitted along-with Annual Audited Financial Results for the Financial Year ended March 31, 2024 (Standalone)

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>e) For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>i) Management's estimation on the impact of audit qualification: As explained, estimate made in the Quarter ended March 31, 2024 and effect given. Impact, if any, which was not quantified, pertaining to earlier quarters ending September 30, 2023 and December 31, 2023 was quantified in the quarter ended March 31, 2024.</p> <p>ii) If management is unable to estimate the impact, reasons for the same: As reported for the Quarter ended September 30, 2023 and December 31, 2023, the impact of fair value change in the opinion of the management were not ascertainable in the absence of valuation report.</p> <p>iii) Auditor's comments on (i) or (ii) above: The management has recognised a reduction) in fair value of aforesaid investment amounting to INR 1,243 in the current quarter ended March 31, 2024, but has not restated the financial information for the preceding quarter ended December 31, 2023, as required under Ind-AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. In absence of management's assessment of updated fair valuation for respective earlier periods, we are unable to comment on the impact of the aforesaid matter on the current period and comparable period financial information included in the accompanying consolidated financial results.</p> <p>Our conclusions on the consolidated financial results for quarters ended September 30, 2023 and December 31, 2023 issued vide our limited review reports dated October 30, 2023 and January 19, 2024, respectively, were qualified in respect of our inability to comment on the adjustments, if any, on account this matter in absence of an updated fair valuation exercise carried out by the management as at respective reporting dates.</p>
III.	Signatories:
Mr. N. Jayakumar (Managing Director and Group CEO):	
Mr. Arun Shah (Chief Financial Officer):	 
Ms. Smeeta Bhatkal (Audit Committee Chairperson)	
Mr. Murad Daruwalla, Walker Chandiook and Co. LLP, Chartered Accountants (Independent Auditors of the Company)	 
<p>Mumbai, May 16, 2024</p>	