



June 29, 2021

To,

National Stock exchange of India Ltd.
Exchange Plaza, C- 1, Block- G,
Bandra–Kurla Complex, Bandra (E),
Mumbai – 400 001
Scrip Code : PAEL

BSE Limited
Floor 25, P J Towers,
Dalal Street, Fort,
Mumbai- 400 051.
Scrip Code : 517230

Sub: Outcome of Board Meeting on June 29th, 2021 Under Regulation 30 of SEBI (LODR) Regulations, 2015.

Dear Sir,

Pursuant to Regulation 33 and 30 of the SEBI (LODR) Regulations, 2015, this is to inform you that the Board of Directors at its meeting held on Tuesday, June 29th, 2021 through Video Conferencing has inter-alia amongst others considered and approved the Audited Financial Results for the quarter and financial year ended March 31st, 2021. We are enclosing the following:

- i. Statement of Audited Financial Results for the fourth Quarter and Year ended on 31st March 2021;
- ii. Auditor's Report on the Audited Financial Results for the fourth Quarter and Year ended on 31st March 2021
- iii. Statement on impact of Audit Qualifications.

The meeting commenced at 06:20 P.M. and concluded at 06:50 P.M. Kindly take the above information on your record. Thanking You,

Yours faithfully,

For **PAE Limited**

Kritika Nigam

Company Secretary & Compliance Officer

PAE LIMITED

Registered Office: Level 1, Block A, Shivsagar Estate, Dr. Annie Besant Road Worli Mumbai 400018 • Phone: +91 22 66185799

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CIN: L99999MH1950PLC008152

JAYESH DADIA & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

422, Arun Chambers, Tardeo, Mumbai - 400034. Tel.: +91-22-66602417 / 66601056 Fax : +91-22-66602418
E-mail: info@jdaca.com Website : www.jdaca.com

Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
PAE Limited

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone financial results of **PAE Limited** ('the Company') for the year ended 31st March, 2021 and standalone statement of assets & liabilities and the standalone statement of cash flows as at 31st March, 2021 and for the year ended on that date (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, *except as stated in the Basis of Qualified opinion paragraph below*, these annual standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition & measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the standalone net loss and other comprehensive income and other financial information for the year ended 31st March, 2021 and the standalone statement of assets & liabilities and the standalone statement of cash flows as at & for the year ended on that date

Basis of Qualified Opinion

- 1) *We draw your attention to the fact that the Net Worth of the company has been substantially eroded as at the year ended 31st March, 2021. Further, the company has incurred a further loss of Rs.545.21 Lakhs (excluding other comprehensive income) for the year ended 31st March, 2021.*

Further the liabilities of the Company far exceed the realizable value of assets owned by the company. In addition the company has significant litigations under various taxation & other laws the outcome & impact of which is unascertainable.

These conditions state that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Despite these circumstances, for the



reasons mentioned in Note No. 2 to the standalone financial results, the accounts have been prepared on a going concern basis.

- 2) *We draw your attention to the fact that the company has total unclaimed matured fixed deposits of Rs. 4.25 lacs as at the year ended 31st March, 2021. However against the total amount of unclaimed matured deposits a sum of Rs. 2.60 lacs has been maintained in liquid funds. Therefore the company has not funded the said amount in compliance with the provisions for Section 74 of the Companies Act, 2013.*

Further, the Company has not transferred unclaimed matured deposit amounting to Rs. 1.5 Lac & interest on unclaimed matured deposits amounting to Rs 0.23 Lac to Investor Education and Protection Fund which were due for transfer as at 31st March, 2021 as required under section 125 of the Companies Act, 2013.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 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 qualified opinion.

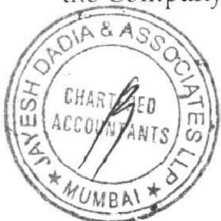
Emphasis of Matter

- a) The Company policy for Internal Financial Controls over Financial Reporting requires to be strengthened for adequate effectiveness to determine the risk assessments & to detect fraud if any. We are unable to comment on Internal Financial Control over Financial Reporting in respect of statutory compliance as company doesn't have internal audit control system.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, 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 results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the 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 results 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. *Refer Note No. (1) of basis for qualified opinion paragraph.*
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.



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.

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.

Other Matters

The annual standalone financial results include the results for the quarter ended 31st March, 2021 & the corresponding quarter ended 31st March, 2020, being the balancing figure between audited figures in respect of the full financial year and the published unaudited figures up to the third quarter of the current & previous financial year respectively which were subject to limited review.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration No. 121142W / W100122



Rahil Dadia
Partner
Membership No. 143181



Place: Mumbai,
Dated: 29th June, 2021
UDIN: 21143181AAAACS7984



**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER
AND YAER ENDED 31ST MARCH 2021**

(Rs. in Lakhs)

		Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in previous year	Year to date figures for current period ended	Year to date figures for previous period ended (Regrouped)
			31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
			Audited	Unaudited	Audited	Audited	Audited
I		Income					
		Revenue from Operations	0	1	32	1	33
II		Other Income	2	2	307	7	354
III		Total Revenue	2	3	339	8	387
IV		Expenses					
	a)	Changes in inventories of traded goods	0	0	0	0	1
	b)	Purchases of traded goods	0	0	0	0	0
	c)	Employee benefits expense	8	9	24	38	96
	d)	Finance cost	511	21	102	571	167
	e)	Depreciation and amortisation	2	2	2	7	8
	f)	Other expenses	43	12	151	82	214
		Total Expenses	564	44	279	698	486
V		Profit Before Exceptional and Tax (III-IV)	(562)	(41)	60	(690)	(99)
VI		Exceptional Items	(1)	1	(2)	145	(4)
VII		Profit/(Loss) before Tax (V-VI)	(563)	(40)	58	(545)	(103)
VII I	a)	Tax expenses					
	b)	Current tax	0	0	0	0	0



**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER
AND YAER ENDED 31ST MARCH 2021**

		Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in previous year	Year to date figures for current period ended	Year to date figures for previous period ended (Regrouped)
	c)	Deferred Tax	0	0	0	0	0
IX		Profit (Loss) for the period after Tax (VII-VIII)	(563)	(40)	58	(545)	(103)
X		Other Comprehensive Income (OCI)	(2)	2	(3)	1	(1)
XI		Total Comprehensive Income (IX+X)	(565)	(38)	55	(544)	(104)
XI I		Paid up Equity Share Capital (face value of Rs.10/- each)	1042	1042	1042	1042	1042
XI II		Earning Per Share (EPS) (of Rs.10/- each)					
		Basic	(5.40)	(0.38)	0.56	(5.23)	(0.99)
		Diluted	(5.40)	(0.38)	0.56	(5.23)	(0.99)

Notes:-

- 1) The Audited standalone financial results were reviewed by Audit Committee & approved by the Board of Directors at their respective meeting held on 29th June, 2021. The audited financial results have been prepared in accordance with the applicable Indian Accounting Standards ("IND- AS") as prescribed under Section 133 of the Companies Act, 2013 read with rules 3 of companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) & provision of Companies Act 2013.
- 2) The statutory auditors of PAE Limited have qualified the following :
The statutory auditors of PAE Limited have qualified the company's status as a Going Concern. The management and Board of Directors of the Company have initiated various steps like cost reduction, identifying non-core assets for monetisation, which will improve the cash flows, Further steps are also being taken to evaluate various alternatives for raising funds and resolution of debts. The Board of Directors expects improvement in business results in the forthcoming years. Accordingly, the financial statements have been prepared on going concern basis.



- 3) Further they have also qualified the lack of liquid assets maintained against the total unclaimed matured deposits & interest thereon.
- 4) Auditors have mentioned in Emphasis of Matter paragraph of their review report regarding IFCOFR to be strengthened and internal audit control system which the Company is in the process of complying with.
- 5) a) Corporation Bank, now Union Bank of India, has cancelled the OTS extended to the company in the previous year vide their letter dated 08.04.2021 since the Company was unable to liquidate its assets to repay the loans as per the terms of the OTS reached with the bank. Further the bank has commenced the process for auctioning off the premises to recover its dues.
b) Since, the OTS has been cancelled by the bank, the Company has made a full provision of all interest on the said loan upto 31.03.2021 in accordance with the statement received from the bank. Accordingly the same has been debited to the Statement of Profit & Loss in the current quarter.
- 6) The company has only one reportable segment namely "Power Products & Services" hence segment disclosure under Ind-AS 108 is not required.
- 7) Chairman and Managing director of company has foregone his salary w.e.f. July 1, 2016 to March 31, 2020 except any gratuity and direct payments to any service providers received as part of perquisites owing to the situation of the Company and the same has been approved by the Nomination & remuneration Committee at their meeting held on 12th November, 2020. Accordingly the entire amount of outstanding remuneration amount to Rs 145 lakhs has been reversed in the current year and shown as Exceptional items in the Statement of Profit & Loss.
- 8) The figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year end unaudited published figures for the nine-month period ended 31st December, 2020 & 31st December, 2019 respectively . Also the figures for these nine- month period had only been reviewed and not subject to audit.
- 9) Previous years/Quarters figure are regrouped wherever necessary to make comparable with the current year.

For PAE Limited

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Date : 29th June, 2021

Place : Mumbai

Pritam A Doshi

Chairman & Managing director



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(Rs in lakhs)	
	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020 (Audited)
Net Profit/(Loss) before tax	545.21	102.53
Adjustments for :		
Depreciation and amortisation	6.50	7.91
Finance cost	570.99	166.41
Interest income	-0.24	-0.06
Rent Income	-6.26	-17.67
Bad Debts / Sundry Balances written off	1.20	47.41
inventory written off	0.00	0.00
Loss on Shurjo Investment	0.00	0.33
-	-	-
Sundry liabilities written back	145.50	-335.42
Warranty/other receivable written off	0.00	70.69
(Profit)/Loss on sale of fixed assets (Net)	0.56	1.80
OCI effect	1.06	-0.93
Exceptional items	0.00	2.32
	428.31	-57.20
	-	-
Operating Profit before working capital changes	116.90	159.73
Adjustments for :		
(Increase) / decrease in loans and advances and other assets	-2.09	201.85
(Increase) / decrease in inventories	0.00	1.30
Increase /decrease in trade payables and other liabilities	83.21	-139.78
Increase / (decrease) in provisions	3.37	3.01
(Increase) / decrease in margin money and other deposits	84.50	-0.05
Cash used in operations	-32.41	-93.40
Income taxes (paid) / refund - (net)	2.23	-1.94

PAE LIMITED

Registered Office: Level 1, Block A, Shivsagar Estate, Dr. Annie Besant Road Worli Mumbai 400018 • Phone: +91 22 66185799

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CIN: L99999MH1950PLC008152

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020 (Audited)
Net cash flow from operating activities	-30.17	-95.34
(B) Cash Flow from Investing Activities		
Purchase of property, plant & equipment	0.00	0.00
Proceeds from sale of property, plant & equipment	1.17	1.07
Increase/Decrease in investment(net)	0.00	0.06
Rent Income	6.26	17.67
Interest received	0.18	0.00
Net cash flow from investing activities	7.62	18.79
(C) Cash Flow from Financing Activities		
Proceeds from short term borrowings (net)	23.70	153.40
Interest Paid	-2.63	-76.17
Repayment of Deposits & interest	0.00	-0.57
Net cash flow from financing activities	21.07	76.66
Net increase in cash and cash equivalents	-1.49	0.11
Cash & cash equivalent as at beginning of the year	7.27	7.16
Cash & cash equivalent as at end of the year	5.78	7.27

Note: 1.Previous year figures have been regrouped / reclassified wherever necessary.

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PAE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
ASSETS			
1	Non Current Assets		
	(a) Property, Plant and Equipment	58.31	66.56
	(b) Other Non-Current Assets	231.09	231.09
	(c) Financial Assets		
	(i) Loans and advances	66.76	69.03
	(ii) Other Non Current Assets	0.63	0.58
2	Current Assets		
	(a) Financial Assets		
	(i) Cash and Cash Equivalents	5.78	7.28
	(ii) Other bank balances	3.34	3.34
	(iii) Loans and advances	6.52	36.83
	(b) Other Current Assets	3.30	2.07
Total Assets		375.74	416.76
EQUITY AND LIABILITIES			
Equity			
	(a) Equity Share Capital	1,041.96	1,041.96
	(b) Other Equity	(5,438.89)	(4,894.74)
LIABILITIES			
1	Non Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	650.00	650.00
	(ii) Other Financial Liabilities	910.00	910.00
	(b) Provisions	70.60	66.64
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	2,220.14	1,735.32
	(ii) Trade Payables		
	(a) Due to micro & small enterprises	-	-
	(b) Due to other than micro & small enterprises	169.83	169.83
	(b) Other Financial Liabilities	280.51	203.27
	(c) Other Current Liabilities	460.91	523.20
	(d) Provisions	10.69	11.29
Total Equity and Liabilities		375.74	416.76

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Statement of Impact of audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I. Sl. No.	Particulars	Audited Figures (in Rs. Lacs) (as reported before adjusting for qualifications)	Adjusted Figures (in Rs. Lacs) (audited figures after adjusting for qualifications)
1	Turnover / Total income	153.00	153.00
2	Total Expenditure	698.00	698.00
3	Net Profit/ (Loss)	(545.00)	(545.00)
4	Earnings Per Share	(5.23)	(5.23)
5	Total Assets	375.74	375.74
6	Total Liabilities	4,772.67	4,772.67
7	Net Worth	(4,396.93)	(4,396.93)
8	Any other financial item(s) (as felt appropriate by the management)		

1)	Details of Audit Qualification	Erosion of Network
	Type of Audit Qualification	Qualified
	Frequency of qualification:	Showing since Quarter 4 of 2015-16
	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	NA
	For Audit Qualification(s) where the impact is not quantified by the auditor	The company has been substantially eroded as at the year ended 31st March, 2021. Further, the company has incurred a further loss of Rs.545.21 Lakhs (excluding other comprehensive income) for the year ended 31st March, 2021. Further the liabilities of the Company far exceed the realizable value of assets owned by the company. In addition the company has significant litigations under various taxation & other laws the outcome & impact of which is unascertainable These conditions state that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.
	Management's estimation on the impact of audit qualification:	N.A.
	If management is unable to estimate the impact, reasons for the same:	The Management and Board of Directors of the Company have initiated various steps like cost reduction. Identifying non-core assets for monetisation, which will improve the cash flows. Further steps are being taken to evaluate various alternatives for raising funds & resolution of debts
	Auditors'Comments on (i) or (ii) above	Erosion of network casts significant doubts on the entities ability to continue as a going concern.

II.

Signatories:

CEO/Managing Director

CFO


Audit Committee Chairman

Statutory Auditor

PRITAM
ARVIND DOSHI







For Jayesh Dadia & Associates LLP



Place: Mumbai

Date: 29th June, 2021