



May 29, 2019

**The Manager Listing**  
**BSE Limited,**  
Corporate Relationship Department  
Dalal Street, Mumbai – 400 001  
**Scrip Code:517230**

**The Manager Listing**  
**National Stock Exchange of India Limited**  
Corporate Communication Department  
Bandra (EAST), Mumbai – 400 051.  
**Scrip Symbol: PAEL**

Dear Sir/Madam,

**Sub.: Outcome of Board Meeting and submission of approved Audited Financial Statements (Standalone) along with Audit Report for the quarter and year ended on March 31, 2019**

Pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the said Regulations, this is to inform you that the Board of Directors of the Company, at its Meeting held today, i.e., on **Wednesday, May 29, 2019** (which commenced at 5:05 p.m., and concluded at 6:16 p.m., *inter alia*, have approved / noted the following:-

- 1) Approved and taken on record Audited Financial Statements (Standalone) for the quarter and year ended on March 31, 2019 as recommended by Audit Committee. Please find attached Audited Financial Results, along with Audit Report and Impact of Audit Qualifications.
- 2) Appointed Mr. Vinodkumar Gupta as the Chief Financial Officer in terms of Section 203 of the Companies Act, 2013.
- 3) Appointed Ms. Kritika Nigam (Membership No. A58298) as Company Secretary and Compliance Officer of the Company w.e.f. 29.5.2019 as required under Clause 6 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 203 of the Companies Act, 2013.

The above information is also hosted on the website of the company at [www.paeltd.com](http://www.paeltd.com)

Kindly take the above information on your records.

Thanking you,

Yours faithfully,  
For PAE Limited

**Pritam A. Doshi**  
**Chairman & Managing Director**  
**DIN: 00015302**



**PAE LIMITED**

Registered office: 69, Tardeo Road, Mumbai - 400 034 • Phone: +91 22 66185799 • Fax: +91 22 66185757 • [www.paeltd.com](http://www.paeltd.com)  
CIN: L99999MH1950PLC008152



(Figures in Rs.)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2019						
	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 (Revised)
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited	Unaudited	Audited	Audited	Audited
I	Income					
	Revenue from Operations	1	1	11	5	9
	Other Income	18	(1)	(1)	12	(16)
II	Total Revenue	19	0	7	17	(7)
III	Expenses					
	a) Changes in inventories of traded goods	7	3	(4)	11	33
	b) Purchases of traded goods	(2)	0	9	2	5
	c) Employee benefits expense	32	63	25	137	90
	d) Finance cost	20	20	(17)	61	17
	e) Depreciation and amortisation	2	2	4	10	14
	f) Other expenses	29	271	5	211	160
	Total Expenses	108	319	33	536	329
V	Profit (Loss) Before Exceptional and Tax (III-IV)	(89)	(319)	(6)	(519)	(336)
VI	Exceptional items	(5)	56	0	258	43
	Profit (Loss) After Exceptional and Tax (V-VI)	(94)	(263)	(6)	(261)	(293)
VII	Tax expenses	0	0	0	0	0
	a) Current tax	(0)	0	0	(0)	0
	b) Deferred Tax	0	0	0	0	0
VIII	Profit (Loss) for the period after Tax (V-VI-VII)	(94)	(263)	(6)	(261)	(293)
IX	Other Comprehensive Income (OCI)	85	13	(70)	39	(17)
X	Total Comprehensive Income (VIII+IX)	(9)	(250)	(76)	(222)	(310)
XI	Paid up Equity Share Capital (face value of Rs. 10/- each)	1042	1000	1042	1042	1042
XII	Earnings Per Share (EPS) of Rs. 10/- each					
	Basic	(11.20)	(2.20)	(0.06)	(2.22)	(2.22)
	Diluted	(11.20)	(2.20)	(0.06)	(2.22)	(2.22)

Notes:

- The standalone financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as specified in the companies (Indian Accounting Standard) Rules, 2015 (as amended) in terms of Regulation 33 of the SEBI (Listing, Obligation and Disclosure Requirements) Regulation, 2015 and SEBI circular dated July 08, 2016. The financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2016 (amended) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and the other accounting principle generally accepted in India.
- The statutory auditors of PAE Limited have qualified the following:
  - The statutory auditors of PAE Limited have qualified the company's status during 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.
  - The balances of sundry debtors, sundry creditors, loan & advances, warranty receivables, warranty payables written off and sundry stock are subject to reconciliation and confirmation. Closing stock is subject to physical verification. Management is in process of reconciling the same.
  - Various legal cases are pending against the company and by the company, the amount is uncertain, depending on the outcome of the cases necessary effects will be given in the book of accounts.
- In respect of Corporation bank no provision for bank interest has been made for the year ended 31.03.2019 and also for previous year as on 31.03.2018 as the bank facilities have been classified as Non Performing Assets by banker. Banker had taken possession of the security charged to bank under SARFAESI Act 2002 and during the previous quarter banker has held "e" auction and auctioned the "Real Property" the co-proceedant of Rs. 4.06 Crore. The net proceeds from sale is allocated between SBI and Corporation Bank in the ratio of 80:20.
  - As per books of account outstanding due to SBI Rs. 1579.32 Lac. As informed during the previous quarter, SBI has levied OTS Amount Rs. 1032.79 lac (including proportionate share of e-auction of Vashi property Rs. 304.69 lac) resulting in write back of Rs. 548.53 Lac. During the quarter SBI has raised demand of Rs. 1.95 lac resulting net write back of Rs. 548.58 Lac which has been disclosed under Exceptional item.
  - Pending approval/payment to consortium bankers possession of the property remains with Lenders under security charge to bank as per SARFAESI Act 2002.



# PAE LIMITED

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- d) Suppliers have filed legal cases (Rs. 138 of Applicable Financials) Ad amounting to Rs. 37.16 Lacs. Company is in process of settling and finalization for the said matter.
- 4) Inter-Company deposit, Loan from relative party and director is required to be secured by post paid charges on gold coin property. Rs. 922.15 Lacs which is subject to release of charge and approval from bank.
- 5) a) In view of the unabsorbed depreciation in part book of accounts and in the opinion of management there is no MAT tax liability required to be provided hence no provision for MAT tax made during the year.  
 b) In opinion of management, Deferred tax assets (Net) for the year ended at 31.03.2019 is not Recognized in the books of account, as there is no certainty of future profit.  
 c) In view of the carry forward business loss no current tax liability provided.
- d) Current tax represents excess/short provision of prior period Rs. 4.16 Lac
- 6) The company has only one reportable segment namely "Power Products" hence segment disclosure under Ind AS 20B is not required.
- 7) Holding in the associate company Shree Energy Private Ltd. (Rs. 1,61,70,447 share) have been valued at Rs. 12,950 per share as per the valuation done by Independent valuer as on 30.09.2017 as latest Balance sheet is not available, for the year ended 31.03.2019.
- 8) Exceptional item represents as below:

Exceptional Items	2018	2019*
Write back of SB order O/S*	244.52	-
Profit on sale of Property & Others	319.55	56.01*
Loss on sale of investment in Shree Energy Private Energy Pvt Ltd.	(1.16)	(12.55)*
Loss on strike off PAE Infrastructure Pvt Ltd.	(35.73)	-
<b>Total Rs. in Lac</b>	<b>857.73</b>	<b>43.46</b>

\*In the previous year due to a figure Rs. 56.31 Lac is disclosed in other income and Rs. 12.85 Lac Relates to DDT expenses which is represented to make comparable in current year.

- 9) Trade Payables include an amount of Rs. 180.53 Lacs payable to a supplier, which is secured by the personal guarantee of the Managing Director now Chairman & Managing Director.
- 10) Company has influenced statutory dues of Rs. 11.87 Lakhs as on 31.03.2019 and returns liability provided on it Rs. 15.90 Lakhs.
- 11) Non provision for interest on C/D of generators, towers & substations, unclaimed matured deposits, etc. supplier balances as the company is in process of settlement with suppliers which is ongoing nature.
- 12) Other expense includes refund claim of VAT disallowed earlier of Rs. 12.74 Lac, warranty receivable written off Rs. 1.27 Lac and damage to vehicle off-amounting to Rs. 172.88 Lacs no supporting available for it. Moreover,
- 13) Other income includes income on settlements with vendors Rs. 14.45 Lac (Net).
- 14) Employee benefit Expenses include Rs. 27.13 Lakhs leave encumbrance payable to the staff employees of the prior period for which no provision is available.
- 15) The figures for the quarter ended 31.03.2019 are the balance figures between the unaudited figures for the nine months ended 31.12.2018 and audited figures upto the year 31.12.2018.
- 16) The Subsidiary company (PAE Infrastructure Pvt Ltd.) has applied for strike off three name from MCA pending approval investors. In subsidiary has been written off and loss of Rs. 45.20 Lac disclosed under exceptional items. Accordingly added to the subsidiary as Consolidation for year ended.
- 17) Previous year's matters figures are being topped whenever necessary to make compliance with the current year.
- 18) Company has applied for delisting of its shares from NSE and paid Rs. 1.77 Lac and their response is awaited.
- 19) Other Comprehensive Income (OCI) Rs. 28.64 Lac recognized during the year represents:  
 i) Reversal of Rs. 29.85 Lac on account of investment written off in PAE Infrastructure Pvt Ltd.  
 ii) Reversal of Rs. 1.26 Lac on account of sale of investment and Rs. 2.63 Lac in fair value change in Shree Energy Private Ltd.  
 iii) Actual gain for Rs. 0.56 Lac on account of actual valuation of Granity Liability.
- 20) Auditor have mentioned in Emphasis of matter regarding IFCDF to be strengthened and reversal of 17 crore in stock. In order to make company healthy.
- 21) **Subsequent Events:**  
 i) Company has made offer for one time settlement to corporation bank for Rs. 100.00 Lac Paid 10% Rs. 12.75 Lac against C/D as on 31.03.2019 and further payment made Rs. 17.89 Lac subsequently and Rs. 270.00 Lac payable over the period of 12 months which is pending subject to their approval.  
 ii) NSE and BSE has issued letter for non-compliance of applicable regulation of 2015 (NIDH regulation 2015) and fined Rs. 27,400 Lac (Rs. 27,40,000) and company has appealed to waiver of fine.  
 iii) Director (Mr. Praydarsh A. Doshi) applied preference shares (11,72,000) on 18/04/2019.
- 22) The above result reviewed and recommended by audit committee and approved by board of directors in the meeting held on 13.05.2019.

For: PAE Limited

*Pratima A. Doshi*

Pratima A. Doshi  
Chairman & Managing Director

Place: 28th May 2019  
Place: Mumbai



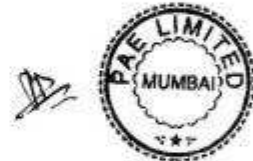
## PAE LIMITED

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BALANCE SHEET AS AT 31.03.2019  
PAE LIMITED

Particulars	Note No.	As at March, 2019	As at March 31, 2018
1	2	3	4
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant and Equipment	2	324.44	409.10
(b) Capital Work in Progress			
(c) Investment Property			
(d) Goodwill			
(e) Other Intangible Assets	3	0.00	0.30
(f) Intangible Assets under Development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	4	2.75	12.00
(ii) Trade Receivables			
(iii) Loans	5	51.95	51.05
(iv) Others			
(j) Deferred Tax Assets (Net)			
(k) Other Non Current Assets	6	0.93	5.21
<b>2 Current Assets</b>			
(a) Inventories	7	1.30	11.85
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	8	87.40	102.24
(iii) Cash and Cash Equivalents			
(iv) Bank Balance other than above	9	11.08	21.81
(v) Loans	10	120.55	82.96
(vi) Others			
(c) Current Tax Assets (Net)			
(d) Other Current Assets	11	77.01	202.20
<b>Total Assets</b>		<b>697.02</b>	<b>1,003.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	1,001.96	1,001.96
(b) Other Equity	13	(4,74.84)	(5,171.71)
<b>LIABILITIES</b>			
<b>1 Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade Payables			
(iii) Other Financial Liabilities	14	919.00	511.01
(b) Provisions	15	80.75	75.09
(c) Deferred Tax Liabilities (Net)			
(d) Other Non Current Liabilities			
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,340.70	1,918.76
(ii) Trade Payables	17	571.25	620.57
(iii) Other Financial Liabilities			
(b) Other Current Liabilities	18	694.65	(25.43)
(c) Provisions	19	17.71	(1.52)
(d) Current Tax Liabilities (Net)			
<b>Total Equity and Liabilities</b>		<b>697.02</b>	<b>1,003.76</b>



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**ANNEXURE I**

**Statement on Impact of Audit Qualifications for the year ended March 31, 2019**

<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications)</b>
1.		Turnover / Total income	-	-
2.		Total Expenditure	-	-
3.		Net Profit/(Loss)	-	-
4.		Earnings Per Share	-	-
5.		Total Assets	-	-
6.		Total Liabilities	-	-
7.		Net Worth	-	-
8.		Any other financial item(s) (as felt appropriate by the management)	-	-

**Audit Qualification (each audit qualification separately):**

**a. Details of Audit Qualification:**

- We draw your attention that balance of Retained Earning of the company is negative as on 31st March, 2019. It has incurred accumulated losses of Rs. 6846.78 lacs till March 31, 2018 and profit of Rs. 335.63 Lakhs (Excluding OCI) for the year ended making total accumulated loss of Rs. 6511.15 Lakhs as of March 31, 2019. Despite this, for the reasons mentioned in Note No.2(a) of Notes to the published results, the accounts have been prepared on going concern basis. This condition indicates existence of a material uncertainty that may cast significant doubt about the Company's ability to continue on a going concern basis. We don't have the appropriate audit evidence to consider the Company to continue as going concern.
- The balances of sundry debtors, sundry creditors, warranty receivable, warranty payables written off and warranty stock are subject to reconciliation. Closing stock is subject to physical verification. We draw attention to Note No.2 (b) of Notes to the published results.
- Various legal cases are pending against the company and by the company, the amount is unascertainable. We draw your attention to Note No.2(c), 3(c) and 3(d) of Notes to the published results

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification:** a(1) Year 4 and a(2) Year 3 a(3) Year 2

**d. For Audit Qualification(s) where the impact is not quantified by the auditor:**

**I. Management's View and reason for the same:-**

- The management and Board of Directors of the company have initiated various steps like cost reduction, identifying non core assets for

monetization 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 the business results in the forthcoming years. Accordingly, the financial statements have been prepared on going concern basis.

- ii. The balance of sundry debtors, sundry creditors, warranty receivable, warranty payables and warranty stock and physical verification of closing stock are subject to reconciliation. The management is in process of reconciling the same.
- iii. Pending approval/payment to consortium bankers possession of the property remains with bankers under security charge to bank as per SARFAESI Act 2002. Suppliers have filed legal case u/s 138 of Negotiable Instrument Act amounting to Rs. 39.46 Lacs. Company is in process of settlement and negotiation for the said matter.

**II. Auditors' Comments on (i), (ii) and (iii) above:**

- (i) We have relied on:
  - Banker have taken possession of the security charged under SARFAESI Act.
  - Negative cash flows
  - Net Worth erosion
- (ii) Non receipt of any confirmation from debtors, creditors, warranty receivable, payable claims and warranty stocks and physical verification of closing stock. No supporting available for write off/write back for our verification.
- (iii) Company has pending litigation which would impact its financial position regarding non payment of dues as cases filed under Negotiable Instrument Act for cheque bouncing amounting to Rs. 39.46 lacs, possession of property of the company mortgaged to the bank under SARFAESI Act and various other cases filed by the company and against the company.

Managing Director

CFO

Audit Committee Chairman

Statutory Auditor

**Date: 29.05.2019  
Place: Mumbai**

**Signatories:**

*Petam A. Ashtekar*

*Petam A. Ashtekar*

*R. C. V. ...*



**R.C. VAKHARIA & CO.**  
Chartered Accountants

**ROHIT C. VAKHARIA**  
B.COM (HONS), F.C.A.

SE International School Complex,  
Ground Floor, Rokadia Cross Lane,  
Borivali (W), Mumbai - 400 092.  
Mob.: 9820047108  
Tel.: 022 - 28927921  
Email : rohitvakharia23@gmail.com

Ref. No.

Date :

The Board of Directors  
PAE Limited  
69, Tardeo Road,  
Mumbai-400034

**Independent Auditor's Report on the Statement of standalone financial results**

1. We have audited the accompanying Statement containing the annual audited standalone financial results of PAE Limited (the "Company") for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015")

**Management's Responsibility for the standalone financial results**

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or Error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

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appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

6) Qualified opinion :

- a) *We draw your attention that Net Worth of the company is negative at the year ended 31st March, 2019. It has incurred accumulated losses of Rs. 6846.78 lakhs till March 31, 2018 and profit of Rs.335.63 Lakhs (excluding other comprehensive income) for the year ended 31st March, 2019 making total accumulated loss (Deficit in Profit & Loss account) of Rs.6511.15 Lakhs as of March 31, 2019. Despite this, for the reasons mentioned in Note No. 2(a) of Notes to the published results, the accounts have been prepared on going concern basis. This condition indicates existence of a material uncertainty that may cast significant doubt about the Company's ability to continue on a going concern basis. We don't have the appropriate audit evidence to consider the Company to continue as going concern.*
- b) *The balances of sundry debtors, sundry creditors, loans and advances, warranty receivables, warranty payables written off and warranty stock are subject to reconciliation and confirmation. Closing stock is subject to physical verification. We draw attention to Note No. 2(b) of Notes to the published result.*
- c) *Various legal cases are pending against the company and by the company. The amount is unascertainable. We draw attention to Note No. 2 (c), 3(c) & 3(d) of Notes to the published results.*

Subject to above In our opinion and to the best of our information and according to the explanations given to us:

(i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) the Annual audited standalone financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of profit and other comprehensive income) and other financial information of the Company the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.





#### Emphasis of Matter

- a) We draw your attention in respect of non-provision for interest on ICD of promoters, balance of loans & advances, unclaimed matured deposits and outstanding supplier balances which may impact financial statement, amount unascertainable.
- b) The Company policy for IFCOFR required to be strengthen 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 etc. as company doesn't have internal audit control system.
- c) Company has not recognized deferred tax assets (Net) in the books of account as required by accounting IndAS 12
- d) The figure for the quarter ended March 31.03.2019 which is balancing figure between audited figures in respect of full financial and published year to date figure upto third quarter of the current financial year.

Our opinion is not modified in above matters.

#### Restriction on Use

7. This report is addressed to the Board of Directors of the Company and the Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges.  
This report should not be otherwise used by any other party for any other purpose.



For R C Vakharia & Co.  
Firm Registration Number: 111237W  
Chartered Accountants

*R.C. Vakharia*

Rohit C Vakharia  
Proprietor  
Membership Number 033728  
Date: 29.05.2019  
Place: Mumbai