



Sec:137

August 11, 2018

**National Stock Exchange of India Ltd.**

Exchange Plaza, C-1, Block-G,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai – 400 051.

**Script code : PAEL**

**BSE Limited**

Floor 25, P J Towers,  
Dalal Street,  
Fort, Mumbai – 400 001.

**Script code : 517230**

Dear Sirs,

**Sub.: Unaudited Financial Results along with Limited Review Report for the quarter ended on June 30, 2018.**

With reference to our letter dated 03.08.2018 and captioned subject, we do hereby inform you that the meeting of Board of Directors of the Company held today i.e. 11<sup>th</sup> August, 2018 and *inter-alia* transacted the following business:-

- 1) Considered and taken on record the Unaudited Financial Results of the Company along with Limited Review Report for the quarter ended as on June 30, 2018;

Attached please find a copy of the Limited Review Report of the Statutory Auditors of the Company, as required under regulation 33 of the Listing Regulations is also enclosed herewith.

The above information is also hosted on the website of the company at [www.paeltld.com](http://www.paeltld.com)  
The meeting of the Board of Directors commenced at 3.30 p.m. and concluded at 5.00 p.m.

Kindly take the above document on record and acknowledge.

Thanking you,

Kindly take the above documents on record and acknowledge.

Thanking you,

Very truly yours,  
For PAE Limited

**Pranay S. Nandgaonkar**  
**Company Secretary & Compliance Office**

Encls: a/a



**PAE LIMITED**



STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2018					
	Particulars	Rs. In Lakh			
		3 months Ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Unaudited	Audited	Unaudited	Audited
I	<b>Income</b>				
	Revenue from Operations	2	11	1	0
II	Other Income	11	(4)	63	202
III	<b>Total Revenue</b>	<b>13</b>	<b>7</b>	<b>64</b>	<b>211</b>
IV	<b>Expenses</b>				
a)	Changes in inventories of traded goods	1	(4)	31	34
b)	Purchases of traded goods	(0)	0	1	5
c)	Employee benefits expense	22	25	23	90
d)	Finance cost	11	(17)	20	47
e)	Depreciation and amortisation	3	4	5	14
f)	Other expenses	26	5	46	173
	<b>Total Expenses</b>	<b>62</b>	<b>13</b>	<b>126</b>	<b>363</b>
V	<b>Profit Before Tax (III-IV)</b>	<b>(49)</b>	<b>(6)</b>	<b>(62)</b>	<b>(152)</b>
VI	a) Tax expenses	0	0	0	0
	b) Current tax	0	0	0	0
	c) Deferred Tax	0	0	0	0
VII	<b>Profit (Loss) for the period after Tax (V-VI)</b>	<b>(49)</b>	<b>(6)</b>	<b>(62)</b>	<b>(152)</b>
VIII	<b>Other Comprehensive Income (OCI)</b>	<b>(5)</b>	<b>(20)</b>	<b>0.12</b>	<b>(17)</b>
IX	<b>Total Comprehensive Income (VII+VIII)</b>	<b>(54)</b>	<b>(26)</b>	<b>(62)</b>	<b>(169)</b>
X	Paid up: Equity Share Capital (face value of Rs.10/- each)	1042	1042	1042	1042
XI	<b>Earning Per Share (EPS) (of Rs.10/- each)</b>				
	Basic	(0.47)	(0.06)	(0.60)	(1.46)
	Diluted	(0.47)	(0.06)	(0.60)	(1.30)

**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 SFBI circular dated July 05, 2016. The company has for the first time adopted Ind AS for financial year commencing from April 01, 2017 with a transition of date of April 01, 2016.
- The statutory auditors of PAE Limited have qualified the following :
  - The statutory auditors of PAE Limited have qualified the company's status-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.
  - The balances of sundry debtors, sundry creditors, warranty receivables, warranty payables written off and warranty 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 unascertainable, depending on the outcome of the cases; necessary effects will be given in the book of accounts.
- No provision for bank interest has been made during the quarter ended 30.06.2018 and also for previous year as on 31.03.2018 as the bank facilities have been classified as Non Performing Assets by the Consortium banker. Bankers have taken possession of the security charged to bank under SARFAESI Act 2002 and subsequent to quarter end bankers has issued notice for sale of properties by "e" auction. The company is in process settlement to negotiate with Bankers for settlement and representing again for settlement.  
  
As bankers have taken possession of the properties. Property, Plant & Equipment and Inventory is not physically verified and hence value is unascertainable.
  - Company has received winding up order from High Court of Mumbai for the amount of Rs. 1.32 Crores payable to suppliers against which company have filed appeal and it is optimistic of this case getting quashed by Hon'ble High Court. The company has counter claim Of Rs. 1.33 crores against the supplier for warranty.
  - Suppliers have filed legal case u/s 138 of Negotiable Instrument Act amounting to Rs. 40.50 Lacs. Company is in process of settlement and negotiation for the said matter.

**PAE LIMITED**



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



- 4 The company has only one reportable segment namely "Power Products" hence segment disclosure under Ind AS 108 is not required.
- 5 Company had entered an agreement on 29.09.2017 to sale its holding in previous year in subsidiary company Shurjo Energy Pvt Ltd. in three different tranches. Company accounted sale of first tranche (53.40%) in previous year for consideration of Rs. 0.50 Lac. As payment of second tranche for sale of 92,61,076 shares(20.29%) for consideration of Rs. 2.81 Lac not realised as per agreement. Company issued notice to Investor. During the quarter company has sold 4,691,585 shares (10.28%) in Shurjo Energy private Ltd. associate company committed to other than investor as per agreement for Rs. 1.40 Lac and booked loss on sale of share Rs. 1.16 Lac on the basis realisation value which is represented under other expenses. Company ceases to be subsidiary with effect from 30.09.2017 and become associate of the company.

The fair value of the share accordingly revalued in current quarter at the price valued by independent valuer failing the payment by the investor.

- 6 The company has adopted Indian Accounting Standard (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017 (transition date being 1st April, 2016). Accordingly, 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. Accordingly, results for the quarter ended 30th June 2017 have been restated to comply with Ind AS to make those comparable.

The reconciliation of net profit between Ind AS and erstwhile Indian GAAP is as follows:

Nature of Adjustments	Rs. In Lakhs
	Period Ended 30.06.2017
Net Profit as per Indian GAAP on 30.06.2017	(61.21)
Add/(Less): Adjustments made as per Ind AS	
Increase in Expenses to be recognised in Profit & Loss as per Actuarial Valuation	(0.56)
Net profit as per Ind AS on 31.03.2017	(61.77)
Other Comprehensive Income	0.12
<b>Total Comprehensive Income</b>	<b>(61.65)</b>

1. Property, Plant and Equipment carried forward at carrying cost. No fair valuation done.
  2. Investment in subsidiary and Quoted Investments wherever available has been valued at fair value as on 30.06.2018
- 8) Other Income includes Rs. 5.35 Lacs representing payable written back of subsidiary.
- 9) As reported in the previous year one of the promoter group company has sold preference share 13,40,000 (14.73% shareholding) to non promoters where consideration has been received by them but still pending transfer shown on the name of promoter group as on 30.06.2018. Consequently promoters holding in preference share capital will be reduced by 14.73%.
- 10) Company has Undisputed statutory dues of Rs. 56.40 Lakhs as on 30.06.2018 and interest liability provided on it Rs. 12.35 Lakhs.
- 11) Non provision for interest on ICD of promoters, loans & advances, unclaimed matured deposits, n/s supplier balances as the company is in process of settlement with suppliers and settlement of left employees liability is unascertainable.
- 12) According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 revenue for the quarter ended 30.06.2017 and for the year ended 31.03.2018 were reported exclusive of VAT and Service Tax. The Government of India has implemented the Goods and Service Tax (GST) from 01.07.2017 replacing VAT, Service Tax, Excise Duty and various other indirect taxes. As per Ind AS, the revenue for the quarter ended 30.06.2018 and 31.03.2018 are reported net of GST. Hence there is no impact on comparative figures for the quarter ended 30.06.2017 and 30.06.2018.
- 13) The figures for the quarter ended 31.03.2018 are the balancing figures between the audited figures for the full financial year ended 31.03.2018 and published year to date figures upto the quarter and nine months ended 31.12.2017.
- 14) Previous years/Quarters figure are regrouped wherever necessary.
- 15) The above result were reviewed and recommended by audit committee and approved by Board of directors in the meeting held on 11.08.2018.

Place : 11th Aug'2018  
Place : Mumbai

For PAE Limited

*Pritam A Doshi*

Pritam A Doshi  
Managing director



## PAE LIMITED

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

**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 :

To

**The Board of Directors,  
PAE Limited,  
69, Tardeo Road,  
Mumbai – 400 034.**

1. We have reviewed unaudited financial results of PAE Limited (The company) for the quarter and three months ended June 30, 2018 which are included in the accompanying 'Statement of Standalone unaudited financial results for the quarter and three months ended June 30, 2018. (The statement has been prepared by the company pursuant to regulation 33 of the Securities and Exchange Board of India ('Listing Obligation and Disclosure Requirements) Regulation, 2015 ('The listing Regulation 2015'), read with SEBI Circular No. CIR/CFD/FAC/62/2016. The statement is the responsibility of the company's management and has been approved by the board of directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review of this statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditors of the Entity' issued by 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. Basis for Qualified Conclusion

a) We draw your attention that Net Worth of the company is negative at the quarter and three months ended 30<sup>th</sup> June, 2018. It has incurred accumulated losses of Rs. 6846.78 lacs till March 31, 2018 and loss of Rs. 51.97 Lakhs (excluding other comprehensive income ) for the quarter and three months ended June'2018 making total accumulated loss (Deficit in Profit & Loss account) of Rs. 6898.75 Lakhs as of June 30, 2018. 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, 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(a) 3(b) and 3(c) of Notes to the published results.

#### 4. Other Matter

1. We draw your attention in respect of sale of Preference Shares by one of the promoter group company to non-promoters where consideration is received in previous quarter but still pending for transfer, Due to this promoter holding in preference share capital will be reduced by 14.73% which is shown under borrowing as per the requirement of Ind AS.
2. We draw your attention in respect of non-provision for interest on ICD of promoters, loans & advances, unclaimed matured deposits, outstanding supplier balances and settlement of left employees' liability is unascertainable.

Our opinion is not modified in this matter.

#### 5. Qualified Conclusion

Subject to matters referred in para 3 above and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of results read with notes thereon, prepared in accordance with Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 including the manner in which it is to be disclosed, or that it contains any materials misstatement.

Date: 11.08.2018  
Place: Mumbai



For R.C. Vakharia & Co.  
Chartered Accountants  
FRN: 111237W

*R C Vakharia*

Rohit C Vakharia  
Proprietor  
M.No. 033728