



Sec:127

June 16, 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.: Outcome of Board Meeting and submission of approved Audited Financial Statements (Consolidated) along with Audit Report for the quarter and year ended as on March 31, 2018.**

Pursuant to caption subject and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we do hereby inform you that the meeting of Board of Directors of the Company held today i.e. 16<sup>th</sup> June, 2018 and *inter-alia* transacted the following business:-

- 1) Approved and taken on record Audited Financial Statements (Consolidated) for the quarter and year ended on March 31, 2018 along with Audit Report by the Company for the quarter and year ended on March 31, 2018 as recommended by Audit Committee.

Attached please find Audited Financial Statements (Consolidated), along with Audit Report and Impact of Audit Qualifications.

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

The meeting of the Board of Directors commenced at 3.15 p.m. and concluded at 3.45 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

**Arvind R. Doshi**  
Chairman  
DIN: 00015293



**PAE LIMITED**

Encls: a/a



(Rupees in lacs)

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YAER ENDED 31ST MARCH 2018							
Particulars	Standalone					Consolidated	
	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	Year ended	Year ended
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
<b>I Income</b>							
Revenue from Operations	11	(1)	17	9	47	10	64
Other Income	(4)	71	78	202	153	202	147
<b>II Total Revenue</b>	<b>7</b>	<b>70</b>	<b>95</b>	<b>211</b>	<b>200</b>	<b>212</b>	<b>210</b>
<b>IV Expenses</b>							
a) Changes in inventories of traded goods	(4)	38	(31)	34	235	34	235
b) Purchases of traded goods	0	(29)	2	5	(81)	5	(81)
c) Employee benefits expense	25	21	21	90	244	91	249
d) Finance cost	(17)	19	(8)	47	95	47	95
e) Depreciation and amortisation	4	3	5	14	24	18	37
f) Other expenses	5	65	(37)	173	205	177	213
<b>Total Expenses</b>	<b>13</b>	<b>117</b>	<b>(48)</b>	<b>363</b>	<b>722</b>	<b>372</b>	<b>748</b>
<b>V Profit Before Exceptional and Tax (III-IV)</b>	<b>(6)</b>	<b>(47)</b>	<b>143</b>	<b>(152)</b>	<b>(522)</b>	<b>(160)</b>	<b>(538)</b>
VI Exceptional Items	0	43	0	0	0	(132)	651
<b>Profit Before Exceptional and Tax (III-IV)</b>	<b>(6)</b>	<b>(4)</b>	<b>143</b>	<b>(152)</b>	<b>(522)</b>	<b>(292)</b>	<b>113</b>
<b>VII a) Tax expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
b) Current tax	0	0	0	0	0	0	1
c) Deferred Tax	0	0	0	0	0	0	0
<b>VIII Profit (Loss) for the period after Tax (V-VI)</b>	<b>(6)</b>	<b>(4)</b>	<b>143</b>	<b>(152)</b>	<b>(522)</b>	<b>(292)</b>	<b>112</b>
IX Other Comprehensive Income (OCI)	(20)	3	2	(17)	(14)	(3)	9
<b>X Total Comprehensive Income (VII+VIII)</b>	<b>(26)</b>	<b>(1)</b>	<b>145</b>	<b>(169)</b>	<b>(535)</b>	<b>(295)</b>	<b>103</b>
XI Paid up Equity Share Capital (face value of Rs.10/- each)	1042	1042	1042	1042	1042	1042	1042
<b>XII Earning Per Share (EPS) (of Rs.10/- each)</b>							
Basic	(0.06)	(0.04)	1.37	(1.46)	(5.00)	(2.80)	1.07
Diluted	(0.06)	(0.04)	1.37	(1.46)	(5.00)	(2.80)	1.07

**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 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.
  - We have not been provided with audited financial statement/ financial information in respect of subsidiary Shurjo Energy Private Limited. Consolidation has been done upto 30.09.2017 based on unaudited financial statements. Further comparative financial information for the year ended 31.03.2017 and transition date 01.04.2016 is not provided as required by Ind AS. Unable to comment on possible effect on total asset, total revenue, other equity and cash flows of the group. Management is following up for audited financial statements. As per Management there will be no major impact on consolidated financial statement
  - We have not been provided with the financial statement of Associate Shurjo Energy Private Limited for the year ended 31.03.2018. Hence proportionate share of profit/loss in associate is not available for consolidation purpose. Management is following up for audited financial statements. As per Management there will be no major impact on consolidated financial statement.
- a) No provision for bank interest has been made during the quarter and year ended 31.03.2018 and also for previous year as on 31.03.2017 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 in parallel company have filed securitization application in DRT III Vashi. The company is in process to negotiate with Bankers for settlement and representing again for settlement.



**PAE LIMITED**

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



- b) Interest to suppliers for the quarter and year ended 31.03.2018 has not been provided as the company is in process in settlement of suppliers accounts.
- c) 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.
- d) 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.
- 4) The company has only one reportable segment namely "Power Products" hence segment disclosure under Ind AS 108 is not required.
- 5) Other income includes Rs. 121.81 Lacs creditors and warranty payable written back. Other expenses includes Rs. 42.21 Lac for expected credit loss on debtors as identified by management as not recoverable.
- 6) Company entered an agreement on 29.09.2017 to sale its holding in subsidiary company Shurjo Energy Pvt Ltd. (99.98%) in three different tranches. Company accounted sale of first tranche (53.40%) for consideration of Rs. 0.50 Lac. Further loss on sale of second tranche will be booked on realisation of consideration. Company ceases to be subsidiary w.e.f. 30.09.2017 and now it is associate of the company.
- 7) 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 year ended 31st March, 2017 have been restated to comply with Ind AS to make those comparable.

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

Nature of Adjustments	Rs. In Lakhs	
	Year Ended	
	31.03.2017	
Net Profit as per Indian GAAP on 31.03.2017	103.10	
Add/(Less): Adjustments made as per Ind AS		
Actuarial Gain on Employees Defined benefit plan recognized in Other Comprehensive Income	8.68	
Net profit as per Ind AS on 31.03.2017	111.78	
Other Comprehensive Income	(8.68)	
Total Comprehensive Income	103.10	

Nature of Adjustments	Rs. In Lakhs	
	Year Ended	
	31.03.2017	
Reserves as per Indian GAAP on 31.03.2017	(3678.74)	
Add/(Less): Adjustments made as per Ind AS		
Impact of measuring financial instruments at fair value	0.00	
Impact of Defined Employee Benefit Expense recognized in OCI	(8.68)	
Impact of Defined Employee Benefit Expense classified under OCI (reduced from retained earning)	8.68	
Equity as per Ind AS on 31.03.2017	(3678.75)	

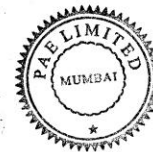
1. Property, Plant and Equipment carried forward at carrying cost. No fair valuation done.
2. Investment in subsidiaries and Quoted Investments has been valued at fair value as on 31.03.2018 (which has not been done till the period ended 31.12.2017).
- 8) Exceptional items includes Rs. 56.33 Lacs representing profit on sale of property and other expenses includes Rs. 12.85 lacs representing loss on sale of investment in subsidiaries til Dec 31.12.2017 regrouped under other income and other expenses respectively.
- 9) Subsequent to the year end following events have taken place:  
a) Bankers have taken possession of the property at Vashi. Property, Plant & Equipment and Inventory is not physically verified and hence value is unascertainable.  
b) Company has sold 46,91,585 shares (10.28% holding) in Shurjo Energy Private Limited for Rs. 1.40 Lacs
- 10) During the quarter ended December, 2017 company has provided interest of Rs. 23.29 Lacs and provision for doubtful debts of Rs. 23.00 Lacs which has been reversed in current quarter.
- 11) As reported in financial year 2016-17 in respect of Shurjo Energy Private Ltd. as a matter of prudence in consolidated financial statement a sum of Rs. 645.09 Lac has been reversed which was written off in financial year 2015-16. Now in financial year 2017-18 till 30th Sept 2017 as per unaudited balance sheet of subsidiary has written back the said amount showing as income which is been eliminated in consolidated financial statement.
- 12) Exceptional items Rs. 131.72 Lac includes write off Rs. 32.82 Lac PAE infrastructure Pvt Ltd, write off Rs. 167.61 Lac and Rs. 60.61 Lac profit on sale of subsidiary in respect of Shurjo Energy Pvt Ltd and also include prior period adjustment Rs. 2.53 Lac.
- 13) Previous years/Quarters figure are regrouped wherever necessary.
- 14) The above result were reviewed and recommended by audit committee and approved by board of directors in the meeting held on 16.06.2018.

For PAE Limited

*Pritam A Doshi*

Pritam A Doshi  
Managing director

Place : 16 June '2018  
Place : Mumbai



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

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

404, Metro Avenue,  
Opp. WEH Metro Station,  
Andheri Kurla Road,  
Andheri East, Mumbai -400 099  
Tel No:- 022 2838 8282  
Email: rohitvakharia23@gmail.com

Ref. No.

Date:

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF PAE LIMITED**

**Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Ind AS financial statements of PAE Limited (hereinafter referred to as "the parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the group") and its associate, which comprise Consolidated the Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flows and statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and its associate 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the parent's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained by us and the audit evidence obtained by the other auditors of the subsidiaries in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Ind AS financial statement.

#### **Basis for Qualified Opinion**

*a) We draw your attention that balance of Retained Earning (Profit & loss A/c ) of the group is negative as on 31st March, 2018. It has incurred accumulated losses of Rs. 6586.48lacs till March 31, 2017 and loss of Rs. 291.82 (excluding other comprehensive income) Lakhs for the year ended making total accumulated loss of Rs. 6878.30 Lakhs as of March 31, 2018. Despite this, for the reasons mentioned in Note No. 36 of Notes to the accounts, 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 balance of sundry debtors, sundry creditors, warranty receivables, warranty payables and warranty stock are subject to reconciliation and confirmation. Closing stock is subject to physical verification. We draw attention to Note No. 37 of Notes to the accounts.*

*c) Various legal cases are pending against the company and by the company, the amount is unascertainable. We draw attention to Note No. 38 of Notes to the accounts.*

*d) (i) We have not been provided with audited financial statement/ financial information in respect of subsidiary Shurjo Energy Private Limited. Consolidation has been done upto 30.09.2017 based on unaudited financial statements. Further comparative financial information for the year ended 31.03.2017 and transition date 01.04.2016 is not provided as required by Ind AS. Unable to comment on possible effect on total asset, total revenue, other equity and cash flows of the group. (Also refer Note no. 43 (a), 46, 47 and 48 of Notes to the accounts)*

*(ii) We have not been provided with the financial statement of Associate Shurjo Energy Private Limited for the year ended 31.03.2018. Hence proportionate share of profit/loss in associate is not available for consolidation purpose.(Also Refer Note No 43 (b) of Notes to the Accounts )*

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraph and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss, total comprehensive income, its Cash Flows and changes in equity for the year ended on that date.

#### **Other Matters**

- a) We did not audit the financial statements /financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs.6.19 Lacs As at March 31, 2018, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.18 Lacs for the year ended on that date, as considered in the consolidated Ind As financial statements. These financial statements/financial information have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amount and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b) The comparative financial information for the year ended march 31, 2017 and the transition date opening balance sheet as at April 1, 2016 in respect of one subsidiary included in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirement: below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of Company and subsidiary companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and reports from other auditors.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) Except for the effects of the matter described in the Basis of Qualified Opinion paragraph above which may have an adverse effect on the functioning of the Company, in our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- f) On the basis of the written representations received from the directors of the parent, as on March 31, 2018 and taken on record by the Board of Directors of the parent and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2018 from being appointed as a director, in terms of Section 164(2) of the Act. We have not received representation from directors as on 31.03.2018 of one associate company incorporated in India. Unable to comment on disqualification of Directors of associate company.
- g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Parent 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 amount involve Rs. 40.50` lacs , possession of property of the company mortgaged to the bank under SARFAESI Act by the Banker where amount outstanding is Rs. 20.26 crores as per books of accounts and order for winding up issued by High Court, Mumbai amounting to Rs. 1.32 Crores and Refer Note No. 35 to the Notes to the accounts- contingent liability)
  - (ii) The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.C. Vakharia & Co.  
Chartered Accountants  
Firm Reg. No. 111237W

*R.C. Vakharia*

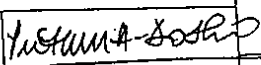
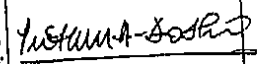
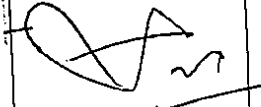
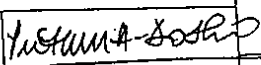
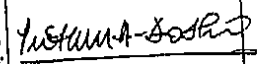
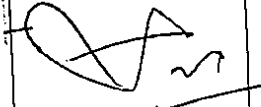
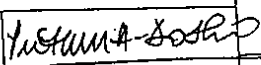
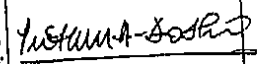
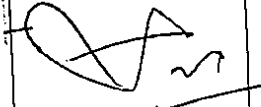
Rohit C. Vakharia  
Proprietor  
Membership No. 033728

Place: Mumbai  
Date: June 16, 2018



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018(Consolidated Financial Statement)**

I	Sl No.	Particulars	Audited Figures(as reported before adjusting for qualifications)	Audited Figures(as reported after adjusting for qualifications)
	1	Total Income	-	-
	2	Total Expenditure	-	-
	3	Net Profit/(loss)	-	-
	4	Earnings Per Share	-	-
	5	Total Assets	-	-
	6	Total Liabilities	-	-
	7	Net Worth	-	-
II	<b>Audit Qualifications:</b>			
a	<b>Details of Audit Qualifications:</b> <b>1. Going Concern:</b> We draw your attention that balance of Retained Earning (Profit & loss A/c) of the group is negative as on 31st March, 2018. It has incurred accumulated losses of Rs. 6586.48lacs till March 31, 2017 and loss of Rs. 291.82 (excluding other comprehensive income) Lakhs for the year ended making total accumulated loss of Rs. 6878.30 Lakhs as of March 31, 2018. Despite this, for the reasons mentioned in Note No. 36 of Notes to the accounts, 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>2. Balance Confirmation:</b> The balance of sundry debtors, sundry creditors, warranty receivable, warrant payable and warranty stock are subject to confirmation and reconciliation. Closing Stock is subject to physical verification. Refer note no. 37 of notes of accounts			
	<b>3. Legal Cases:</b> Various legal cases are pending against and by the company, the amount is unascertainable. Refer note no. 38 of notes of accounts.			
	<b>4. Non-availability of audited financial statement of Shurjo Energy Private Limited:</b> We have not been provided with the audited financial statement/financial information in respect of subsidiary Shurjo Energy Private Limited. Consolidation has been done upto 30.09.2017 based on unaudited financial statements. Further comparative financial information for the year ended 31.03.2017 and transition date 01.04.2016 is not provided as required by Ind AS. Unable to comment on possible effect on total asset, total revenue, other equity and cash flow of the group. Financial statement of Associate for the year ended 31.03.2018 has not been provided hence proportionate share of profit/loss in associate is not available for consolidation also refer to note no. 43(a) & (b), 46,47 and 48 of consolidated financial statement			
b	<b>Type of Audit Qualification:</b> Qualified Opinion			
c	<b>Frequency of qualification:</b>	Going Concern	Thlrd Year	
		Balance Confirmation	Second Year	
		Legal cases	First Year	
		Unaudited Financial Statement	First Year	
d	<b>For Audit Qualification where the impact is not quantified by the auditor:</b>			
i)	<b>Reason for the same:</b>			
	<b>1. Going Concern:</b> The management and Board of Directors of the group 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 the business results in the forthcoming years. Accordingly, the financial statements have been prepared on going concern basis.			
	<b>2. Balance Confirmation:</b> The company is in process of reconciling the same.			

	<p>3. Legal Cases: The company is in process of settlement with bankers/suppliers. Company has filed securitization application in DRT III Vashi against the bankers. Company has preferred appeal to High Court against the winding up order. It is optimistic of order getting quashed by the Hon'ble High Court. The company has counter claim of Rs. 1.33 Crores for warranty against the supplier.</p>												
	<p>4. Unaudited Financial Statement: Shurjo Energy Private Limited has ceased to be subsidiary of the company w.e.f. 30.09.2017. Management has been following up for the audited financial statement. As per the management there will be no major impact on the consolidated financial statements.</p>												
ii)	<p><b>Auditors' Comments on above:</b></p> <p>1. Going Concern: We have relied upon (a) Bankers have taken possession of the security charged under SARFAESI Act. (b) negative cash flow, (c) Net Worth erosion</p> <p>2. Balance Confirmation: Non receipt of any confirmation from debtors, creditors, warranty receivable, payable claims and warranty stocks and physical verification of closing stock.</p> <p>3. Legal Cases: 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. 40.50 lacs, possession of property of the company mortgaged to bank under SARFAESI Act by the banker where amount outstanding is Rs. 20.26 crores as per the books of accounts and order for winding up issued by High Court, Mumbai amounting to Rs. 1.32 Crores and various other cases filed by and against the company.</p> <p>4. Unaudited Financial Statement: We have not been provided with the audited financial statement of Shurjo Energy Private Limited. Consolidation has been done on the basis of unaudited financial statement upto 30.09.2017.</p>												
iii)	<p><b>Signatories:</b></p> <table border="1"> <tr> <td>Managing Director:</td> <td></td> </tr> <tr> <td>CFO:</td> <td></td> </tr> <tr> <td>Audit Committee Chairman:</td> <td></td> </tr> <tr> <td>Statutory Auditor:</td> <td>Re Vablein</td> </tr> <tr> <td>Place: Mumbai</td> <td></td> </tr> <tr> <td>Date: June 16, 2018</td> <td></td> </tr> </table>	Managing Director:		CFO:		Audit Committee Chairman:		Statutory Auditor:	Re Vablein	Place: Mumbai		Date: June 16, 2018	
Managing Director:													
CFO:													
Audit Committee Chairman:													
Statutory Auditor:	Re Vablein												
Place: Mumbai													
Date: June 16, 2018													



PAE LIMITED  
Consolidated Balance Sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1	2	3	4	5
<b>ASSETS</b>				
1 Non Current Assets				
(a) Property, Plant and Equipment	2	410.87	510.97	565.97
(b) Capital Work in Progress				
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible Assets	3	0.30	15.69	21.55
(f) Intangible Assets under Development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets				
(i) Investments	4	0.71	2.34	19.28
(ii) Trade Receivables				
(iii) Loans	5	62.29	70.57	213.63
(iv) Others				
(i) Deferred Tax Assets (Net)				21.53
(j) Other Non Current Assets	6	8.23	8.14	27.25
2 Current Assets				
(a) Inventories	7	15.16	161.83	402.06
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables	8	51.10	85.78	1324.28
(iii) Cash and Cash Equivalents				
(iv) Bank Balance other than above	9	22.82	28.02	73.18
(v) Loans	10	83.34	85.46	72.44
(vi) Others				
(c) Current Tax Assets (Net)				
(d) Other Current Assets	11	300.20	308.78	352.67
<b>Total Assets</b>		<b>961.02</b>	<b>1,277.58</b>	<b>3,093.84</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
(a) Equity Share Capital	12	1,041.96	1041.96	1041.96
(b) Other Equity	13	(5,123.39)	-4810.70	-4868.07
<b>LIABILITIES</b>				
1 Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings				65.32
(ii) Trade Payables				
(iii) Other Financial Liabilities	14	910.00	910.00	910.00
(b) Provisions	15	29.05	48.99	40.07
(c) Deferred Tax Liabilities (Net)				
(d) Other Non Current Liabilities				
2 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	2,868.44	2524.47	2353.85
(ii) Trade Payables	17	636.35	816.22	2078.72
(iii) Other Financial Liabilities				
(b) Other Current Liabilities	18	586.77	707.78	1399.27
(c) Provisions	19	11.85	38.86	72.71
(d) Current Tax Liabilities (Net)				
<b>Total Equity and Liabilities</b>		<b>961.02</b>	<b>1,277.58</b>	<b>3,093.83</b>

**PAE LIMITED**

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CIN: L99999MH1950PLC008152

