



May 29, 2018

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 as on March 31, 2018

With reference to captioned subject, we do hereby inform you that the meeting of Board of Directors of the Company held today i.e. 29th May, 2018 and *inter-alia* transacted the following business:-

1) Approved and taken on record Audited Financial Statements (Standalone) for the quarter and year ended on March 31, 2018 as recommended by Audit Committee. Attached please find Audited Financial Results, along with Audit Report and Impact of Audit Qualifications.

Further, we are in the process of finalization of Consolidated Audited Financial Statements for the quarter and year ended on March 31, 2018 and will be approved in few days, once finalized and recommended by Audit Committee.

- 2) Approved re-appointment of Mr. Pritam A. Doshi, Managing Director of the Company for a further period of 3 years from 1.4.2018 to 31.3.2021 subject to the approval of the shareholders in the ensuing Annual General Meeting.
- 3) Approved closure and winding up of Subsidiary Company M/s. PAE Infrastructure Private Limited due to lack of operations.
- 4) Approved Appointment of Mr. Pranay S. Nandgaonkar (Membership No. A41333) as Company Secretary and Compliance Officer w.e.f. 1.6.2018 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

The meeting of the Board of Directors commenced at 4.30 p.m. and concluded at 6.05 p.m.

Kindly take the above document on record and acknowledge.

Thanking you,

Very truly yours,
For **PAE Limited**

Pritam A. Doshi
Managing Director
DIN: 00015302



PAE LIMITED



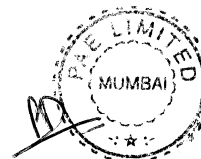
(Rupees in lacs)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YAER ENDED 31ST MARCH 2018						
	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
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
I	Income					
	Revenue from Operations	11	(1)	17	9	47
II	Other Income	(4)	71	78	202	153
III	Total Revenue	7	70	95	211	200
IV	Expenses					
a)	Changes in inventories of traded goods	(4)	38	(31)	34	235
b)	Purchases of traded goods	0	(29)	2	5	(81)
c)	Employee benefits expense	25	21	30	90	244
d)	Finance cost	(17)	19	(8)	47	95
e)	Depreciation and amortisation	4	3	5	14	24
f)	Other expenses	5	65	(37)	173	205
	Total Expenses	13	117	(39)	363	722
V	Profit Before Exceptional and Tax (III-IV)	(6)	(47)	134	(152)	(522)
VI	Exceptional Items	0	43	0	0	0
	Profit Before Exceptional and Tax (III-IV)	(6)	(4)	134	(152)	(522)
VII a)	Tax expenses	0	0	0	0	0
b)	Current tax	0	0	0	0	0
c)	Deferred Tax	0	0	0	0	0
VIII	Profit (Loss) for the period after Tax (V-VI)	(6)	(4)	134	(152)	(522)
IX	Other Comprehensive Income (OCI)	(20)	3	0	(17)	(14)
X	Total Comprehensive Income (VII+VIII)	(26)	(1)	134	(169)	(535)
XI	Paid up Equity Share Capital (face value of Rs.10/- each)	1042	1042	1042	1042	1042
XII	Earning Per Share (EPS) (of Rs.10/- each)					
	Basic	(0.06)	(0.04)	1.29	(1.46)	(5.00)
	Diluted	(0.06)	(0.04)	1.29	(1.46)	(5.00)

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.
- 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.paeltld.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/third tranches 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	(530.38)
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	(521.70)
Other Comprehensive Income	(13.90)
Total Comprehensive Income	(535.60)

Nature of Adjustments	Rs. In Lakhs
	Year Ended 31.03.2017
Reserves as per Indian GAAP on 31.03.2017	(4918.81)
Add/(Less): Adjustments made as per Ind AS	
Impact of measuring financial instruments at fair value	(16.25)
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	(4935.07)

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) Other Income 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.
- 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) Previous years/Quarters figure are regrouped wherever necessary.
- 12) The above result were reviewed and recommended by audit committee and approved by board of directors in the meeting held on 29.05.2018.

Place : 29th May'2018
Place : Mumbai

For PAE Limited

Pritam A Doshi

Pritam A Doshi
Managing director



PAE LIMITED

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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 Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **PAE Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the 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 Standalone Financial Statements

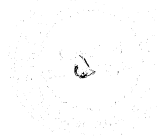
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 standalone 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone 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 Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the Standalone 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 company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statement.

Basis for Qualified Opinion

a) *We draw your attention that balance of Retained Earning (Profit & loss A/c) of the company is negative as on 31st March, 2018. It has incurred accumulated losses of Rs. 6694.60 lacs till March 31, 2017 and loss of Rs. 152.18 (excluding other comprehensive income) Lakhs for the year ended making total accumulated loss of Rs. 6846.78 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.*

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 standalone 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report 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.
- 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.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- 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 standalone 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, none of the directors of the company is disqualified as on March 31, 2018 from being appointed as a director, in terms of Section 164(2) of the Act.
- 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 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 Vakharia
Proprietor
Membership No. 033728

Place: Mumbai
Date: May 29, 2018

ANNEXURE I

Statement on Impact of Audit Qualifications for the year ended March 31, 2018

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
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)	-	-

II. Audit Qualification (each audit qualification separately):

Details of Audit Qualification:

1. We draw your attention that balance of Retained Earning of the company is negative as on 31st March, 2018. It has incurred accumulated losses of Rs. 6694.60 lacs till March 31, 2017 and loss of Rs. 152.18 Lakhs (Excluding OCI) for the year ended making total accumulated loss of Rs. 6846.78 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.
2. The balances of sundry debtors, sundry creditors, warranty receivable, warranty payables and warranty stock are subject to reconciliation. Closing stock is subject to physical verification. We draw attention to Note No. 37 of Notes to the Accounts.
3. Various legal cases are pending against the company and by the company, the amount is unascertainable. We draw your attention to Note No. 38 of Notes to the Accounts.

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

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

c. For Audit Qualification(s) where the impact is quantified by the auditor:

I. Reason for the same:-

- i. 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. 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.

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.
- (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. 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 various other cases filed by the company and against the company.

CEO/Managing Director

CFO

Audit Committee Chairman

Statutory Auditor

Date: 29.05.2018

Signatories:

Pratim A. Doshi

Pratim A. Doshi

[Signature]

R. C. Vaidya



BALANCE SHEET AS AT 31.03.2018
PAE LIMITED

Particulars		Note No.	As at March 31, 2018	As at March 31, 2017
1		2	3	4
ASSETS				
1	Non Current Assets			
	(a) Property, Plant and Equipment		409.10	466.47
	(b) Capital Work in Progress			
	(c) Investment Property			
	(d) Goodwill			
	(e) Other Intangible Assets		0.30	0.47
	(f) Intangible Assets under Development			
	(g) Biological Assets other than bearer plants			
	(h) Financial Assets			
	(i) Investments		12.05	46.28
	(ii) Trade Receivables		51.95	60.23
	(iii) Loans			
	(iv) Others			
	(i) Deferred Tax Assets (Net)		5.21	5.49
	(j) Other Non Current Assets			
2	Current Assets			
	(a) Inventories		11.85	50.03
	(b) Financial Assets			
	(i) Investments			
	(ii) Trade Receivables		50.57	92.57
	(iii) Cash and Cash Equivalents			
	(iv) Bank Balance other than above		21.84	26.96
	(v) Loans		82.96	83.26
	(vi) Others			
	(c) Current Tax Assets (Net)			
	(d) Other Current Assets		300.20	308.78
Total Assets			946.02	1,140.54
EQUITY AND LIABILITIES				
Equity				
	(a) Equity Share Capital		1,041.96	1041.96
	(b) Other Equity		(5,121.70)	(4,935.07)
LIABILITIES				
1	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			
	(ii) Trade Payables			
	(iii) Other Financial Liabilities		910.00	910.00
	(b) Provisions		29.05	48.99
	(c) Deferred Tax Liabilities (Net)			
	(d) Other Non Current Liabilities			
2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		2,868.44	2524.47
	(ii) Trade Payables		620.57	801.65
	(iii) Other Financial Liabilities			
	(b) Other Current Liabilities		585.86	710.48
	(c) Provisions		11.85	38.06
	(d) Current Tax Liabilities (Net)			
Total Equity and Liabilities			946.02	1,140.54

PAE LIMITED

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